

PREPARED BY: Mikayla Findlay  
 DATE PREPARED: January 17, 2024  
 PHONE: 402-471-0062

**LB 1376**

Revision: 00

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

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2024-25</b>		<b>FY 2025-26</b>	
	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 would appropriate \$6,000,000 in General Funds in FY25 to Program 348 Medical Assistance Program, Medicaid, in the Department of Health and Human Services (DHHS) for prescription reimbursement for pharmacies that own six or fewer pharmacies. There are no specifics on how the funding would be directed.

Based on the Federal Medical Assistance Percentage, \$6,000,000 in General Funds for this purpose would likely be eligible for approximately \$11 million in Federal Fund matching.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB:	1376	AM:	AGENCY/POLT. SUB: Nebraska Department of Health & Human Services
REVIEWED BY:	Ann Linneman	DATE:	2-9-2024 PHONE: (402) 471-4180
COMMENTS: Concur with the Nebraska Department of Health & Human Services' assessment of fiscal impact.			

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

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

Prepared by: (3) John Meals

Date Prepared 2-9-2024

Phone: (5) 471-6719

	<u>FY 2024-2025</u>		<u>FY 2025-2026</u>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
<b>GENERAL FUNDS</b>	\$6,000,000		\$6,000,000	
<b>CASH FUNDS</b>				
<b>FEDERAL FUNDS</b>				
<b>OTHER FUNDS</b>				
<b>TOTAL FUNDS</b>	\$6,000,000	\$0	\$6,000,000	\$0

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

**Explanation of Estimate:**

LB 1376 appropriates \$6,000,000 from the General Funds for FY2024-2025 to the Department of Health and Human Services (DHHS), Program 348 Medical Assistance, for prescription reimbursements for pharmacies that own six or fewer pharmacies. These funds are in the form of state aid and shall only be used for such purposes.

It is unclear to the Department if the intent of this bill is like previous bills, such as LB 204/AM 1418 (2022), which proposed increased dispensing fees for independent pharmacies.

Medicaid also pays for pharmacy services in program 344 Children’s Health Insurance (CHIP). This bill only appropriates funds for Program 348, so additional funds may be required for program 344 or clarification on our ability to use a portion of the \$6,000,000 for program 344. The bill is also silent of federal funding and if that is intended to be incorporated as well.

**MAJOR OBJECTS OF EXPENDITURE**

PERSONAL SERVICES:	POSITION TITLE	NUMBER OF POSITIONS		2024-2025	2025-2026
		24-25	25-26	EXPENDITURES	EXPENDITURES
Benefits.....					
Operating.....					
Travel.....					
Capital Outlay.....					
Aid.....				\$6,000,000	\$6,000,000
Capital Improvements.....					
<b>TOTAL.....</b>				<b>\$6,000,000</b>	<b>\$6,000,000</b>