

PREPARED BY: Liz Hruska
 DATE PREPARED: March 10, 2017
 PHONE: 402-471-0053

LB 513

Revision: 00

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2017-18		FY 2018-19	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$6,240,000		\$6,240,000	
CASH FUNDS				
FEDERAL FUNDS	\$6,760,000		\$6,760,000	
OTHER FUNDS				
TOTAL FUNDS	\$13,000,000		\$13,000,000	

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

This bill is a placeholder bill to provide for an increase in base rates paid for inpatient hospital services provided under the Medicaid prospective payment system.

The Department of Health and Human Services implemented a new payment mechanism called the All-Patient Refined Diagnosis-Related Group. The change was intended to be cost neutral. After implementation it was discovered that overall rates were approximately 6% less. This bill is intended to correct the unintentional reduction. The estimated cost to return rates to their previous level is \$13,000,000 (\$6,240,000 GF and \$6,760,000 FF).

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES		
LB: 513	AM:	AGENCY/POLT. SUB: Department of Health and Human Services (DHHS)
REVIEWED BY: Elton Larson	DATE: 2/01/2017	PHONE: (402) 471-4173
COMMENTS: DHHS analysis and estimate of fiscal impact appear reasonable.		

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

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

Prepared by: (3) Pat Weber

Date Prepared:(4) 1-19-17

Phone: (5) 471-6351

	<u>FY 2017-2018</u>		<u>FY 2018-2019</u>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	XXX		XXX	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	XXX		XXX	

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

Explanation of Estimate:

LB 513 is a placeholder bill which appropriates funds to provide for a base rate increase for inpatient hospital services provided under a Medicaid prospective payment system. The introducer has not indicated the amount intended to be appropriated from the General Fund.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:	POSITION TITLE	NUMBER OF POSITIONS		2017-2018	2018-2019
		17-18	18-19	EXPENDITURES	EXPENDITURES
Benefits.....					
Operating.....					
Travel.....					
Capital Outlay.....					
Aid.....				XXX	XXX
Capital Improvements.....					
TOTAL.....				XXX	XXX