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 DATE PREPARED: February 09, 2022  
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**LB 1172**

Revision: 00

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)</b>				
	<b>FY 2022-23</b>		<b>FY 2023-24</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS				
CASH FUNDS				
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 1172 appropriates Federal Funds from the Coronavirus State Fiscal Recovery Fund for Developmental Disability provider rate increases for FY 2021-22.

Note: If approved, the appropriation of \$37,000,000 for FY 2021-22 would occur towards the end of the fiscal year. The bill does not specify as to whether the appropriation is for retroactively increasing the provider rates or to provide significant increases in the rates in the remaining months of the fiscal year.

LB:	1172	AM:	AGENCY/POLT. SUB: Nebraska Department of Health and Human Services	
REVIEWED BY:	Ann Linneman	DATE:	2-9-2022	PHONE: (402) 471-4180
COMMENTS: No basis to disagree with the Nebraska Department of Health and Human Services' assessment of fiscal impact. The maximum funding available under the federal Coronavirus State Fiscal Recovery Fund is \$1.04 billion, of which only \$520 million is currently available. Appropriation of these funds must be balanced in aggregate in order to avoid over obligation.				

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

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

Prepared by: (3) John Meals

Date Prepared 2-9-2022

Phone: (5) 471-6719

	<u>FY 2022-2023</u>		<u>FY 2023-2024</u>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
<b>GENERAL FUNDS</b>				
<b>CASH FUNDS</b>				
<b>FEDERAL FUNDS</b>				
<b>OTHER FUNDS</b>				
<b>TOTAL FUNDS</b>				

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

**Explanation of Estimate:**

LB1172 appropriates \$37,000,000 Federal Funds from the Coronavirus State Fiscal Recovery Fund for program 424 - Developmental Disability Aid during the Fiscal Year 2021-2022.

Upon approval, the Department of Health and Human Services (DHHS) will be two-thirds into the fiscal year. The dispersal of this appropriation will be done by either retroactively updating prior provider payments or, temporarily, significantly increasing the provider rates for the final third of the fiscal year in order to utilize the full \$37,000,000 appropriation. Once these Coronavirus State Fiscal Recovery Funds are exhausted the rates will be adjusted to reflect this. These funds are to be obligated by December 31, 2024 and spent by December 31, 2026.

The 1915(c) cost neutrality requirement will also need to be considered during this bill's implementation. The administrative cost of increasing rates or updating prior payments will be absorbed by the Department.

**MAJOR OBJECTS OF EXPENDITURE**

PERSONAL SERVICES:	POSITION TITLE	NUMBER OF POSITIONS		2022-2023	2023-2024
		22-23	23-24	EXPENDITURES	EXPENDITURES
Benefits.....					
Operating.....					
Travel.....					
Capital Outlay.....					
Aid.....					
Capital Improvements.....					
<b>TOTAL.....</b>					