

LEGISLATURE OF NEBRASKA  
ONE HUNDRED NINTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 1091**

Introduced by Bostar, 29.

Read first time January 15, 2026

Committee:

- 1    A BILL FOR AN ACT relating to public assistance; to amend section 68-994,
- 2       Revised    Statutes    Cumulative    Supplement,    2024;    to    provide
- 3       requirements for long-term care clients with special needs under the
- 4       medical assistance program; and to repeal the original section.
- 5    Be it enacted by the people of the State of Nebraska,

1       **Section 1.** Section 68-994, Revised Statutes Cumulative Supplement,  
2    2024, is amended to read:

3       68-994 (1) Until July 1, 2023, the department shall not add long-  
4    term care services and supports to the medicaid managed care program. For  
5    purposes of this section, long-term care services and supports includes  
6    services of a skilled nursing facility, a nursing facility, and an  
7    assisted-living facility and home and community-based services.

8       (2) It is the intent of the Legislature that services provided to  
9    long-term care clients with special needs be administered in a manner  
10   that preserves continuity of care, program stability, and specialized  
11   oversight. The Legislature finds that such individuals require service  
12   delivery models that do not replicate utilization management approaches  
13   used in capitated managed care programs.

14       (3)(a) The department shall exclude skilled nursing facility and  
15    nursing facility services for long-term care clients with special needs  
16   from enrollment in the medicaid managed care program.

17       (b) For purposes of this section, (i) a long-term care client with  
18    special needs means a medicaid recipient whose medical or nursing needs  
19    are complex or intensive and exceed the usual level of staff expertise  
20   and services ordinarily provided in a nursing facility; and (ii) a  
21   provider means a medicaid approved provider of long-term care services  
22   for long-term care clients with special needs.

23       (c) Skilled nursing facility and nursing facility services provided  
24    to a long-term care client with special needs shall continue to be  
25   administered and reimbursed through fee-for-service medicaid or another  
26   non-risk-based delivery system authorized under state or federal law and  
27   not through the medicaid managed care program.

28       (d) The department shall not require a provider to enroll with a  
29    managed care organization as a condition of eligibility to serve a long-  
30   term care client with special needs.

31       (e) Nothing in this subsection shall prohibit the department from

1 requiring a managed care organization to coordinate benefits other than  
2 skilled nursing facility or nursing facility services or provide  
3 wraparound services for a long-term care client with special needs if  
4 financial risk and utilization management for a provider is not  
5 administered by the managed care program.

6 (f) The department shall implement the requirements of this  
7 subsection in a manner that does not increase state General Fund  
8 expenditures above the projected costs that would have been incurred for  
9 such individuals if services were provided through the medicaid managed  
10 care program.

11 (g) The department shall adopt and promulgate rules and regulations  
12 to implement this subsection and shall amend medicaid managed care  
13 contracts as necessary, including, but not limited to, revisions to  
14 enrollment processes, no later than six months after the effective date  
15 of this subsection.

16 **Sec. 2.** Original section 68-994, Revised Statutes Cumulative  
17 Supplement, 2024, is repealed.