

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2011-12		FY 2012-13	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	16,667		62,774	
CASH FUNDS				
FEDERAL FUNDS	16,667		84,774	
OTHER FUNDS				
TOTAL FUNDS	33,334		147,548	

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

This bill requires the Department of Health and Human Services by July 1, 2011 to apply for a waiver or an amendment to an existing waiver for the purpose of providing medical assistance for family planning services for persons whose family earned income is at or below 185% of the federal poverty level.

The cost of a contractor to handle the waiver would be \$33,334 (\$16,667 GF and FF) in FY 12 and \$16,668 (\$8,334 GF and FF) in FY 13.

The department estimates based on the U. S. Census statistics that approximately 26,000 women who currently do not qualify would become eligible for family planning services at 185% of the federal poverty level. The approximate cost per recipient is \$198. The state match for family planning services is 10% with 90% paid by the federal government. Assuming an implementation date of July 2013, the cost of family planning services in FY 14 would be 5,148,000 (514,800 GF and \$4,633,200 FF).

Eligibility would be based on income only. One eligibility worker is needed per 1,000 applicants. The cost would be \$1,560,000 (\$780,000 GF and FF) in FY 14. Changes to MMIS are estimated to be \$130,880 (54,440 GF and \$76,440 FF) in FY 13.

An evaluation of other states family planning waivers was conducted by the CNA Corporation under contract with the federal Centers for Medicare and Medicaid (CMS). The report published in 2003 showed family planning waivers saved millions of dollars in all six state programs that were evaluated. The states were Alabama, Arkansas, California, New Mexico, Oregon and South Carolina. In calculating the potential savings in Nebraska, the department assumes 4% of the women receiving services would have otherwise have had a birth that would be covered by Medicaid. Using this assumption, the savings would be \$12,638,080 (\$5,479,871 GF and \$7,158,209 FF) full year savings would not be seen until FY 15. This is based on the cost of prenatal care and delivery at \$10,034 and medical services for an infant up to one year of age at \$2,118. Prenatal care, delivery and medical care for a newborn is matched at 60% from the federal government with 40% paid by the state.