

PREPARED BY: Mikayla Findlay
 DATE PREPARED: March 7, 2025
 PHONE: 402-471-0062

LB 188

Revision: 00

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2025-26		FY 2026-27	
	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 states legislative intent that of the total amount appropriated to the Department of Health and Human Services, \$462,480,546 in FY26 and \$476,717,026 in FY27 shall be used for Medicaid nursing facility rates. These amounts represent an increase of \$13,129,028 total funds (56.34% federal funds) for FY26 and \$27,365,508 total funds (55.94% federal funds) for FY27 compared to the base of \$449,351,518. Neither the bill nor the fiscal note from the agency indicate the change of rate the total dollar increase represents. However, the funding increases amount to a 2.9% increase from FY25 to FY26 and a 3.1% increase from FY26 to FY27.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE				
LB:	188	AM:	AGENCY/POLT. SUB: Nebraska Department of Health & Human Services	
REVIEWED BY:	Ann Linneman	DATE:	3-7-2025	PHONE: (402) 471-4180
COMMENTS: Concur with the Nebraska Department of Health and Human Services' assessment of fiscal impact.				
<u>Technical Note:</u> The current appropriation language is not sufficient to create an appropriation. The fiscal impact assessment assumes an accompanying A-bill articulating appropriation in accordance with §49-804.				

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 3-7-25

Phone: (5) 471-6719

	<u>FY 2025-2026</u>		<u>FY 2026-2027</u>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$5,732,134		\$12,057,243	
CASH FUNDS				
FEDERAL FUNDS	\$7,396,894		\$15,308,265	
OTHER FUNDS				
TOTAL FUNDS	\$13,129,028	\$0	\$27,365,508	\$0

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

Explanation of Estimate:

LB188 intends to appropriate \$462,480,546 for Medicaid nursing facility (NF) rate calculations for program 348 in fiscal year 2026. LB1412 (2024) appropriated \$449,351,518 for the NF rate calculation so this represents an increase of \$13,129,028 (\$5,732,134 General funds and \$7,396,894 Federal funds).

Additionally, the bill intends to appropriate \$476,717,026 for the NF rate calculation in fiscal year 2027 which results in an increase of \$27,365,508 (\$12,057,243 General funds and \$15,308,265 Federal funds).

A state plan amendment (SPA) would be required to implement this bill to increase the rates commensurate with the increases in appropriations. This would be incorporated into already planned SPA for rates in SFY26.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:	NUMBER OF POSITIONS		2025-2026	2026-2027
	POSITION TITLE	26-26	26-27	EXPENDITURES
Benefits.....				
Operating.....				
Travel.....				
Capital Outlay.....				
Aid.....			\$13,129,028	\$27,365,508
Capital Improvements.....				
TOTAL.....			\$13,129,028	\$27,365,508