

LEGISLATURE OF NEBRASKA
ONE HUNDRED EIGHTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 904

FINAL READING

Introduced by DeBoer, 10.

Read first time January 04, 2024

Committee: Health and Human Services

1 A BILL FOR AN ACT relating to public health and welfare; to amend
2 sections 43-536 and 68-996, Revised Statutes Cumulative Supplement,
3 2022; to change child care reimbursement rates; to create the
4 Intergenerational Care Facility Incentive Grant Program; to provide
5 for grants; to provide powers and duties; to provide an additional
6 use for the Medicaid Managed Care Excess Profit Fund; and to repeal
7 the original sections.
8 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 43-536, Revised Statutes Cumulative Supplement,
2 2022, is amended to read:

3 43-536 In determining the rate of reimbursement for child care, the
4 Department of Health and Human Services shall assess the ~~conduct a~~ market
5 rates and costs for provision of services ~~rate survey~~ of the child care
6 providers in the state, utilizing an approved methodology in accordance
7 with 45 C.F.R. 98.45, as such section existed on January 1, 2024. The
8 department shall adjust the reimbursement rate for child care every odd-
9 numbered year at a rate not less than the ~~sixtieth percentile and not to~~
10 ~~exceed the~~ seventy-fifth percentile of the current market rate ~~survey~~,
11 except that (1) nationally accredited child care providers may be
12 reimbursed at higher rates and ~~,~~ (2) an applicable child care or early
13 childhood education program, as defined in section 71-1954, that is
14 participating in the quality rating and improvement system and has
15 received a rating of step three or higher under the Step Up to Quality
16 Child Care Act may be reimbursed at higher rates based upon the program's
17 quality scale rating under the quality rating and improvement system, ~~and~~
18 ~~(3) for the fiscal year beginning on July 1, 2017, such rate may not be~~
19 ~~less than the fiftieth percentile or the rate for the immediately~~
20 ~~preceding fiscal year and for the fiscal year beginning on July 1, 2018,~~
21 ~~such rate may not be less than the sixtieth percentile for the last three~~
22 ~~quarters of the fiscal year or the rate for the fiscal year beginning on~~
23 ~~July 1, 2016.~~

24 Sec. 2. (1) The Intergenerational Care Facility Incentive Grant
25 Program is created. It is the intent of the Legislature to appropriate
26 three hundred thousand dollars from the Medicaid Managed Care Excess
27 Profit Fund for fiscal year 2024-25 to the Department of Health and Human
28 Services to provide grants pursuant to this section.

29 (2) The Department of Health and Human Services shall develop
30 requirements for eligibility, application, and audits for grants in
31 collaboration with statewide associations representing nursing homes as

1 defined in section 38-2414 and other stakeholders. The department shall
2 meet with such associations prior to October 1, 2024, to identify any
3 statutes, rules, regulations, or other regulatory barriers that impede
4 the development of an intergenerational care facility in which nursing
5 services and child care are provided and develop recommendations to
6 remediate such barriers that do not impact the safety of the staff or
7 recipients of the nursing services and child care or the quality of
8 nursing services and child care.

9 (3) The grants shall be awarded to facilities that are nursing homes
10 as defined in section 38-2414 or assisted-living facilities as defined in
11 section 71-5903 and that have been certified for participation in
12 medicare or medicaid. The grants shall be used for one-time startup costs
13 to provide for child care in such facilities. A facility may be awarded
14 one grant under this section of up to one hundred thousand dollars. The
15 grants shall be awarded for modification of structures, modification of
16 outside campus space of the nursing facilities, purchase of child care
17 equipment and supplies, or any combination of such purposes. A facility
18 that is applying for or awarded a grant is not required to own or operate
19 the child care services for which the grant is awarded.

20 (4) The department shall award the grants on the basis of date of
21 application with priority given to rural communities, as defined in
22 section 81-1228, for applications filed on the same date. A facility that
23 was cited for substandard quality of care during its most recent survey
24 is not eligible for a grant under this section. Each grant recipient
25 shall establish a plan to participate in the quality rating and
26 improvement system described in section 71-1956 within three years after
27 the date the grant is awarded.

28 Sec. 3. Section 68-996, Revised Statutes Cumulative Supplement,
29 2022, is amended to read:

30 68-996 The Medicaid Managed Care Excess Profit Fund is created. The
31 fund shall contain money returned to the State Treasurer pursuant to

1 subdivision (3) of section 68-995. The fund shall first be used to offset
2 any losses under subdivision (2) of section 68-995 and then to provide
3 for services addressing the health needs of adults and children under the
4 Medical Assistance Act, including filling service gaps, providing system
5 improvements, ~~and~~ sustaining access to care, and providing grants
6 pursuant to the Intergenerational Care Facility Incentive Grant Program
7 as determined by the Legislature. The fund shall only be used for the
8 purposes described in this section. Any money in the fund available for
9 investment shall be invested by the state investment officer pursuant to
10 the Nebraska Capital Expansion Act and the Nebraska State Funds
11 Investment Act.

12 Sec. 4. Original sections 43-536 and 68-996, Revised Statutes
13 Cumulative Supplement, 2022, are repealed.