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 DATE PREPARED: January 04, 2024  
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**LB 958**

Revision: 00

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2024-25</b>		<b>FY 2025-26</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$1,819,389		See below	
CASH FUNDS				
FEDERAL FUNDS	\$2,470,611		See below	
OTHER FUNDS				
TOTAL FUNDS	\$4,290,000		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 adjust the reimbursement rate for providers of Shared Living Services under the Home and Community Based Services waiver program annually based on the percentage change in the Consumer Price Index for Urban Wage Earners and Clerical Workers between June 30 of the prior year and June 30 of the present year.

DHHS estimates \$143 million in annual expenditures on Shared Living Services. Using an increase of 3% in CPI, the bill would result in an increase of \$4,290,000 in total funds, 42.4% General Funds and 57.6% Federal Funds. The increase would then be included in the base for future years calculations therefore the amount would be compounding year over year.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>				
LB:	958	AM:	AGENCY/POLT. SUB: Nebraska Department of Health & Human Services	
REVIEWED BY:	Ann Linneman	DATE:	2-8-2024	PHONE: (402) 471-4180
COMMENTS: Concur with the Nebraska Department of Health & Human Services' assessment 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 2-8-2024

Phone: (5) 471-6719

	<u>FY 2024-2025</u>		<u>FY 2025-2026</u>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
<b>GENERAL FUNDS</b>	\$1,819,389	\$0	\$1,873,971	\$0
<b>CASH FUNDS</b>	\$0	\$0	\$0	\$0
<b>FEDERAL FUNDS</b>	\$2,470,611	\$0	\$2,544,729	\$0
<b>OTHER FUNDS</b>	\$0	\$0	\$0	\$0
<b>TOTAL FUNDS</b>	<b>\$4,290,000</b>	<b>\$0</b>	<b>\$4,418,700</b>	<b>\$0</b>

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

**Explanation of Estimate:**

LB 958 requires the Department of Health and Human Services (DHHS), Division of Developmental Disabilities (DD) to annually adjust the provider rates for the Shared Living Service (SLP) based on the Consumer Price Index.

The current estimate annual cost for SLP services is approximately \$143 million.

Consumer Price Index (CPI) adjusts based on current inflation or deflation. An annual adjustment based on the June 2023 CPI is 3%. This will yield an increase of \$4.29 million in expenditures compounding beyond \$4.29 million each following year, based on the current CPI.

**MAJOR OBJECTS OF EXPENDITURE**

PERSONAL SERVICES:	NUMBER OF POSITIONS		2024-2025 EXPENDITURES	2025-2026 EXPENDITURES
	24-25	25-26		
Benefits.....				
Operating.....				
Travel.....				
Capital Outlay.....				
Aid.....			\$4,290,000	\$4,418,700
Capital Improvements.....				
<b>TOTAL.....</b>			<b>\$4,290,000</b>	<b>\$4,418,700</b>