

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2015-16</b>		<b>FY 2016-17</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	1,965,372		(11,937,555)	
CASH FUNDS				
FEDERAL FUNDS	6,908,572		(7,652,601)	
OTHER FUNDS				
TOTAL FUNDS	8,873,944		(19,590,156)	

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

This bill requires the Department of Health and Human Services by September 1, 2015 to submit a plan amendment for the purpose of providing medical assistance for family planning services for persons whose family earned income is at or below 185% of the federal poverty level. The bill also states intent to appropriate \$500,000 annually for the Every Woman Matters Program.

The department estimates are based on the U. S. Census statistics that approximately 27,000 women who currently do not qualify would become eligible for family planning services at 185% of the federal poverty level. The approximate cost per recipient is \$252. The state match for family planning services is 10% with 90% paid by the federal government. Annually the cost would be \$6,804,000 (\$680,400 GF and \$6,123,600 FF).

The bill has the emergency clause. The state plan amendment is a check off form. The amendment could be submitted and approved for implementation on July 1, 2015.

Eligibility would be based on income only. One eligibility worker is needed per 1,000 applicants. The cost for 27 social service workers would be \$1,369,445 (\$684,723 GF and \$684,722 FF) annually. Other staff that would be required are: one program specialist and one program analyst at a cost of \$109,079 (\$54,539 GF and \$54,540 FF). One-time changes to MMIS are estimated to be \$91,420 (\$45,710 G and F).

An evaluation of other states optional family planning coverage was conducted by the CNA Corporation under contract with the federal Centers for Medicare and Medicaid (CMS). The report published in 2003 showed family planning waivers saved millions of dollars in all six state programs that were evaluated. Based on this and other similar studies, savings of \$4.17 in Medicaid are assumed for every dollar spent on family planning services. In Nebraska that would be \$28,372,680 (\$13,857,217 GF and \$14,515,463) annually beginning in FY 17.

The bill states the intent to appropriate \$500,000 General Funds each year for Every Woman Matters (EWM). EWM provides breast examinations, pap smears, mammograms and colposcopy for women ages 40 through 74.

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

State Agency or Political Subdivision Name:(2) Department of Health and Human Services

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Date Prepared:(4) 1-26-15

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	FY 2015-2016		FY 2016-2017	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
<b>GENERAL FUNDS</b>	\$2,185,354		-\$11,681,005	
<b>CASH FUNDS</b>				
<b>FEDERAL FUNDS</b>	\$7,201,690		-\$7,396,051	
<b>OTHER FUNDS</b>				
<b>TOTAL FUNDS</b>	\$9,387,044		-\$19,077,056	

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

**Explanation of Estimate:**

LB 77 would be an optional expansion of Medicaid. Under the Affordable Care Act (ACA), expanding family planning services is now an option and no longer a section 1115 demonstration. It is unclear if the intent is for the Every Woman Matters (EWM) program to administer family planning services, as the bill appropriates funds for EWM to reimburse for their current program as well as family planning. Currently the EWM program covers females age 40-74 for specific diagnosis and screenings, and males age 50-74 for colon cancer screening only. As this bill would require a new category of eligibility for Medicaid, the administration and funding of this program would be the responsibility of MLTC under the Medicaid program.

If Medicaid expands to add this optional family planning group, an increase in eligibles would require additional aid expenditures, increased staffing, and system changes. U.S. Census figures estimate that 27,000 eligibles who do not qualify for medical assistance would be eligible for family planning. At an estimated annual average cost of \$252 per recipient, Medicaid expenditures would increase by \$6,804,000 total annually. A savings of \$4.17 is assumed for every dollar spent, generating a savings of \$28,372,680 total annually beginning in SFY17.

System changes to implement LB 77 are estimated at \$91,420 total (\$9,142 GF, \$82,278 FF) in SFY16. Additional staffing needs would require 1 eligibility worker per 1,000 eligibles, for a total of 27 eligibility workers. Other staffing needs include 1 Program Specialist and 1 Payments Reviewer. Total staffing increases would cost \$1,991,624 total annually (\$995,812 GF, \$995,812 FF).

LB 77 appropriates health aid to Public Health for the reimbursement of a range of services through the EWM program. Under LB 77, Program 514 is appropriated \$500,000 GF in SFY16 and \$500,000 GF in SFY17.

**MAJOR OBJECTS OF EXPENDITURE**

PERSONAL SERVICES:	POSITION TITLE	NUMBER OF POSITIONS		2015-2016	2016-2017
		15-16	16-17	EXPENDITURES	EXPENDITURES
	Social Services Worker	27	27	\$936,693	\$936,693
	Program Specialist	1	1	\$44,292	\$44,292
	Payments Reviewer	1	1	\$30,318	\$30,318
Benefits.....				\$350,958	\$350,958
Operating.....				\$720,784	\$629,364
Travel.....					

Capital Outlay.....		
Aid.....	\$7,304,000	-\$21,068,680
Capital Improvements.....		
<b>TOTAL.....</b>	<b>\$9,387,044</b>	<b>-\$19,077,056</b>