

PREPARED BY: Mikayla Findlay
 DATE PREPARED: January 09, 2023
 PHONE: 402-471-0062

LB 129

Revision: 00

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2023-24		FY 2024-25	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See below		See below	

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

This bill states legislative intent to enhance the rates for Medicaid nursing facilities. An unspecified amount is designated to be used on the Medicaid nursing facility rate calculation including the calculation of the annual inflation factor. The Department of Health and Human Services (DHHS) will file a report with the Legislative Fiscal Analyst and the Clerk of the Legislation no later than August 1, 2023 on how the inflation factor was calculated for FY24 and no later than August 1, 2024 for FY25. The bill states legislative intent that DHHS will report electronically to the Legislative Fiscal Analyst and the Clerk of the Legislation between December 15 and December 31 each year of the biennium identifying the unobligated portion of the appropriation for nursing facilities including identification of encumbrances and retroactive payments.

DHHS indicates the fiscal impact is unknown as there is nothing in the bill that specifies what the increase would be, whole dollar, percentage, or otherwise. Based on prior year appropriations, a 1% increase to Medicaid nursing facilities would be approximately \$4,362,636 (\$1,813,984 General Funds, \$2,548,652 Federal Funds). The reports to the legislature on how rates are calculated are already being performed therefore there would be no additional operational expenditures.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB:	129	AM:	AGENCY/POLT. SUB: Nebraska Department of Health & Human Services
REVIEWED BY:	Ann Linneman	DATE:	3-21-2023
		PHONE:	(402) 471-4180
COMMENTS: Concur with the Nebraska Department of Health and Human Services' analysis and estimate of fiscal impact to the department.			
Technical Note: The current appropriation language is not sufficient to create an appropriation. The fiscal impact assessment assumes an accompanying A-bill articulating appropriation in accordance with §49-804.			

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

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

Prepared by: (3) John Meals

Date Prepared 1-9-2023

Phone: (5) 471-6719

FY 2023-2024

FY 2024-2025

	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See Below	\$0	See Below	\$0

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

Explanation of Estimate:

LB 129 seeks to appropriate funds to the Department of Health and Humans Services (DHHS) for Medicaid nursing facilities. The fiscal impact of LB 129 is unknown at this time, given that there is no language identifying what the target appropriations are or what the percent increase or whole dollar increase is intended to be.

LB 129 also requires DHHS to continue to file two reports on how rates are calculated and the status of prior year appropriation expenditures. DHHS already prepares these two reports today; the continued absorbed costs related to these reports is \$1,986, which is based on the following hours: 20 hours for Medicaid Finance Deputy Director and 4 hours for Communications Specialist.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:

POSITION TITLE	NUMBER OF POSITIONS		2023-2024 EXPENDITURES	2024-2025 EXPENDITURES
	23-24	24-25		
Benefits.....				
Operating.....				
Travel.....				
Capital Outlay.....				
Aid.....				
Capital Improvements.....				
TOTAL.....				