

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2023-24		FY 2024-25	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	See below		See below	
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 requires the Department of Health and Human Services (DHHS) to submit a state plan amendment to the Federal Center for Medicaid Services (CMS) to include school psychologists as Medicaid providers.

DHHS indicates that individuals who are certified as a school psychologist by the Nebraska Board of Education do not hold a statewide license as required to become a Medicaid provider. To submit a state plan amendment asking for the inclusion of school psychologist as providers able to submit for reimbursement of Medicaid services for all eligible Medicaid recipients would conflict with state and federal requirements. Under current regulations, CMS could not approve psychologists certified by the Nebraska Board of Education to be Medicaid providers.

There would be an increase in cost through the School-based Service program. The increase in cost would be funded through 100% state funds, because CMS does not reimburse for non-licensed providers. Reimbursement occurs based on expenditures that districts incur by employing these direct service providers. The total fiscal impact is indeterminable at this time.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB:	523	AM:	AGENCY/POLT. SUB: Nebraska Department of Health & Human Services
REVIEWED BY:	Ann Linneman	DATE:	3-1-2023
		PHONE:	(402) 471-4180
COMMENTS: The Nebraska Department of Health and Human Services' analysis and estimate of fiscal impact to the department appears reasonable.			

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 2-28-2023

Phone: (5) 471-6719

	<u>FY 2023-2024</u>		<u>FY 2024-2025</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:

LB 523 requests that Nebraska Medicaid submit a state plan amendment to include school psychologists as eligible providers for all recipients under the Medical Assistance Act.

School psychologists provide services within an education system, public schools, or education service units. The schools are reimbursed for Medicaid covered services under the School-based Service (SBS) program, Medicaid in Public Schools (MIPS). Medicaid-covered services provided in schools must meet applicable federal and state statutory and regulatory requirements. In the community, psychologists must be licensed by the DHHS Division of Public Health to provide services to Nebraska Medicaid clients. Psychologist licensure requirements in Nebraska ensure training and experience is adequate to function as an independent practitioner. The same level of licensure requirements to be a psychologist in Nebraska currently do not apply to a school psychologist. Individuals certified as a school psychologist by the Nebraska Board of Education do not hold a statewide license as required to become a Medicaid provider.

Currently, to receive payment for providing Medicaid covered services, SBS providers must be enrolled in the Medicaid program and must meet specific federal and state requirements regarding provider qualifications for participation in the Medicaid program. This includes holding a statewide license issued by the Nebraska Division of Public Health.

To submit a state plan amendment asking for the inclusion of school psychologist as providers able to submit for reimbursement of Medicaid services for all eligible Medicaid recipients would conflict with state and federal requirements. Under current regulations, CMS could not approve psychologists certified by the Nebraska Board of Education to be Medicaid providers.

There would be an increase in cost through the SBS program. The increase in cost would be funded through 100% state funds, as CMS does not reimburse for non-licensed providers. Reimbursement occurs based on expenditures that districts incur by employing these direct service providers. Other factors involved in the reimbursement methodology include the random moment time study results, the Medicaid eligibility rate, and the indirect cost rate (IDCR).

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:	POSITION TITLE	NUMBER OF POSITIONS		2023-2024	2024-2025
		23-24	24-25	EXPENDITURES	EXPENDITURES

