

ONE HUNDRED NINTH LEGISLATURE - FIRST SESSION - 2025
COMMITTEE STATEMENT
LB527

Hearing Date: Tuesday February 04, 2025
Committee On: Banking, Commerce and Insurance
Introducer: Jacobson
One Liner: Adopt the Medicaid Access and Quality Act, redefine health benefit plan under the Nebraska Life and Health Insurance Guaranty Association Act, and change provisions relating to taxes on health maintenance organizations, prepaid limited health service organizations, and insurance companies

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:

| | | |
|----------------------------|---|--|
| Aye: | 7 | Senators Bostar, Dungan, Hallstrom, Hardin, Jacobson, Wordekemper, von Gillern |
| Nay: | 1 | Senator Riepe |
| Absent: | | |
| Present Not Voting: | | |

Testimony:

Proponents:

Senator Mike Jacobson
John Meals
Robert Wergin

Ryan Beethe
Libby Crockett
Sian Jones-Jobst
Megan Kalata

Jeremy Nordquist

Opponents:

Neutral:

Robert Bell

Representing:

Opening Presenter
Nebraska Department of Health and Human Services
Nebraska Medical Association, Nebraska Academy of Family Physicians
Nebraska Homecare Association
Grand Island Clinic
Nebraska Medical Association
Nebraska Medical Association, Nebraska Chapter of ACOG
Nebraska Hospital Association

Representing:

Representing:

Nebraska Insurance Federation

* ADA Accommodation Written Testimony

Summary of purpose and/or changes:

LB 527 would create the Medicaid Access and Quality Act (Act). The Act seeks to expand access to quality healthcare for Nebraskans, particularly those individuals relying on Medicaid. The Act does this by creating a new 6%



tax on the gross amount of non-Medicare direct writing premiums from health maintenance organizations (HMO). The revenue generated would go into a newly created fund that would be primarily used to enhance reimbursement rates for nonhospital providers of physical health services.

Section 10 strikes the provision in current law which excludes capitation payments made in accordance with the Medical Assistance Act from tax obligation under the Prepaid Limited Health Service Organization Act.

Section 13 is an emergency clause.

Explanation of amendments:

AM 137 strikes section 8 from the bill, and inserts clarifying language into section 4 concerning the applicability of the tax in 2025.

Mike Jacobson, Chairperson

