

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2015-16		FY 2016-17	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	75,098		89,773	
CASH FUNDS				
FEDERAL FUNDS	78,048		92,474	
OTHER FUNDS				
TOTAL FUNDS	153,146		182,247	

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

This bill requires the Department of Health and Human Services to submit a plan amendment to cover former state wards from other states who reside in Nebraska. Enrollment would be self-attestation. The bill also requires HHS to provide continuous Medicaid coverage for state wards who age out in this state without a new application and unless the person declines. The bill also requires the Department to develop procedures to identify and enroll young adults who have exited the foster care, but have not enrolled.

The original projection for the Medicaid utilization of children exiting foster care was 100% or 2,200 young adults annually. Currently 198 former wards are enrolled. The Medicaid budget has funding appropriated for former state wards who existed foster care in Nebraska.

For the young adults who exited the foster care system in another state, it is difficult to project. Assuming 80 young adults enrolled under this provision, the cost would be \$87,304 (\$42,177 G and \$45,127 F) in FY 16 and \$116,405 (\$56,852 G and \$59,553) in FY 17.

A Community Support Specialist is needed to conduct the outreach activities to identify and enroll those young adults. The cost is \$65,842 (\$32,921 G and F) in FY 16 and FY 17.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB:148	AM:	AGENCY/POLT. SUB: HHS	
REVIEWED BY: Elton Larson		DATE: 1/29/15	PHONE: 471-4173
COMMENTS: No basis to disagree with agency estimate.			

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

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

Prepared by: (3) Mike Mason

Date Prepared:(4) 1-28-15

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	<u>FY 2015-2016</u>		<u>FY 2016-2017</u>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$924,992		\$1,233,182	
CASH FUNDS				
FEDERAL FUNDS	\$986,959		\$1,289,895	
OTHER FUNDS				
TOTAL FUNDS	\$1,911,951		\$2,523,077	

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

Explanation of Estimate:

LB 148 would require the State to provide Medicaid to individuals residing in Nebraska that were in foster care through age 26 in any state or territory of the U.S. or the District of Columbia. This is an optional expansion of the former foster care (FFC) provision. Per a review of State Plan Amendments (SPAs) of Nebraska's six border states (IA, WY, KS, CO, SD, MO), only South Dakota elected the provision to expand FFC eligibility to individuals who were in foster care in any state. For Nebraska eligibles of FFC, there is an estimated 1,600 individuals that age out yearly and are placed into a FFC status. Currently, Nebraska has 198 FFC clients, and in SFY14, 98 clients had a paid claim under FFC services. At an average cost of \$1,550 annually per client, if all eligible FFC clients utilized this currently available service, the additional 1,502 clients would cost Medicaid approximately \$1,746,075 total funds in SFY16 (\$843,529 GF, \$902,546 FF) and \$2,328,100 total funds in SFY17 (\$1,137,044 GF, \$1,191,056 FF) in Program 348. The first year assumes a cost delay due to the initiation and expansion of the outreach system.

If the Department of Health and Human Services is required to accept attestation of foster care status, any individual between the ages of 18 and 26 from any state could move to Nebraska and claim he or she was in foster care. Expanding coverage to any resident who was in foster care in another state would increase costs beyond coverage of Nebraska's own FFC system. As a point of reference, a 5% increase in the annual aid costs above due to an additional 80 out-of-state FFC clients would result in increased costs of approximately \$87,304 total funds (\$42,177 GF, \$45,127 FF) in SFY16 and \$116,405 total funds (\$56,852 GF, \$59,553 FF) in SFY17.

Outreach requirements would need 1 Community Support Specialist at a cost of \$78,572 total funds annually (\$39,286 GF, \$39,286 FF) in Program 033.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:	NUMBER OF POSITIONS		2015-2016	2016-2017	
	POSITION TITLE	15-16	16-17	EXPENDITURES	EXPENDITURES
Community Support Specialist		1	1	\$39,896	\$39,896

Benefits.....	\$13,846	\$13,846
Operating.....	\$24,829	\$24,829
Travel.....		
Capital Outlay.....		

Aid.....	\$1,833,379	\$2,444,505
Capital Improvements.....		
TOTAL.....	\$1,911,951	\$2,523,077