

PREPARED BY: Mikayla Findlay
 DATE PREPARED: March 3, 2025
 PHONE: 402-471-0062

LB 210

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 permits the operator of the prescription drug monitoring system and Health Information Exchange to charge fees including a separate fee for pharmacy benefit managers, directs the Department of Health and Human Services (DHHS) to collect a quarterly assessment on such operator beginning July 1, 2025, and creates new reporting requirements.

The Department of Administrative Services indicates the provisions related to new fees on pharmacy benefit managers would impact state insurance plans however the amount is unknown.

DHHS indicates the current General Fund expenditure on the Prescription Drug Monitoring Program amounts to \$7 million. Revenue collected from the assessment could be used as state participation in place of General Funds to leverage federal dollars available for such purpose. The fiscal impact is indeterminable.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB:	210	AM:	AGENCY/POLT. SUB: Nebraska Department of Health & Human Services
REVIEWED BY:	Ann Linneman	DATE:	3-4-2025
		PHONE:	(402) 471-4180
COMMENTS: Concur 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:	210	AM:	AGENCY/POLT. SUB: Nebraska Department of Administrative Services
REVIEWED BY:	Ann Linneman	DATE:	1-22-2025
		PHONE:	(402) 471-4180
COMMENTS: Concur with the Nebraska Department of Administrative Services' assessment of indeterminable fiscal impact.			

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

2025

LB⁽¹⁾ 210

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Department of Administrative Services (DAS) – Employee Wellness & Benefits

Prepared by: ⁽³⁾ Jennifer Norris Date Prepared: ⁽⁴⁾ 01/14/2025 Phone: ⁽⁵⁾ 402-471-4443

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2025-26</u>		<u>FY 2026-27</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
REVOLVING FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>See Below</u>	<u>_____</u>	<u>See Below</u>	<u>_____</u>

Explanation of Estimate:

LB 210 allows an operator of a prescription drug monitoring system to assess access fees to users of the system. The Department of Health and Human Services is to impose fees on every pharmacy benefit manager for operational, nontreatment use of the prescription drug monitoring system. The operator may also charge the health insurance plan for use of the system. The bill, as proposed, does not provide the amount of the fees as they are to be determined. As a result of the expense associated with accessing the system, the State’s health insurance plans will be required to increase premiums for this cost because the State’s current medical plans are self-insured.

The State pays 79% of the premium and the employee pays 21%. The impact of the changes proposed in LB 210 would increase the State’s and the employee’s premium costs.

The table below summarizes the estimated impact by fund type of any premium increases. The allocation by fund type is based on an average for health insurance expenditures over a five-year period (2020-2024).

Fund Type	% of Expenditures
General Fund	52%
Cash Fund	25%
Federal Fund	19%
Revolving Fund	4%
Total	100%

Any fiscal impact to DAS is indeterminable at this time.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2025-26</u>	<u>2026-27</u>
	<u>25-26</u>	<u>26-27</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				

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 3-3-25

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>
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See Below	See below	See below	See below

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

Explanation of Estimate:

LB210 directs the Department of Health and Human Services (DHHS) to begin assessing a quarterly tax to the operator of the statewide Health Information Exchange (HIE), authorizes the operator of the HIE and Prescription Drug Monitoring Program (PDMP) to charge fees for using these systems, and charges a new fee to pharmacy benefit manager (PBM) users of the PDMP. This creates new reporting requirements for Medicaid (MLTC) and Public Health.

The collection of a tax on the HIE would increase revenue for DHHS. The exact amount of tax collected under this bill is currently unknown. Additionally, the bill states intent that DHHS assess this tax to cover the non-federal share of the costs to operate the HIE/PDMP. The annual general fund cost of operating the HIE and PDMP is approximately \$7 million. Revenue collected could be used as the source of the non-federal match used to obtain federal financial participation and therefore reduce the amount of General funds appropriated to DHHS for costs to operate the HIE and PDMP.

This bill also requires DHHS to create a new cash fund for the tax collected, permits the department to retain up to \$250,000 per year for administration of the program, and prohibits that any funds be transferred to the General Fund.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:	NUMBER OF POSITIONS		2025-2026 EXPENDITURES	2026-2027 EXPENDITURES
	25-26	26-27		
Benefits.....				
Operating.....				
Travel.....				
Capital Outlay.....				
Aid.....				
Capital Improvements.....				
TOTAL.....			\$0	\$0