

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

| ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates) |           |      |         |           |           |
|--|-----------|------|---------|-----------|-----------|
| EXPENDITURES   | GENERAL   | CASH | FEDERAL | REVOLVING | TOTAL     |
| FY2025-2026  | 0         | 0    | 0       | 0         | 0         |
| FY2026-2027  | SEE BELOW | 0    | 0       | 0         | SEE BELOW |
| FY2027-2028  | SEE BELOW | 0    | 0       | 0         | SEE BELOW |
| FY2028-2029  | SEE BELOW | 0    | 0       | 0         | SEE BELOW |
| REVENUE  | GENERAL   | CASH | FEDERAL | REVOLVING | TOTAL     |
| FY2025-2026  | 0         | 0    | 0       | 0         | 0         |
| FY2026-2027  | 0         | 0    | 0       | 0         | 0         |
| FY2027-2028  | 0         | 0    | 0       | 0         | 0         |
| FY2028-2029  | 0         | 0    | 0       | 0         | 0         |

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

This bill modifies the establishing statute for the Hospital Quality Assurance and Access Assessment Fund, changing § 68-2106 subsection 3(d), which is a carve out of 3.5% of the assessment up to \$17.5m. The bill changes the list of allowable uses of this amount from nonhospital Medicaid provider rates, continuous eligibility of children, OR the health information exchange (HIE) to nonhospital Medicaid provider rates, continuous eligibility of children, AND the HIE. Apportionment to each of the three uses is not defined. The Department of Health and Human Services indicates total FY25 expenditures on continuous eligibility of children were over \$21m. Requiring funds be used for all three purposes would necessitate additional state fund appropriation to offset the current utilization.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE

LB: 945 AM: AGENCY/POLT. SUB: Nebraska Department of Health & Human Services

REVIEWED BY: Ann Linneman DATE: 2-2-2026 PHONE: (402) 471-4180

COMMENTS: Concur with the Nebraska Department of Health and 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 1-16-2026

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|                      | <u>FY 2026-2027</u> |           | <u>FY 2027-2028</u> |           |
|----------------------|---------------------|-----------|---------------------|-----------|
|                      | EXPENDITURES        | REVENUE   | EXPENDITURES        | REVENUE   |
| <b>GENERAL FUNDS</b> |                     |           |                     |           |
| <b>CASH FUNDS</b>    |                     |           |                     |           |
| <b>FEDERAL FUNDS</b> |                     |           |                     |           |
| <b>OTHER FUNDS</b>   |                     |           |                     |           |
| <b>TOTAL FUNDS</b>   | See Below           | See Below | See Below           | See Below |

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

**Explanation of Estimate:**

LB945 changes provisions relating to the Hospital Quality Assurance and Access Assessment (HQAAA) program. The bill strikes the word “or” and replaces it with “and” in the section that allows the department to use three- and one-half percent of the assessment for rates for nonhospital providers, continuous eligibility for children, or the designated health information exchange.

There would be a fiscal impact as the bill implies that the department must use a portion of the funds retained from the assessment on all three explicitly stated purposes. Section 6 (3)(d) of the HQAAA included a not to exceed limit of \$17.5 million for those three purposes. The funds to date have been used to fund the non-federal share of the costs attributed to continuous eligibility for children, which in fiscal year 2025 was \$21,650,984. Should the department be forced to use a portion of available cash funds for all three purposes, less funds would be available to offset the non-federal share of continuous eligibility for children thus increasing the general fund cost for those services.

**MAJOR OBJECTS OF EXPENDITURE**

PERSONAL SERVICES:

| POSITION TITLE            | NUMBER OF POSITIONS |       | 2026-2027<br>EXPENDITURES | 2027-2028<br>EXPENDITURES |
|---------------------------|---------------------|-------|---------------------------|---------------------------|
|                           | 26-27               | 27-28 |                           |                           |
| Benefits.....             |                     |       |                           |                           |
| Operating.....            |                     |       |                           |                           |
| Travel.....               |                     |       |                           |                           |
| Capital Outlay.....       |                     |       |                           |                           |
| Aid.....                  |                     |       |                           |                           |
| Capital Improvements..... |                     |       |                           |                           |
| <b>TOTAL.....</b>         |                     |       | <b>\$0</b>                | <b>\$0</b>                |