

One Hundred Fifth Legislature - First Session - 2017

Introducer's Statement of Intent

LB605

Chairperson: Senator Merv Riepe

Committee: Health and Human Services

Date of Hearing: February 08, 2017

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 605 revises the provisions of the Intermediate Care Facilities for Persons with Developmental Disabilities (ICF/DD) Reimbursement Protection Fund by allowing the State to fully maximize the federal matching funds available for the State's ICF/DD provider tax. LB 605 will provide the Division of Medicaid and Long-Term Care the flexibility to modify provider rates as needed to comply with federal regulations.

Pursuant to Neb. Rev. Stat. § 68-1803, the Division of Medicaid and Long-Term Care Services collects a provider tax for ICF/DD facilities. The proceeds of the ICF/DD provider tax goes into the ICF/DD Reimbursement Protection Fund. The Fund is used for a variety of purposes, including providing enhanced rates to ICF/DD providers by using the tax proceeds to match state funding with additional federal funding.

The current law mandates the State change the provider rates for these facilities based on the collection of the provider tax. Current law does not allow the Department the ability to ensure the rates paid to ICF/DD facilities meet the strict parameters of federal regulations.

LB 605 will allow for ICF/DD providers to continue to receive enhanced rate funding for services provided to its clients to the maximum extent allowed by the tax revenue and federal regulation.

Principal Introducer: _____

Senator Merv Riepe