

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2019-20		FY 2020-21	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See Below		See Below	

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

This bill creates the Medicaid Cost and Quality Data and Analysis Center of Nebraska at the University of Nebraska Medical Center. The center would collect, analyze and manage data to create policy recommendations to decrease the cost of assistance provided by the Medicaid Program. The center will have electronic access to all health data collected by the Department of Health and Human Services. The center will report recommendations annually to the Legislature. The Department of Health and Human Services is required to seek a plan amendment or waiver to be able to claim a federal match for the center. The state match would be paid from the Health Care Cash Fund.

The Department of Health and Human Services' fiscal note assumes the bill in its current form would not meet federal approval. A clarifying amendment will be proposed to address the issues raised in the department's fiscal note. If the obstacles to federal approval are removed, it is assumed an annual transfer of \$250,000 from the Health Care Cash Fund would be made to the UNMC Medicaid Cost and Quality Data and Analysis Center.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 716	AM:	AGENCY/POLT. SUB: Nebraska Department of Health and Human Services	
REVIEWED BY: Ann Linneman	DATE: 2-15-19	PHONE: (402) 471-4180	
COMMENTS: No basis to disagree with the Nebraska Department of Health and Human Services' assessment of fiscal impact.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 716	AM:	AGENCY/POLT. SUB: University of Nebraska	
REVIEWED BY: Ann Linneman	DATE: 2-12-19	PHONE: (402) 471-4180	
COMMENTS: Bill states "upon approval of the amendment to the Medicaid state plan or the granting of the waiver, the State Treasurer shall transfer the funds to the Board of Regents of the University of Nebraska to provide funds to the University of Nebraska Medical Center for operation of the Medicaid Cost and Quality Data and Analysis Center of Nebraska," however it does not identify or cap an amount to transfer, or identify the federal funds to be used. A statutorily required (Sec 71-7611 RRS) Nebraska Investment Council report regarding the sustainability of expenditures from the Health Care Cash Fund concludes that current allocations from the Health Care Cash Fund, without even considering new or increased allocations, are not sustainable. The most recent Investment Council report submitted to the Legislature on September 19, 2018 is available on the Legislature's website at: https://nebraskalegislature.gov/FloorDocs/105/PDF/Agencies/Investment_Council/139_20180919-102153.pdf			

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 1-24-19

Phone: (5) 471-6719

	<u>FY 2019-2020</u>		<u>FY 2020-2021</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See Below		See Below	

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

Explanation of Estimate:

This bill will require the Department of Health and Human Services (DHHS) to partner with the University of Nebraska Medical Center to create the “Medicaid Cost and Quality Data and Analysis Center of Nebraska” to collect, analyze, and manage data to create policy recommendations to decrease the cost of the medical assistance provided by the medical assistance program and improve access to and quality of care provided by the medical assistance program. The center shall have electronic access to all health data collected by the Division of Medicaid and Long-Term Care, Division of Public Health, Division of Developmental Disabilities, Division of Children and Family Services, and the Division of Behavioral Health of the Department.

It will require DHHS to submit an application to the federal Centers for Medicare and Medicaid Services of the United States Department of Health and Human Services to amend the Medicaid state plan or seek a waiver to provide for the creation and administration of the Medicaid Cost and Quality Data and Analysis Center of Nebraska.

The use of Medicaid data is tightly controlled and subject to other state and federal privacy restrictions that make the endeavor envisioned by this bill difficult. This bill also conflicts with public health data statutes that do not allow release of data for research, (i.e. communicable disease statute; particularly 71-503.01, Emergency Medical Services patient data, 38-1225, and Trauma Registry data 71-8249) for research purposes. The Department would be unable to implement the requirements of this bill and therefore, there is no fiscal impact. In the event legal obstacles are overcome, there would be a significant administrative and fiscal burden on all DHHS Divisions in order to restructure the Department’s data systems to make them interoperable.

PERSONAL SERVICES:

POSITION TITLE	NUMBER OF POSITIONS		2019-2020	2020-2021
	19-20	20-21	EXPENDITURES	EXPENDITURES
Benefits.....				
Operating.....				
Travel.....				
Capital Outlay.....				
Aid.....				
Capital Improvements.....				
TOTAL				

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

2019

LB⁽¹⁾ 716

FISCAL NOTE

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

Prepared by: ⁽³⁾ Michael Justus Date Prepared: ⁽⁴⁾ February 1, 2019 Phone: ⁽⁵⁾ 402.472-7109

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2019-20</u>		<u>FY 2020-21</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS				
CASH FUNDS	500,000	500,000		
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	<u>500,000</u>	<u>500,000</u>		

Explanation of Estimate:

LB 716, if passed, would transfer \$500,000 from the Nebraska Health Care Cash Fund to the University to be used as the state match for the federal medical assistance percentage for Medicare and Medicaid Services of the United States should the Medicaid state plan waiver provide for the creation and administration of the Medicaid Cost and Quality Data and Analysis Center of Nebraska.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2019-20</u>	<u>2020-21</u>
	<u>19-20</u>	<u>20-21</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Center Director	0.25		62,500	
Epidemiologist	0.50		110,000	
Biostatistician	0.50		39,000	
MPH Program Analyst	0.50		39,000	
Administrative Support	0.50		12,000	
Graduate Assistant (2 @0.50 fte)	1.00		25,000	
IT Support	0.20		10,600	
Financial Support	0.05		1,900	
Benefits.....			84,000	
Operating.....			100,000	
Travel.....			7,500	
Capital outlay.....			8,500	
Aid.....				
Capital improvements.....				
TOTAL.....			<u>500,000</u>	