

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

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2018-19</b>		<b>FY 2019-20</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS	\$811,150		\$811,150	
CASH FUNDS	\$20,870		\$20,870	
FEDERAL FUNDS	\$122,583		\$122,583	
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>\$954,463</b>		<b>\$954,463</b>	

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

LB 1101 provides that funds are included in the appropriation to the Department of Health and Human Services (HHS) for Program #348 – Medical Assistance and for Program #38 – Behavioral Health Aid for a 5% increase in rates for providers of short-term residential treatment services, intensive outpatient treatment services and substance use assessment services. Likewise, the bill provides that funds are included in the appropriation to the Supreme Court for Program #67 – Probation Services for a 5% increase in rates for providers of these services. The amounts are to be included in the FY2018-19 appropriation to the agencies.

The specific amounts to provide a 5% rate increase were not designated in the bill. The amount needed to fund a 5% rate increase is as follows as provided by HHS and the Supreme Court. It is assumed the agencies do not have funds in their existing appropriations to pay for the rate increases, so additional funds are necessary to comply with the intent of the bill. It is also assumed the rate increase will be continued in FY2019-20.

Services	General	Cash	Federal	Total
<b>Prog. 38 - Behavioral Health</b>				
Short-Term Residential	361,778			361,778
Intensive Outpatient	57,664			57,664
Substance Use Assessments	<u>95,315</u>			<u>95,315</u>
<b>Total</b>	<b>\$514,757</b>	<b>\$0</b>	<b>\$0</b>	<b>\$514,757</b>
<b>Prog. 348 - Medical Assistance</b>				
Short-Term Residential	42,608		47,184	89,738
Intensive Outpatient	61,065		67,624	128,612
Substance Use Assessments	<u>7,020</u>		<u>7,774</u>	<u>14,786</u>
<b>Total</b>	<b>\$110,693</b>	<b>\$0</b>	<b>\$122,583</b>	<b>\$233,136</b>
<b>Prog. 67 - Probation Services</b>				
Short-Term Residential	18,156	425		18,581
Intensive Outpatient	45,856	5,941		51,797
Substance Use Assessments	<u>121,688</u>	<u>14,504</u>		<u>136,192</u>
<b>Total</b>	<b>\$185,700</b>	<b>\$20,870</b>	<b>\$0</b>	<b>\$206,570</b>
<b>Totals</b>				
Short-Term Residential	422,542	425	47,184	470,097
Intensive Outpatient	164,585	5,941	67,624	238,073
Substance Use Assessments	<u>224,023</u>	<u>14,504</u>	<u>7,774</u>	<u>246,293</u>
<b>Total</b>	<b>\$811,150</b>	<b>\$20,870</b>	<b>\$122,583</b>	<b>\$954,463</b>

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 1101	AM:	AGENCY/POLT. SUB: Department of Health and Human Services DHHS)
REVIEWED BY: Elton Larson	DATE: 2/9/2018	PHONE: <a href="tel:4024714173">(402) 471-4173</a>
COMMENTS: DHHS estimate of fiscal impact to the department appears reasonable.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 1101	AM: Follow-up detail	AGENCY/POLT. SUB: Supreme Court
REVIEWED BY: Elton Larson	DATE: 2/9/2018	PHONE: <a href="tel:4024714173">(402) 471-4173</a>
COMMENTS: Supreme Court estimate of fiscal impact to the Court appears reasonable.		

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

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

Prepared by: (3) Mike Michalski

Date Prepared 1-22-18

Phone: (5) 471-6719

	<u>FY 2018-2019</u>		<u>FY 2019-2020</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
<b>GENERAL FUNDS</b>	\$625,311		\$625,311	
<b>CASH FUNDS</b>				
<b>FEDERAL FUNDS</b>	\$122,582		\$122,582	
<b>OTHER FUNDS</b>				
<b>TOTAL FUNDS</b>	\$747,893		\$747,893	

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

**Explanation of Estimate:**

LB 1101 would provide for a five percent increase in provider rates for short-term residential treatment services, intensive outpatient treatment services, and substance abuse use assessment services as paid for through Agency 25, Programs 348 and 38, and Agency 5, Program 67.

The fiscal impact of LB 1101 on the Department of Health and Human Services (Agency 25) is as follows:

Service	Program 038		Program 348	
	FY17 Actual Expenditures	5% Increase	FY17 Actual Expenditures	5% Increase
Short term residential	7,235,561	361,778	1,794,766	89,738
Intensive Outpatient	1,153,286	57,664	2,572,234	128,612
SUD Assessments	1,906,299	95,315	295,723	14,786
	10,295,146	514,757	4,662,723	233,136

**General Fund Impact**

Service	Prog 038	Prog 348	Total
Short term residential	361,778	42,554	404,332
Intensive Outpatient	57,664	60,988	118,652
SUD Assessments	95,315	7,012	102,327
	514,757	110,554	625,311

Program 038 costs will be all general fund, while Program 348 can use the FMAP rate of 52.58% for its expenditures, thereby splitting costs between general and federal funds.

**MAJOR OBJECTS OF EXPENDITURE**

**PERSONAL SERVICES:**

POSITION TITLE	NUMBER OF POSITIONS		2018-2019	2019-2020
	18-19	19-20	EXPENDITURES	EXPENDITURES
Benefits.....				
Operating.....				
Travel.....				
Capital Outlay.....				
Aid.....			\$747,893	\$747,893
Capital Improvements.....				
<b>TOTAL.....</b>			<b>\$747,893</b>	<b>\$747,893</b>

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

**2018**

**LB<sup>(1)</sup> 1101 REVISED**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> 05 Supreme Court

Prepared by: <sup>(3)</sup> Eric Asboe Date Prepared: <sup>(4)</sup> 2/8/18 Phone: <sup>(5)</sup> 1-4138

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

	<u>FY 2018-19</u>		<u>FY 2019-20</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>See below</u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
CASH FUNDS	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
FEDERAL FUNDS	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
OTHER FUNDS	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
TOTAL FUNDS	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

**Explanation of Estimate:**

LB1101 provides additional funding for three behavioral health services provided by Probation. Estimate of additional appropriation needed for a 5% provider rate increase, based on FY16-17 expenditures:

	<u>General Fund</u>	<u>Cash Fund</u>
<u>Adult</u>		
Substance Abuse Assessment	13,365	425
Intensive Outpatient Treatment	36,872	5,941
Short-Term Residential Treatment	<u>120,725</u>	<u>14,504</u>
Total	170,962	20,870
<u>Juvenile</u>		
Substance Abuse Assessment	4,791	
Intensive Outpatient Treatment	8,984	
Short-Term Residential Treatment	<u>963</u>	
Total	14,738	
Grand Total	185,700	20,870

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2018-19</u>	<u>2019-20</u>
	<u>18-19</u>	<u>19-20</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
<u>Benefits.....</u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<u>Operating.....</u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<u>Travel.....</u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<u>Capital outlay.....</u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<u>Aid.....</u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<u>Capital improvements.....</u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<u>TOTAL.....</u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>