

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2017-18		FY 2018-19	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	(\$3,174,539)		(\$4,232,719)	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	(\$3,174,539)		(\$4,232,719)	

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

This bill eliminates the State Disability Program. The State Disability Program provides maintenance payments and medical coverage to low-income individuals with physical or mental disabilities that are expected to last for at least six to 12 months, and who are not eligible for financial benefits through Social Security. Individuals receiving these services have been determined to not be eligible for Social Security due to the length of time the disability is expected to last.

The standard of need which is the basis for income eligibility is \$505 a month for an individual and \$799 for a two-person household. For each additional person, the income eligibility is increase by \$198 a month. The program serves on average 50 individuals per month. The average monthly cost for maintenance is between \$700 and \$800. The average monthly medical cost is \$7,000 per person. The savings in the maintenance program is \$466,684 for a full year and \$3,766,035 in the medical program. Annual savings are \$4,232,719. In FY 2017-18, the savings are \$3,174,539.

Some recipients may be eligible for Social Security once the disability exceeds 12 months. Social Security then retroactively reimburses the state for the maintenance costs incurred. Similarly some may also be eligible for Medicaid once the disability exceeds 12 months or eligibility for Social Security is determined. A portion of the state costs is retroactively reimbursed by Medicaid if an application for Medicaid was filed the same time as the State Disability application. The savings shown are net of the retroactive payments.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 333	AM:	AGENCY/POLT. SUB: DHHS	
REVIEWED BY: Elton Larson	DATE: 1/23/2017	PHONE: (402) 471-4173	
COMMENTS: I concur with DHHS 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) Pat Weber

Date Prepared:(4) 1-13-17

Phone: (5) 471-6351

	<u>FY 2017-2018</u>		<u>FY 2018-2019</u>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	(\$4,232,719)		(\$4,232,719)	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	(\$4,232,719)		(\$4,232,719)	

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

Explanation of Estimate:

LB 333 eliminates the State Disability Program by ending the independent review of disability by the Department of Health and Human Services. The State Disability Program currently provides financial aid (maintenance) and medical assistance to persons who meet the program definition of blindness or disability but do not meet the durational requirements as defined by the Social Security Administration. Annually, State Disability maintenance is appropriated \$466,684, and State Disability medical is appropriated \$3,766,035, both in Program 347, for a total savings of \$4,232,719 in SFY18 and 19, if the program is eliminated.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:	POSITION TITLE	NUMBER OF POSITIONS		2017-2018	2018-2019
		17-18	18-19	EXPENDITURES	EXPENDITURES
Benefits.....					
Operating.....					
Travel.....					
Capital Outlay.....					
Aid.....				(\$4,232,719)	(\$4,232,719)
Capital Improvements.....					
TOTAL.....				(\$4,232,719)	(\$4,232,719)