

PREPARED BY: Mikayla Findlay  
 DATE PREPARED: January 21, 2025  
 PHONE: 402-471-0062

**LB 41**

Revision: 00

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

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)</b>				
	<b>FY 2025-26</b>		<b>FY 2026-27</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS	\$92,441		\$94,724	
CASH FUNDS				
FEDERAL FUNDS	\$123,559		\$121,276	
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>\$216,000</b>		<b>\$216,000</b>	

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

This bill would require an additional two pregnancy-related screenings for syphilis, during the third trimester and at birth, in addition to the existing screening requirement during the first gestational examination. The implementation date would be three months following adjournment and for the purposes of this fiscal note is assumed to be 7/1/2025.

These additional screening requirements would affect Medicaid coverage for pregnancies. The Department of Health and Human Services (DHHS) notes that in FY24 there were 8,912 births under the Medicaid program. The agency fiscal impact is based on an estimate of cost per test of \$12. The estimated cost of \$216,000 is based on \$24 for two tests for 9,000 individuals. The agency uses a fund mix based on a proportional blend of CHIP, regular Medicaid, and Medicaid expansion federal participation. The state share is higher in FY27 due to expected reduction in Federal Medical Assistance Percentage (FMAP). There is no basis to disagree with this estimate.

Most Medicaid services in Nebraska are covered through agreements with Managed Care Organizations. DHHS pays MCOs a monthly allocation per client to cover their services costs, this is referred to as a Per Member Per Month (PMPM). Nebraska, like most states, pays for Medicaid maternity care via bundled payment however the screening for syphilis is not included in this bundled service. As such the agency would need to cover the increased cost of these screenings through increased payments to the MCOs who would then in turn cover the newly required screenings.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB:	41	AM:	AGENCY/POLT. SUB: Nebraska Dept of Health & Human Services
REVIEWED BY:	Ann Linneman	DATE:	1-21-2025 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 1-17-25

Phone: (5) 471-6719

	<u>FY 2025-2026</u>		<u>FY 2026-2027</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
<b>GENERAL FUNDS</b>	\$92,441		\$94,724	
<b>CASH FUNDS</b>				
<b>FEDERAL FUNDS</b>	\$123,559		\$121,276	
<b>OTHER FUNDS</b>				
<b>TOTAL FUNDS</b>	\$216,000	\$0	\$216,000	\$0

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

**Explanation of Estimate:**

LB41 adds language requiring a blood sample be taken from a pregnant woman at the third trimester examination and at birth to be submitted for serological testing for syphilis. Currently, this testing is required at the time of the first examination.

In SFY24, there were 8,912 Medicaid covered births. It is estimated that LB41 will result in an increase of 18,000 tests annually as a result of three tests being required instead of one. This fiscal note uses an estimated average rapid plasma regain test of \$12. With an implementation date of July 1, 2025, this will result in an increase in aid expenditures of \$216,000 (\$123,559 Federal Funds and \$92,441 General Funds) in SFY26. In SFY27, the increase in aid expenditures will be \$216,000 (\$121,276 Federal Funds and \$94,724 General Funds). The blended FMAP for SFY26 used is 57.20% and for SFY27 is 56.15%. The blended FMAP was based on the proportion of regular Medicaid usage and Children’s Health Insurance Program (CHIP) usage.

**MAJOR OBJECTS OF EXPENDITURE**

**PERSONAL SERVICES:**

POSITION TITLE	NUMBER OF POSITIONS		2025-2026 EXPENDITURES	2026-2027 EXPENDITURES
	26-26	26-27		
Benefits.....				
Operating.....				
Travel.....				
Capital Outlay.....				
Aid.....			\$216,000	\$216,000
Capital Improvements.....				
<b>TOTAL.....</b>			<b>\$216,000</b>	<b>\$216,000</b>