

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2024-25		FY 2025-26	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$25,611,789		\$25,611,789	
CASH FUNDS				
FEDERAL FUNDS	\$26,499,242		\$26,499,242	
OTHER FUNDS				
TOTAL FUNDS	\$52,111,031		\$52,111,031	

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

This bill appropriates an unspecified amount of General Funds to Program 424 Developmental Disabilities (DD) Aid in the Department of Health and Human Services (DHHS) in FY25 to implement an eleven percent increase to reimbursement rates paid to providers. The bill also appropriates an unspecified corresponding amount of Federal Funds to Program 348 Medical Assistance Program in DHHS in FY25 to implement the increase.

DHHS provides DD services in Program 424 and Program 354, Child Welfare. The total cost to DHHS is \$51,044,031: \$26,499,242 in Federal Funds appropriated in Program 348, \$19,355,130 in General Funds appropriated in Program 424, and \$5,189,659 in General Funds appropriated in Program 354.

In addition to DHHS, the Supreme Court provides DD services to youth who are involved in probation. The cost to implement an 11% increase to the Supreme Court is \$1,067,000 in General Funds.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB:	1117	AM:	AGENCY/POLT. SUB: Nebraska Supreme Court
REVIEWED BY:	Ann Linneman	DATE:	2-13-2024 PHONE: (402) 471-4180
COMMENTS: No basis to disagree with the Nebraska Supreme Court's assessment of fiscal impact.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB:	1117	AM:	AGENCY/POLT. SUB: Nebraska Department of Health & Human Services
REVIEWED BY:	Ann Linneman	DATE:	2-13-2024 PHONE: (402) 471-4180
COMMENTS: Concur with the Nebraska Department of Health & Human Services' assessment of fiscal impact.			

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 2-13-2024

Phone: (5) 471-6719

	<u>FY 2024-2025</u>		<u>FY 2025-2026</u>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$24,544,789		\$24,544,789	
CASH FUNDS				
FEDERAL FUNDS	\$26,499,242		\$26,499,242	
OTHER FUNDS				
TOTAL FUNDS	\$51,044,031	\$0	\$51,044,031	\$0

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

Explanation of Estimate:

LB1117 appropriates funds to Department of Health and Human Services for Programs 424 and 348 to implement an 11% increase in reimbursement rates paid to providers of developmental disability (DD) services.

The 11% increase for FY 2024-25 is \$19,355,130 in state general funds (program 424) and \$26,499,242 in federal funds (Program 348) for a total of \$45,854,372.

The increase in provider rates for DD providers would also impact the Division of Children and Family Services (CFS). CFS currently has approximately 98 state wards that are DD-eligible; of the 98, 94 are not DD-funded and paid with state general funds in program 354. Based on calendar year 2023 spending, it is estimated that the 11% rate increase in LB1117 would result in an additional \$5,189,659 in state general fund spending from Program 354 with no federal drawdown.

The combined total appropriations for state GF \$24,544,789 and FF \$26,499,242 totaling to \$51,044,031 for FY2024-25

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:

POSITION TITLE	NUMBER OF POSITIONS		2024-2025 EXPENDITURES	2025-2026 EXPENDITURES
	24-25	25-26		
Benefits.....				
Operating.....				
Travel.....				
Capital Outlay.....				
Aid.....			\$51,044,031	\$51,044,031
Capital Improvements.....				
TOTAL.....			\$51,044,031	\$51,044,031

