

PREPARED BY: Nikki Swope  
 DATE PREPARED: January 28, 2022  
 PHONE: 402-471-0042

**LB 893**

Revision: 00

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)</b>				
	<b>FY 2022-23</b>		<b>FY 2023-24</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS	\$27,268,744			
CASH FUNDS				
FEDERAL FUNDS	\$41,297,781			
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>\$68,566,525</b>			

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

LB 893 appropriates one-time funding for provider rate increases in FY 2022-23 for Developmental Disabilities Aid, program 424. The total amount of funds for the provider rate increases is \$67,701,280 (\$26,403,499 in GF and \$41,297,781 in FF).

NOTE: Child Welfare Aid, program 354, provides funding for some correlating services for children with Developmental Disabilities that are placed in out of home care, such as residential treatment centers and other types of out of home placements. Children and Family Services provides for these services at the Developmental Disability rate schedule. Assuming a 15% rate increase as is being proposed by the bill for Developmental Disability Aid, DHHS' reports that program 354, Child Welfare, would require an additional \$865,245 in General Funds. No Federal Funds are included.

The expenditures in the above chart includes both the provider rate increases expenditures for Developmental Disability Aid and Child Welfare Aid.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: 893	AM:	AGENCY/POLT. SUB: Nebraska Department of Health and Human Services	
REVIEWED BY: Ann Linneman	DATE: 1-27-2022	PHONE: (402) 471-4180	
COMMENTS: No basis to disagree with the Nebraska Department of Health and Human Services' analysis and estimate 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 1-26-2022

Phone: (5) 471-6719

	<u>FY 2022-2023</u>		<u>FY 2023-2024</u>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
<b>GENERAL FUNDS</b>	\$27,268,744	\$0	\$0	\$0
<b>CASH FUNDS</b>		\$0	\$0	\$0
<b>FEDERAL FUNDS</b>	\$41,297,781	\$0	\$0	\$0
<b>OTHER FUNDS</b>		\$0	\$0	\$0
<b>TOTAL FUNDS</b>	\$68,566,525	\$0	\$0	\$0

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

**Explanation of Estimate:**

LB893 appropriates one time funding for rate increases for Developmental Disabilities (DD). Program 424 was appropriated \$26,403,499 in General Funds while Program 348 was appropriated \$41,297,781 Federal Funds.

Program 354, Child Welfare, has some services that follow the DD rate schedule. Assuming a similar 15% rate increase, Child Welfare would require an additional \$865,245 General Funds appropriation to keep rates similar across like services.

This one time additional funding will not sustain these programs beyond the state fiscal year 2023 (SFY23). In the future, the Department of Health and Human Services (DHHS) will need to request an increase in funding to maintain these rates or DHHS will need to decrease their rates to a level that is sustainable with the regular level of funding.

**MAJOR OBJECTS OF EXPENDITURE**

PERSONAL SERVICES:	POSITION TITLE	NUMBER OF POSITIONS		2022-2023	2023-2024
		22-23	23-24	EXPENDITURES	EXPENDITURES
(Not Applicable)				\$0	\$0
Benefits.....				\$0	\$0
Operating.....				\$0	\$0
Travel.....				\$0	\$0
Capital Outlay.....				\$0	\$0
Aid.....				\$68,566,525	\$0
Capital Improvements.....				\$0	\$0
<b>TOTAL.....</b>				<b>\$68,566,525</b>	<b>\$0</b>