

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2012-13		FY 2013-14	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See Below		See Below	

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

This bill requires the Department of Health and Human Services to apply for a grant under State Balancing Incentive Payment Program by September 1, 2012. The department is to report to the Health and Human Services Committee on or before December 1, 2012, on the status of the grant.

The State Balancing Incentive Payment Program provides states with enhanced federal matching funds in Medicaid to expand home and community-based services. States receiving the enhanced match must make structural changes which include establishing a single point of entry, optional presumptive eligibility, case management services and use of a statewide standardized assessment instrument for determining eligibility for home and community-based services. States with grants under this program may not adopt more restrictive eligibility standards than those in place as of December 31, 2010. The grants are available through September 2015.

Nebraska would be eligible to receive a 2% increase in federal matching funds to enhance home and community-based services. The additional enhanced match would be approximately \$3 million in FY 13 and \$5.9 million in FY 14. The enhanced match would generate \$5.3 million in FY 13 and \$10.7 million in FY 14. These funds likely would offset higher institutional costs. Further study would need to be done to determine the extent of the savings that would result from the shift to more home and community-based services.

The agency has identified costs totaling \$5.8 million (\$2.6 million GF and \$3.2 million FF) in FY 13 and \$ 11.0 million (\$4.9 million GF and \$6.2 million FF) in FY 14 as costs to administer the program and make the structural changes needed to comply with the State Balancing Incentive Payment Program. The enhance match does not apply to the structural changes.

The net impact of the bill is not known since the more information is needed on any shifts from institutional care to home and community-based care.