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PREPARED BY: Sandy Sostad
DATE PREPARED: February 10, 2011
PHONE: 471-0054

LB 493

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2011-12		FY 2012-13	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	(See Below)		(See Below)	

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 493 pertains to individual and group health insurance policies issued in the state. Current law provides for health insurance policies to provide coverage for dependent children up to 30 years of age. The bill changes the age for dependent coverage and provides that coverage shall be offered until children attain the age of 26.

The state and University of Nebraska health insurance plans will experience a decrease in insureds and in claims expense due to the elimination of the eligibility of some dependents from coverage in state employee health insurance plans. The actual decrease in the number of insured and claims is unknown. The University of Nebraska projects a \$10,000 reduction in expenditures in FY 2011-12. There may also be an unknown decrease in health insurance costs for political subdivision health insurance plans.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Gary Bush	DATE	1/28/11	PHONE	471-2526
COMMENTS					
ADMINISTRATIVE SERVICES: Concur. DEPARTMENT OF INSURANCE: Concur. UNIVERSITY OF NEBRASKA: No basis to disagree with estimate. Estimate appears to be reasonable.					

2011 Legislative Bill Proposal Fiscal Note

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LEGISLATIVE FISCAL

Bill #: 493

State Agency: Administrative Services

Prepared by: Paula Fankhauser

Date Prepared: January 21, 2011 Phone: 471-2832

Approved by:

Estimate of Fiscal Impact -- State Agencies

	FY 2011-12		FY 2012-13	
	Expenditures	Revenue	Expenditures	Revenue
General Funds				
Cash Funds				
Federal Funds				
Other Funds				
Total Funds				

Explanation of Estimate:

LB 493 repeals LB 551 which took effect January 1, 2010 and eliminates the provision of health insurance coverage for dependents up to the age of 30. However, LB 493 provides for health insurance coverage for dependents up to the age of 26 in an effort to harmonize provisions with Healthcare Reform. LB 493, if passed, will take effect September 23, 2011. Healthcare Reform will affect the State of Nebraska's health plans with the plan year beginning on July 1, 2011 which will require the State to cover dependents up to age 26.

The State of Nebraska's health plans will already allow for this provision and there will be no fiscal impact.

Major Objects of Expenditure

Personal Services:

Position Title:	Number of Positions			2011-12	2012-13
	11-12	12-13		Expenditures	Expenditures
Benefits					
Operating					
Travel					
Capital Outlay					
Aid					
Capital Improvements					
TOTAL					

Please complete ALL (5) blanks in the first three lines.

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LEGISLATIVE FISCAL

State Agency OR Political Subdivision Name: ⁽²⁾ Department of Insurance

Prepared by: ⁽³⁾ Eric Dunning Date Prepared: ⁽⁴⁾ 01/25/11 Phone: ⁽⁵⁾ 471-4650

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

FY 2011-2012

FY 2012-2013

EXPENDITURES

REVENUE

EXPENDITURES

REVENUE

GENERAL FUNDS

CASH FUNDS

FEDERAL FUNDS

OTHER FUNDS

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

Explanation of Estimate:

No Fiscal Impact

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

NUMBER OF POSITIONS

2011-2012

2012-2013

POSITION TITLE

11-12

12-13

EXPENDITURES

EXPENDITURES

Benefits.....

Operating.....

Travel.....

Capital outlay.....

Aid.....

Capital improvements.....

TOTAL.....

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State Agency OR Political Subdivision Name: University of Nebraska
(2)

Prepared by: (3) Michael Justus Date Prepared: (4) January 26, 2011 Phone: (5) 472-2191

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2011-2012		FY 2012-2013	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	(10,000)		(11,000)	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	(10,000)		(11,000)	

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

Explanation of Estimate:

This bill would reduce our healthcare plan expenditures, based on claims for 27 to 30 year olds, by about \$10,000. This amount would increase or decrease depending on those enrolled in the plan.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2011-2012	2012-2013
	11-12	12-13	EXPENDITURES	EXPENDITURES
Benefits.....			(10,000)	(11,000)
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....			(10,000)	(11,000)