

LEGISLATURE OF NEBRASKA
ONE HUNDRED NINTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 723

Introduced by Quick, 35.

Read first time January 07, 2026

Committee: Health and Human Services

1 A BILL FOR AN ACT relating to the Medical Assistance Act; to amend
2 section 68-901, Revised Statutes Cumulative Supplement, 2024; to
3 state Legislative intent; to provide requirements for the Department
4 of Health and Human Services relating to community engagement; to
5 repeal the original section; and to declare an emergency.
6 Be it enacted by the people of the State of Nebraska,

1 **Section 1.** Section 68-901, Revised Statutes Cumulative Supplement,
2 2024, is amended to read:

3 68-901 Sections 68-901 to 68-9,111 and section 2 of this act shall
4 be known and may be cited as the Medical Assistance Act.

5 **Sec. 2.** (1) It is the intent of the Legislature to adopt community
6 engagement requirements only to the extent such requirements are mandated
7 by federal law and with the following intentions:

8 (a) That the rights and health coverage of Nebraskans eligible for
9 medical assistance are protected;

10 (b) That all possible exemptions to community engagement
11 requirements are adopted and streamlined; and

12 (c) That ex parte processing is widespread and effective within the
13 medical assistance program.

14 (2) The department shall implement community engagement requirements
15 for the medical assistance program only as required by 42 U.S.C.
16 1396a(xx) as follows:

17 (a) The department shall adopt the full scope of short-term hardship
18 exemptions to the community engagement requirements allowed by federal
19 law and shall request such exemptions for qualified counties;

20 (b) The department shall adopt the broadest and most comprehensive
21 definition of medically frail as possible;

22 (c) The department shall accept a participant's statement to verify
23 compliance and exemption status to the maximum extent possible;

24 (d) The department shall utilize all available data sources to
25 assess compliance or exemption status, including, but not limited to,
26 managed care organization claims data and Supplemental Nutrition
27 Assistance Program data; and

28 (e) The department shall apply an income proxy to calculate eighty
29 hours of work at the federal minimum wage and automatically deem
30 participants with equal or higher monthly incomes to have met the
31 community engagement requirements.

1 (3) The department shall adopt community engagement requirements for
2 the medical assistance program only to the extent required by federal
3 law.

4 (4) The department shall implement community engagement requirements
5 no earlier than the date required by 42 U.S.C. 1396a(xx) or the federal
6 Centers for Medicare and Medicaid Services, whichever is later.

7 **Sec. 3.** Original section 68-901, Revised Statutes Cumulative
8 Supplement, 2024, is repealed.

9 **Sec. 4.** Since an emergency exists, this act takes effect when
10 passed and approved according to law.