

PREPARED BY: Liz Hruska,  
 DATE PREPARED: January 14, 2022  
 PHONE: 402-471-0053

**LB 946**

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.**

This bill prohibits off-label drugs being prescribed to juveniles in the custody of the state. Off-label medications are an approved drug used for an unapproved use.

Some medications only approved for adults are prescribed for children. The Department of Health and Human Services indicates the prohibition could lead to higher costs if the medical conditions of children who would otherwise receive the off-label drugs worsen and a higher level of care is needed. The extent of changes, if any, in the level of care would occur on a case-by-case basis and cannot be determined.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: 946	AM:	AGENCY/POLT. SUB: Nebraska Department of Health and Human Services	
REVIEWED BY: Ann Linneman	DATE: 1-18-2022	PHONE: (402) 471-4180	
COMMENTS: No basis to disagree with the Nebraska Department of Health & Human Services' assessment of fiscal impact.			

**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 1-11-2022

Phone: (5) 471-6719

**FY 2022-2023**

**FY 2023-2024**

	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
<b>GENERAL FUNDS</b>				
<b>CASH FUNDS</b>				
<b>FEDERAL FUNDS</b>				
<b>OTHER FUNDS</b>				
<b>TOTAL FUNDS</b>	See Below		See Below	

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

**Explanation of Estimate:**

LB946 would prohibit State Agencies from prescribing medications for off-label use to juveniles in their care.

LB946 could create higher acuity for our children and youth in care by reducing available medication. Increases in acuity would generally result in like increases in treatment costs as well as foster care services. Any impact would be on a case by case basis as a result DHHS unable to provide an actual fiscal impact.

Off-label use of medication is very common in children since most medications are approved only for use in adults and may not have been studied in younger population. If youth in the care of the Department of Health and Human Services are not able to take any off-label medications, the medical condition of the youth may be impacted.

When the acuity of a foster care case changes, the tier of foster care payment would need to change to accommodate the needs of the youth. Below is a table listing the current levels of foster care. Cases could change from any level including a change from the Essential tier to the Negotiated Letter of Agreement rate if certain cases.

Tier	Maintenance Daily rate			ASFC (daily rate)
	Age 0-5	Age 6-11	Age 12-18	
Essential	\$21.23	\$24.41	\$26.53	\$23.09
Enhanced	\$29.18	\$32.36	\$34.49	\$29.89
Intensive	\$37.14	\$40.33	\$42.45	\$41.14
Professional	\$75.00	\$75.00	\$75.00	\$85.00
Negotiated Letter of Agreement	\$250.00	\$250.00	\$250.00	\$108.90

Other increased costs would be realized at the Youth Rehabilitation Treatment Centers (YRTC's). It is anticipated that hospitalizations would increase for these youth that cannot take the previously prescribed off-label medicine. There is also an increase in costs when medications are limited to prescribe to the youth. This could occur when low cost generic medicine would switch to higher cost name brand medications.

**MAJOR OBJECTS OF EXPENDITURE**

PERSONAL SERVICES:	POSITION TITLE	NUMBER OF POSITIONS		2022-2023 EXPENDITURES	2023-2024 EXPENDITURES
		22-23	23-24		

Benefits.....  
Operating.....  
Travel.....  
Capital Outlay.....  
Aid.....  
Capital Improvements.....  
**TOTAL**.....

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**2022**

**LB<sup>(1)</sup> 946**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska Association of County Officials (NACO)

Prepared by: <sup>(3)</sup> Elaine Menzel Date Prepared: <sup>(4)</sup> 1/12/2022 Phone: <sup>(5)</sup> 402.434.5660

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

	<u>FY 2022-23</u>		<u>FY 2023-24</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

**Explanation of Estimate:**

LB 946 would prohibit the prescription of off-label medications to juveniles in the custody of the state or the court.

The fiscal impact of this legislation is unknown.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2022-23</u>	<u>2023-24</u>
	<u>22-23</u>	<u>23-24</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____