

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2014-15		FY 2015-16	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	See Below		See Below	
CASH FUNDS	See Below		See Below	
FEDERAL FUNDS	See Below		See Below	
OTHER FUNDS	See Below		See Below	
TOTAL FUNDS	See Below		See Below	

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

LB 858 provides that health insurance plans issued in the state shall recognize pharmacists as health care providers that have the authority to provide services including, but not limited to, medication therapy management services, chronic disease management services, comprehensive medication review and other such professional services provided to patients by pharmacists. Insurers may contract with pharmacists to provide the specified services.

The Department of Administrative Services (DAS) and the University of Nebraska indicate the addition of services by pharmacists as prescribed in the bill will increase the expenditures of the health insurance plans for state and university employees. DAS is not able to project the amount of increased annual costs for the state employee health insurance plan because the rate structure for new services and utilization is unknown. State agencies will pay 79% of any increased costs. The vendor for the University of Nebraska plan projects a total increase of \$1.5 million each year for pharmacist services which includes an estimated \$585,000 of general funds, \$585,000 of cash funds, \$165,000 of federal funds and \$165,000 of revolving funds.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 858	AM:	AGENCY/POLT. SUB: University of Nebraska	
REVIEWED BY: Gary Bush		DATE: January 24, 2014	PHONE: 471-4161
COMMENTS: No basis to disagree with the estimate of impact.			

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 858	AM:	AGENCY/POLT. SUB: Dept. of Administrative Services	
REVIEWED BY: Gary Bush		DATE: January 21, 2014	PHONE: 471-4161
COMMENTS: No basis to disagree with the agency's estimate of impact.			

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 858	AM:	AGENCY/POLT. SUB: Dept. of Insurance	
REVIEWED BY: Gary Bush		DATE: January 17, 2014	PHONE: 471-4161
COMMENTS: Agree with the department's estimate of impact.			

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

2014

LB⁽¹⁾ 858

**FISCAL
NOTE**

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

Prepared by: ⁽³⁾ Michael Justus Date Prepared: ⁽⁴⁾ January 21, 2014 Phone: ⁽⁵⁾ 402-472-2191

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2014-15		FY 2015-16	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	585,000		585,000	
CASH FUNDS	585,000		585,000	
FEDERAL FUNDS	165,000		165,000	
OTHER FUNDS	165,000		165,000	
TOTAL FUNDS	1,500,000		1,500,000	

Explanation of Estimate:

LB 858 would include certain activities of Pharmacists in healthcare costs. BCBS estimates about \$1,500,000 in additional services being used.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2014-15	2015-16
	14-15	15-16	EXPENDITURES	EXPENDITURES
Benefits.....			1,500,000	1,500,000
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....			1,500,000	1,500,000

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

2014

LB⁽¹⁾ 858

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Nebraska Department of Insurance

Prepared by: ⁽³⁾ Krystle Ledvina Garcia

Date Prepared: ⁽⁴⁾ 1/14/2014

Phone: ⁽⁵⁾ (402) 471-4637

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2014-15</u>		<u>FY 2015-16</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

No fiscal Impact

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2014-15</u>	<u>2015-16</u>
	<u>14-15</u>	<u>15-16</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

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

2014

LB⁽¹⁾ 858

**FISCAL
NOTE**

State Agency OR Political Subdivision Name: ⁽²⁾ Administrative Services – State Personnel-Wellness & Benefits and Employee Relations

Prepared by: ⁽³⁾ Jeannie O'Meara Date Prepared: ⁽⁴⁾ 1-14-14 Phone: ⁽⁵⁾ 402-471-8292

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2014-15</u>		<u>FY 2015-16</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>-0-</u>	<u>_____</u>	<u>-0-</u>	<u>_____</u>

Explanation of Estimate: LB858 requires that health plans recognize pharmacists as “health care providers” for the purposes of providing health care services that include, but are not limited to, medication therapy management services, chronic disease management services, comprehensive medication review, and other professional services provided to patients by pharmacists.

Permitting separate and distinct payments for new additional services will result in increased costs for the State’s self-funded health insurance plan, for which State agencies pay 79% of the costs.

It is not possible to project at this time what those additional costs may be due to the rate structure for new services and utilization of those services being unknown. The state health plan insurance premiums may need to be adjusted as a result of these new costs.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2014-15</u>	<u>2015-16</u>
	<u>14-15</u>	<u>15-16</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____