

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2013-14		FY 2014-15	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	See Below		See Below	
CASH FUNDS	See Below		See Below	
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

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

LB 605 requires the Division of Behavioral Health within the Department of Health and Human Services (HHS) to create a Telehealth Behavioral Health Services Program on or before November 30, 2013. The division is to contract with telehealth service providers to provide behavioral health services to youth in juvenile justice facilities and programs, juvenile detention centers, out-of-home residential placements and, youth receiving in-home services through HHS.

Service providers are to include psychiatrists, advanced practice registered psychiatric nurses, clinical psychologists, and licensed mental health practitioners. Providers are to be paid the reasonable cost of direct and indirect services. The program is to be fully implemented no later than January 1, 2015. Intent language provides for program funding to come from the Commission on Public Advocacy Cash Fund. HHS is to provide annual reports to Legislature for four years, beginning in 2013, on the implementation of the program.

HHS Expenditures: HHS will have increased expenditures to contract with providers for telehealth services. The cost of telehealth services is dependent upon the number of youth served, the providers utilized, rates charged by providers and telehealth transmission costs.

If a substantial number of youth are provided behavioral health services pursuant to the bill, the cost to provide telehealth services could be significant. However, the use of telehealth services may to some degree offset current costs incurred to provide behavioral health services to these youth. HHS has not estimated the cost to the department to provide services pursuant to the bill at the time this fiscal note was submitted.

Commission on Public Advocacy Cash Fund: The bill provides for the telehealth program to be funded with proceeds of the Commission on Public Advocacy Cash Fund. Revenue for the cash fund is obtained from a \$3 indigent defense fee which brings in about \$1.2 to \$1.3 million per year. The cash fund is used for the operations of the Commission on Public Advocacy. Operations of the Commission are about \$1.1 million per year and the Legislature has authorized several transfers from the fund for various activities. The existing balance in the cash fund on June 30, 2012 was \$1,542,321. The cash balance has been declining the last four years because expenditures have increased to the point they are greater than revenue.

If appears that funding telehealth services from the Commission on Public Advocacy Cash Fund will not be sustainable in the future, if the cost of the services is more than minimal.