

LEGISLATURE OF NEBRASKA  
ONE HUNDRED FIFTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 605**

Introduced by Riepe, 12.

Read first time January 18, 2017

Committee: Health and Human Services

- 1 A BILL FOR AN ACT relating to public assistance; to amend section
- 2 68-1804, Revised Statutes Cumulative Supplement, 2016; to change
- 3 provisions relating to the ICF/DD Reimbursement Protection Fund; to
- 4 harmonize provisions; to repeal the original section; and to declare
- 5 an emergency.
- 6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 68-1804, Revised Statutes Cumulative Supplement,  
2 2016, is amended to read:

3 68-1804 (1) The ICF/DD Reimbursement Protection Fund is created. Any  
4 money in the fund available for investment shall be invested by the state  
5 investment officer pursuant to the Nebraska Capital Expansion Act and the  
6 Nebraska State Funds Investment Act. Interest and income earned by the  
7 fund shall be credited to the fund.

8 (2) Beginning July 1, 2014, the department shall use the ICF/DD  
9 Reimbursement Protection Fund, including the matching federal financial  
10 participation under Title XIX of the Social Security Act, as amended, for  
11 purposes of enhancing rates paid under the medical assistance program to  
12 intermediate care facilities for persons with developmental disabilities  
13 and for an annual contribution to community-based programs for persons  
14 with developmental disabilities as specified in subsection (4) of this  
15 section, exclusive of the reimbursement paid under the medical assistance  
16 program and any other state appropriations to intermediate care  
17 facilities for persons with developmental disabilities.

18 (3) For FY2011-12 through FY2013-14, proceeds from the tax imposed  
19 pursuant to section 68-1803 shall be remitted to the State Treasurer for  
20 credit to the ICF/DD Reimbursement Protection Fund for allocation as  
21 follows:

22 (a) First, fifty-five thousand dollars for administration of the  
23 fund;

24 (b) Second, the amount needed to reimburse intermediate care  
25 facilities for persons with developmental disabilities for the cost of  
26 the tax;

27 (c) Third, three hundred twelve thousand dollars for community-based  
28 services for persons with developmental disabilities;

29 (d) Fourth, six hundred thousand dollars or such lesser amount as  
30 may be available in the fund for non-state-operated intermediate care  
31 facilities for persons with developmental disabilities, in addition to

1 any continuation appropriations percentage increase provided by the  
2 Legislature to nongovernmental intermediate care facilities for persons  
3 with developmental disabilities under the medical assistance program,  
4 subject to approval by the federal Centers for Medicare and Medicaid  
5 Services of the department's annual application amending the medicaid  
6 state plan reimbursement methodology for intermediate care facilities for  
7 persons with developmental disabilities; and

8 (e) Fifth, the remainder of the proceeds to the General Fund.

9 (4) For ~~FY2014-15~~ FY2016-17 and each fiscal year thereafter, the  
10 ICF/DD Reimbursement Protection Fund shall be used as follows:

11 (a) First, fifty-five thousand dollars to the department for  
12 administration of the fund;

13 (b) Second, payment to the intermediate care facilities for persons  
14 with developmental disabilities for the cost of the tax;

15 (c) Third, three hundred twelve thousand dollars, in addition to any  
16 federal medicaid matching funds, for payment to providers of community-  
17 based services for persons with developmental disabilities;

18 (d) Fourth, one million dollars to the General Fund; and

19 (e) Fifth, rebase rates under the medical assistance program in  
20 accordance with the medicaid state plan as defined in section 68-907. In  
21 calculating rates, the proceeds of the tax provided for in section  
22 68-1803 and not utilized under subdivisions (a), (b), (c), and (d) of  
23 this subsection shall be used to enhance rates in non-state-operated  
24 intermediate care facilities for persons with developmental disabilities  
25 by increasing the annual inflation factor to the extent allowed to ensure  
26 federal financial participation for the department's payments to  
27 intermediate care facilities for persons with developmental disabilities  
28 ~~by such proceeds and any funds appropriated by the Legislature.~~

29 (5) The Division of Medicaid and Long-Term Care of the Department of  
30 Health and Human Services shall report electronically, no later than  
31 December 1 of each year, to the Health and Human Services Committee of

1 the Legislature and the Revenue Committee of the Legislature the amounts  
2 collected from each payer of the tax pursuant to section 68-1803 and the  
3 amount of each disbursement from the ICF/DD Reimbursement Protection  
4 Fund.

5 Sec. 2. Original section 68-1804, Revised Statutes Cumulative  
6 Supplement, 2016, is repealed.

7 Sec. 3. Since an emergency exists, this act takes effect when  
8 passed and approved according to law.