

LEGISLATURE OF NEBRASKA
ONE HUNDRED NINTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 1091

Introduced by Bostar, 29.

Read first time January 15, 2026

Committee: Health and Human Services

- 1 A BILL FOR AN ACT relating to public assistance; to amend section 68-994,
- 2 Revised Statutes Cumulative Supplement, 2024; to provide
- 3 requirements for long-term care clients with special needs under the
- 4 medical assistance program; and to repeal the original section.
- 5 Be it enacted by the people of the State of Nebraska,

1 **Section 1.** Section 68-994, Revised Statutes Cumulative Supplement,
2 2024, is amended to read:

3 68-994 (1) Until July 1, 2023, the department shall not add long-
4 term care services and supports to the medicaid managed care program. For
5 purposes of this section, long-term care services and supports includes
6 services of a skilled nursing facility, a nursing facility, and an
7 assisted-living facility and home and community-based services.

8 (2) It is the intent of the Legislature that services provided to
9 long-term care clients with special needs be administered in a manner
10 that preserves continuity of care, program stability, and specialized
11 oversight. The Legislature finds that such individuals require service
12 delivery models that do not replicate utilization management approaches
13 used in capitated managed care programs.

14 (3)(a) The department shall exclude skilled nursing facility and
15 nursing facility services for long-term care clients with special needs
16 from enrollment in the medicaid managed care program.

17 (b) For purposes of this section, (i) a long-term care client with
18 special needs means a medicaid recipient whose medical or nursing needs
19 are complex or intensive and exceed the usual level of staff expertise
20 and services ordinarily provided in a nursing facility; and (ii) a
21 provider means a medicaid approved provider of long-term care services
22 for long-term care clients with special needs.

23 (c) Skilled nursing facility and nursing facility services provided
24 to a long-term care client with special needs shall continue to be
25 administered and reimbursed through fee-for-service medicaid or another
26 non-risk-based delivery system authorized under state or federal law and
27 not through the medicaid managed care program.

28 (d) The department shall not require a provider to enroll with a
29 managed care organization as a condition of eligibility to serve a long-
30 term care client with special needs.

31 (e) Nothing in this subsection shall prohibit the department from

1 requiring a managed care organization to coordinate benefits other than
2 skilled nursing facility or nursing facility services or provide
3 wraparound services for a long-term care client with special needs if
4 financial risk and utilization management for a provider is not
5 administered by the managed care program.

6 (f) The department shall implement the requirements of this
7 subsection in a manner that does not increase state General Fund
8 expenditures above the projected costs that would have been incurred for
9 such individuals if services were provided through the medicaid managed
10 care program.

11 (g) The department shall adopt and promulgate rules and regulations
12 to implement this subsection and shall amend medicaid managed care
13 contracts as necessary, including, but not limited to, revisions to
14 enrollment processes, no later than six months after the effective date
15 of this subsection.

16 **Sec. 2.** Original section 68-994, Revised Statutes Cumulative
17 Supplement, 2024, is repealed.