

PREPARED BY: Mikayla Findlay
 DATE PREPARED: January 05, 2024
 PHONE: 402-471-0062

LB 1007

Revision: 00

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				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See below		See below	

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

This bill would require the Department of Health and Human Services (DHHS) to submit a state plan amendment to the Centers for Medicare and Medicaid Services (CMS) no later than October 1, 2024 for the purpose of authorizing Medicaid eligibility pursuant to section 1634 of the federal Social Security Act for aged, blind, and disabled program recipients who are eligible for the federal Supplemental Security Income Program.

DHHS indicates there would likely be administrative costs to update systems to comply with these provisions however the cost is currently unknown. The agency notes the bill would increase in costs per Medicaid member to cover the costs to pay federal social security partners to make eligibility determinations. DHHS predicts that changes will not result in savings of staff time overall as some processes would need to be added. The fiscal impact is indeterminable at this time.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB:	1007	AM:	AGENCY/POLT. SUB: Nebraska Department of Health and Human Services
REVIEWED BY:	Ann Linneman	DATE:	2-9-2024 PHONE: (402) 471-4180
COMMENTS: The Nebraska Department of Health and Human Services' assessment of fiscal impact seems reasonable given the assumptions used.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB:	1007	AM:	AGENCY/POLT. SUB: Nebraska Association of County Officials (NACO)
REVIEWED BY:	Ann Linneman	DATE:	1-16-2024 PHONE: (402) 471-4180
COMMENTS: No basis to disagree with the Nebraska Association of County Officials' assessment of no 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 2-9-2024

Phone: (5) 471-6719

	<u>FY 2024-2025</u>		<u>FY 2025-2026</u>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See Below	\$0	See Below	\$0

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

Explanation of Estimate:

LB1007 would require Medicaid to submit to the Centers for Medicare and Medicaid (CMS) for approval of a state plan amendment (SPA) and would require Medicaid to sign an agreement with the federal Supplemental Security Income (SSI) program under the Social Security Administration (SSA) to allow SSA to make Medicaid eligibility determinations for those eligible for SSI. This bill would make Nebraska a 1634 agreement state.

LB1007 would require the Department of Health & Human Services (DHHS) to pay the SSI program to make Medicaid eligibility determinations. DHHS would be responsible for paying half of the administrative costs; it is not known what the average rate would be. There would also be implementation costs incurred as well. Information systems would need to be updated to accept the eligibility information from SSI. These costs are currently unknown.

If LB1007 was passed and implemented, DHHS staff would still need to initiate many of the same steps currently used when an application is received. It is unclear at this time whether any of the steps could be automated. Even with automation, staff intervention would still be necessary to process the information from SSI. There would likely be a slight increase in costs per member as the result would be to pay for SSI to make a determination while still incurring most of the same processing costs as are currently incurred. There is likely no net savings to staff time, rather a process change in how the work is completed.

Additional staff time would be needed in many different areas: the policy team would need to work with CMS and SSI to effectuate the necessary agreements to receive approval, additional staff time from the policy team would be needed to evaluate necessary changes to state regulations and prepare those updates, eligibility operations staff would need to receive training, and updates to existing processes would be necessary.

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.....				
Capital Improvements.....				
TOTAL.....				

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2024

LB⁽¹⁾ 1007

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Association of County Officials (NACO)

Prepared by: ⁽³⁾ Elaine Menzel Date Prepared: ⁽⁴⁾ 1/12/2024 Phone: ⁽⁵⁾ 402.434.5660

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2024-25</u>		<u>FY 2025-26</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

LB 1007 would require the Department of Health and Human Services to submit a state plan amendment to the federal Centers for Medicare and Medicaid Services to authorize medicaid eligibility pursuant to the federal Social Security Act for aged, blind, and disabled program recipients who are eligible for the federal Supplemental Security Income Program.

The fiscal impact is expected to be none to minimal for counties.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2024-25</u>	<u>2025-26</u>
	<u>24-25</u>	<u>25-26</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____