

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2013-14		FY 2014-15	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
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.

LB 147 is the Health Carrier External Review Act. The act provides for external review procedures if a person wants an independent review of an adverse determination by a health carrier that an admission, availability of care, a continued stay or other health care service that is a covered benefit is denied, reduced or terminated.

An individual may file a request for external review with the Director of Insurance. If the director determines that a request is eligible for external review, the director assigns an independent review organization to conduct the review. The Department of Insurance (DOI) is required to approve independent review organizations eligible to conduct external reviews. An application fee may be charged to organizations seeking approval. Health carriers are required to pay the costs of the independent review organization for conducting the external review.

DOI indicates the bill will have no additional fiscal impact for the agency. There are a small number of independent review organizations that will seek approval to carry out external reviews and the department estimates the number of requests for reviews will not be significant. The department does not intend to charge a fee for approving independent review organizations at this time. The bill will have a minimal impact for DOI in terms of an increased workload which can be handled with existing staff and resources.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 147	AM:	AGENCY/POLT. SUB: Dept. of Insurance	
REVIEWED BY: Gary Bush		DATE: January 24, 2013	PHONE: 471-4161
COMMENTS: No basis to disagree with agency's estimate.			

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

2013

LB⁽¹⁾ 147 FISCAL NOTE

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

Prepared by: (3) Eric Dunning Date Prepared: (4) 1-14-12 Phone: (5) 402-471-4650

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2013-14</u>		<u>FY 2014-15</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

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

Explanation of Estimate:

LB 147 imposes no identifiable fiscal impact on the Department. The Department's role under LB 147 is limited largely to assignment of independent review organizations under the bill. Insurers are responsible for reimbursing independent review organizations for that cost. Based on information regarding the current federal program in this area, the Department expects a very limited number of external reviews to be requested under the bill. Therefore, the Department believes this bill to have no fiscal impact.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2013-14</u>	<u>2014-15</u>
	<u>13-14</u>	<u>14-15</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____