

PREPARED BY: Liz Hruska
 DATE PREPARED: March 07, 2019
 PHONE: 402-471-0053

LB 654

Revision: 00

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2019-20		FY 2020-21	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	550,000		550,000	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	550,000		550,000	

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

This bill directs the Department of Health and Human Services to award a competitive grant to a post-secondary institution with a college of medicine located in Nebraska for a pilot study of Type 1 Diabetes for the purpose of identifying ways to reduce costs to the Medicaid Program. The grant recipient would report to the Legislature every year until a final report is due on or before July 1, 2024. The bill states legislative intent to appropriate \$550,000 each year from FY 2019-20 through FY 2023-24 from the General Fund for the study. The pilot study terminates on July 1, 2024.

The pilot study per the legislative intent would cost \$550,000 annually from the General Fund. The department's fiscal note indicates they would incur minor costs administering this program. The management of the grant would take a fraction of two employees' time. The agency should be able to absorb these costs.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 654	AM:	AGENCY/POLT. SUB: Nebraska Department of Health and Human Services	
REVIEWED BY: Ann Linneman	DATE: 3-6-19	PHONE: (402) 471-4180	
COMMENTS: No basis to disagree with the Nebraska Department of Health and Human Services' assessment of fiscal impact.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 654	AM:	AGENCY/POLT. SUB: Department of Administrative Services(DAS)	
REVIEWED BY: Elton Larson	DATE: 2/1/2019	PHONE: (402) 471-4173	
COMMENTS: LB 654 provides Legislative intent to appropriate \$2,750,000 General Funds over five fiscal years for a type 1 diabetes pilot study.			

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

State Agency or Political Subdivision Name:(2) Department of Health and Human Services

Prepared by: (3) Mike Michalski

Date Prepared 1-28-19

Phone: (5) 471-6719

	<u>FY 2019-2020</u>		<u>FY 2020-2021</u>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$570,771	\$0	\$559,913	\$0
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$570,771	\$0	\$559,913	\$0

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

The intent of LB 654 is to provide funding for the Department of Health and Human Services (DHHS) to award a grant for a Type I Diabetes Pilot Study. Estimate is based on administrative costs to manage the program being funded under Program 262. The following expenses would either be paid using dollars appropriated for the study or would need to be in addition to those funds.

One (1) Administrative Assistant to work 104 hours with the Program Manager on entire grant process for FY 2019-2020 and 40 hours for FY 2020-2021 and each year of grant period thereafter.

One (1) Program Manager for 312 hours to develop, solicit and review grant proposals; develop and administer an agreement with the awardee; perform program and fiscal monitoring; prepare documentation for audit and any other duties necessary to manage the grant program created by LB 0654 for FY 2019-2020 and 156 hours for FY 2020-2021 and each year of grant period thereafter.

LB 654 states it is the intent of the Legislature to appropriate \$550,000 from the General Fund to fund a Type 1 Diabetes Pilot Study Grant beginning FY2019-2020 to the end of FY2023-2024. The bill does not stipulate how the administrative costs incurred by DHHS are to be funded. This estimate is based upon an additional appropriation from General Funds being added to the grant amount.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:	NUMBER OF POSITIONS		2019-2020	2020-2021	
	POSITION TITLE	19-20	20-21	EXPENDITURES	EXPENDITURES
Administrative Assistant III		.05	.02	\$2,279	\$874
Program Manager II		.15	.08	\$9,393	\$4,696
Benefits.....				\$3,992	\$1,906
Operating.....				\$555,107	\$552,437
Travel.....					
Capital Outlay.....					
Aid.....					
Capital Improvements.....					
TOTAL.....				\$570,771	\$559,913

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2019

LB⁽¹⁾ 654

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Department of Administrative Services (DAS) - Employee Wellness & Benefits

Prepared by: ⁽³⁾ Jennifer Norris Date Prepared: ⁽⁴⁾ 1/24/2019 Phone: ⁽⁵⁾ 402/471-4147

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2019-20</u>		<u>FY 2020-21</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

LB 654 requires that the Department of Health and Human Services administer a type 1 diabetes pilot study by awarding a complete grant. The bill also provides that the Department of Administrative Services shall provide necessary data to the grant recipient to carry out the study. It is unclear what data will be requested, at what depth and/or frequency. The study will begin in 2020 and end in 2023.

Any information granted must follow HIPAA guidelines and privacy regulations.

It is assumed, without knowing what data may be requested or the complexity or frequency of such requests, that such data can be provided using current resources, and that there is no fiscal impact.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2019-20 EXPENDITURES</u>	<u>2020-21 EXPENDITURES</u>
	<u>19-20</u>	<u>20-21</u>		
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____