

Murphy

PREPARED BY: Liz Hruska
DATE PREPARED: February 15, 2011
PHONE: 471-0053

LB 607

Revision: 00

FISCAL NOTE

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 | | | | |

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

This bill requires the Department of Health and Human Services to enter into an interagency agreement with the Department of Revenue to utilize income tax return information for the purpose of eligibility determination of children for Medicaid and the Children's Health Insurance Program (CHIP). A report is to be submitted to the Legislature and the Revenue Committee no later than December 31, 2011.

The requirement for HHS and Revenue to provide a joint report to the Legislature on model language regarding the use of tax information and report to the Legislature can be done within current resources.

DEPARTMENT OF ADMINISTRATIVE SERVICES

| | | | | | |
|-------------|--------------|------|---------|-------|----------|
| REVIEWED BY | Elton Larson | DATE | 2/15/11 | PHONE | 471-2526 |
|-------------|--------------|------|---------|-------|----------|

COMMENTS

DEPARTMENT OF HEALTH AND HUMAN SERVICES: Concur.
DEPARTMENT OF REVENUE: Agency estimates appear reasonable.

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LB(1) **0607**

FISCAL NOTE

2011

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 15, 2011

Phone: (5) 471-8072

| | FY 2011-2012 | | FY 2012-2013 | |
|--------------------|-----------------|------------|--------------|------------|
| | EXPENDITURES | REVENUE | EXPENDITURES | REVENUE |
| GENERAL FUNDS | \$16,000 | | | |
| CASH FUNDS | | | | |
| FEDERAL FUNDS | \$16,000 | | | |
| OTHER FUNDS | | | | |
| TOTAL FUNDS | \$32,000 | \$0 | \$0 | \$0 |

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

Explanation of Estimate:

For the time frame addressed in this fiscal note, DHHS would contract for two months of services to investigate CHIPRA eligibility, outreach, and funding options, to work with the Tax Commissioner to prepare a report of recommended changes to the Nebraska income tax form, and to coordinate implementation of changes as further directed by the Legislature. Program 33 expenditures are estimated at \$32,000 (\$16,000 GF, \$16,000 FF) for FY12.

The report of recommendations is due to the Legislature on 12/31/11. This fiscal note assumes that the intent is that the 2012 Legislature would decide which of the recommended changes to implement, if any, which would presumably be implemented on the income tax forms used in 2013 to report 2012 income. If that is the case, this assumes that the earliest that prior tax year information would be available to DHHS would be June 15, 2013, eight weeks after the tax filing deadline. The bill does not specify the intended use of the income tax form data. Bonus payments and enrollment incentives end by January 1, 2014, when federal health care reform is implemented. At that point, as currently written, children will be required to be insured by Medicaid, CHIP, or private/exchange insurance.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:

| POSITION TITLE | NUMBER OF POSITIONS | | 2011-2012 EXPENDITURES | 2012-2013 EXPENDITURES |
|---------------------------|---------------------|-------|---------------------------|---------------------------|
| | 11-12 | 12-13 | | |
| Benefits..... | | | | |
| Operating..... | | | \$32,000 | |
| Travel..... | | | | |
| Capital Outlay..... | | | | |
| Aid..... | | | | |
| Capital Improvements..... | | | | |
| TOTAL..... | | | \$32,000 | |

