

PREPARED BY: Liz Hruska
 DATE PREPARED: February 11, 2020
 PHONE: 402-471-0053

LB 1183

Revision: 00

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2020-21		FY 2021-22	
	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 creates the fourteen member Health Information Technology Board. The board would be appointed by October 1, 2020 and begin meeting on or before December 1, 2020. The board shall establish criteria for data collection and disbursement by the statewide health information exchange (HIE), evaluate and ensure the HIE is meeting technological standards for reporting data, provide governance and oversight of the HIE and the prescription drug monitoring program.

The Department of Health and Human Services assumes this bill is transferring ownership of the data from the HIE and the prescription drug monitoring program to the Health Information Technology Board. However, there is no indication the board is independent from the department. Sections 3 and 4 include references to the Department of Health and Human Services, so it appears the board would under the department's control, so there would not be a loss of federal funding as shown in the DHHS fiscal note.

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

State Agency or Political Subdivision Name:(2) Department of Health and Human Services

Prepared by: (3) Mike Michalski

Date Prepared 1-27-2020

Phone: (5) 471-6719

	<u>FY 2020-2021</u>		<u>FY 2021-2022</u>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$700,000	\$0	\$700,000	\$0
CASH FUNDS				
FEDERAL FUNDS	(\$2,763,404)	\$0	(\$3,138,404)	\$0
OTHER FUNDS				
TOTAL FUNDS	(\$2,063,404)	\$0	(\$2,438,404)	\$0

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

Explanation of Estimate:

LB 1183 creates the new Health Information Technology Board (HIT) charged with duties related to the policies and procedures of the Prescription Drug Monitoring Program (PDMP) and the Nebraska Health Information Exchange (HIE). Per LB 1183, § 71-2454 (5)(c), the HIE would no longer be required to collaborate with the Department of Health and Human Services (DHHS) before releasing information or data to external parties. Also, the scope of the information to be released would no longer be limited to certain data, but would be governed by policies adopted by the Board. DHHS would still be responsible for the misuse or improper release of data. LB 1183 also removes required collaboration between DHHS and the HIE on many duties. Federal grants used to operate the Prescription Data Monitoring Program (PDMP), establish criteria for data collection, ownership, and the release of data. LB 1183 purports to share ownership of PDMP data with the HIE and the Board. LB 1183 gives authority to the HIE to release data without the approval of DHHS. LB 1183 also duplicates the efforts of the Drug Advisory Group and the items outlined in the Integrated Health and Human Services Transformation Plan. The Drug Advisory Group was created in 2016 as part of a federal grant from the CDC and is still used to monitor, advise and address issues regarding drug abuse and the PDMP. This group meets three (3) to four (4) times per year and addresses agenda items included in LB 1183, §71-2454, Section 2, (1)(a) through (c).

Existing federal grants used to support the PDMP require DHHS to maintain ownership of and approve the release of data. Currently, the PDMP is funded by federal grant awards of \$200,000 per year with one year remaining of a three year award from the Department of Justice, and \$2,563,404 per year currently in the first year of a three year award from the CDC. DHHS has been awarded, but not yet accepted a grant in the amount of \$375,000 per year for two years from the Department of Justice. All of these awards would be impacted. A change in data ownership and release would become a compliance issue for these grants. If the intent of LB 1183 is to share or transfer ownership and control of PDMP data to the HIT Board or the HIE without the consent of DHHS, funding of the PDMP would need to be replaced by other fund sources. In order for DHHS to meet Nebraska's statutory requirements for the PDMP, approximately \$500,000 general funds would be necessary to provide system support and an additional \$200,000 general funds to maintain core staffing. This work is currently performed by two (2.0) FTEs and (2) contracted staff.

The estimated potential impact to DHHS would be the loss of \$2,763,404 - \$3,138,404 in federal funding per year.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:	NUMBER OF POSITIONS		2020-2021	2021-2022
	20-21	21-22	EXPENDITURES	EXPENDITURES
POSITION TITLE				

Benefits.....		
Operating.....	<u>(\$2,063,404)</u>	<u>(\$2,438,404)</u>
Travel.....		
Capital Outlay.....		
Aid.....		
Capital Improvements.....		
TOTAL.....	<u>(\$2,063,404)</u>	<u>(\$2,438,404)</u>