

DMH

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DATE PREPARED: February 02, 2011
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LB 468

Revision: 01

FISCAL NOTE

Revised to include agency response.

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2011-12		FY 2012-13	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See below		See below	

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

This bill moves back to December 1, 2011 an existing requirement that the Department of Health and Human Services provide notice to the Legislature prior to adoption and promulgation of proposed rules and regulations under the Medicaid Program regarding the following: 1) premiums, co-payments and deductibles, and 2) limits on amount, scope and duration of goods and services.

The intent of this bill is to allow the department to implement increased co-payments as it is thought that notice per the existing statute was not provided. Increased co-payments were identified in the budget request to the Legislature and notice to the Legislature is not prescriptive in the statute. The budget request could be considered notice. The projected savings in the budget request are \$449,703 (\$179,881 GF and \$269,822 FF) in FY 12 and FY 13. The Governor in his budget recommendations to the Legislature showed a higher amount of savings for increased co-payments at \$652,316 (\$262,927 GF and \$391,389 FF) in FY 12 and \$869,754 (\$347,902 GF and \$521,852 FF) in FY 13 .

The scope of this bill is much broader than co-payments and would allow reductions or restriction to be placed on amount, scope and duration of goods and services without notice to the Legislature during 2011. It could result in further savings that have not been identified.

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 LEGISLATIVE FISCAL

LB⁽¹⁾ 0468 - REVISED FISCAL NOTE

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

State Agency or Political Subdivision Name:(2) Department of Health and Human Services

Prepared by: (3) Willard Bouwens

Date Prepared:(4) February 2, 2011

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	FY 2011-2012		FY 2012-2013	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See Below	See Below	See Below	See Below

(See Below)

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

Explanation of Estimate:

Technically, there is no fiscal impact to the Department of Health and Human Services for changing the report due date. However, this bill would enable DHHS to implement the following copays during FY2011-2012, as shown in the Governor's Budget. (The Governor's Budget shows the entire savings under Program 348, but some savings would actually accrue to Program 038.) Due to implementation and payment lag, the FY12 estimate is for 75% of the year, and the FY13 estimate is for the full year.

Copay	Program	FY12 GF	FY12 FF	FY12 Total	FY13 GF	FY13 FF	FY13 Total
Brand Name Drugs, \$3	348	-\$58,050	-\$87,075	-\$145,125	-\$77,400	-\$116,100	-\$193,500
Durable Medical Equipment over \$50, \$3	348	-\$29,574	-\$44,361	-\$73,935	-\$39,432	-\$59,148	-\$98,580
Inpatient Admission, \$15	348	-\$59,531	-\$89,296	-\$148,827	-\$79,374	-\$119,061	-\$198,435
MH/SA Office Visit - Medicaid, \$2	348	-\$52,268	-\$78,402	-\$130,670	-\$69,691	-\$104,536	-\$174,227
MH/SA Office Visit - Behav Health, \$2	038	-\$61,504	-\$92,255	-\$153,759	-\$82,005	-\$123,007	-\$205,012
Total		-\$260,927	-\$391,389	-\$652,316	-\$347,902	-\$521,852	-\$869,754

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:

POSITION TITLE	NUMBER OF POSITIONS		2011-2012 EXPENDITURES	2012-2013 EXPENDITURES
	11-12	12-13		
Benefits.....				
Operating.....				
Travel.....				
Capital Outlay.....				
Aid.....				
Capital Improvements.....				
TOTAL.....			See Above	See Above