

# FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)					
EXPENDITURES	GENERAL	CASH	FEDERAL	REVOLVING	TOTAL
FY2025-2026	0	0	0	0	0
FY2026-2027	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW
FY2027-2028	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW
FY2028-2029	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW
REVENUE	GENERAL	CASH	FEDERAL	REVOLVING	TOTAL
FY2025-2026	0	0	0	0	0
FY2026-2027	0	0	0	0	0
FY2027-2028	0	0	0	0	0
FY2028-2029	0	0	0	0	0

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

LB 762 would require insurance coverage for treatment of pediatric autoimmune neuropsychiatric disorder associated with a streptococcal infection and pediatric acute-onset neuropsychiatric syndrome. Treatments include, but not limited to, antibiotics, medication and behavioral therapies to manage neuropsychiatric symptoms, plasma exchange, and immunoglobulin.

Insurance policies would need to report the following to the Department of Insurance no later than October 1, 2027 and each October 1 thereafter:

1. The number of times the insurance policy has denied coverage
2. For each denial of coverage, the specific treatment for which coverage was denied

The Department of Insurance would then need to compile a single report identifying each reporting insurance policy and post the report on the department's website on or before December 1, 2028 and each December 1 thereafter, specifying for each policy, the number of coverage denials for each treatment.

The Department of Administrative Services (DAS) indicates the State of Nebraska health insurance plans do not include coverage for pediatric autoimmune disorders. Estimates provided by the state's Third-Party Administrator (TPA) ranges from \$10,407-\$86,727 annually. DAS estimates Nebraska being on the lower end of the range due to the national clinical rate being 8.5 per 100,000. Increases in costs would need to be covered by an increase in premiums. The state pays for 79% of the premiums and the teammate pays 21%. DAS provides a mid-point estimate of \$48,579 annually based on a 5-year average for health insurance expenditures. Costs by fund type are in the table below.

Fund Type	Mid-Point Estimate
General Fund	\$26,718
Cash Fund	\$11,659
Federal Fund	\$8,258
Revolving Fund	\$1,944
<b>Total</b>	<b>\$48,579</b>

The largest cost drivers are:

- IVIG (Intravenous Immunoglobulin) infusions can cost between \$7,500 to \$30,000 depending on setting (office vs. hospital); patients can have more than one course (typically 2 courses); while 10%-15% of patients might need IVIG plus Plasmapheresis treatment.
- Plasmapheresis (therapeutic plasma exchange) can cost \$20,000 or higher per treatment (although only 1% of patients might need it).

University of Nebraska estimates that the bill would increase costs for the employee health insurance plan by \$800,000 with 79% fiscal support totaling \$632,000 across all fund types. Costs to the General Fund are estimated at \$233,840 per year. The reason for the cost increase is that currently treatments for Pediatric Autoimmune Neuropsychiatric Disorders Associated with Streptococcal Infections (PANDA) are classified as an investigative procedure which is excluded from the current plan.

The Department of Insurance indicates that LB 762 would establish a new state-required benefit pursuant to the Affordable Care Act and the costs would need to be defrayed. The Department surveyed several QHP issuers to create a cost estimate which totaled approximately \$947,000 annually. Additionally, the bill would require the Department to compile denial of coverage information and publish the information in a report on the department's website, which would be performed by current staff.

The Affordable Care Act (ACA) requires the defrayal of all costs of new state required benefits for ACA individual and small group plans. This is done either through reimbursement by the state to the issuer of a Qualified Health Plan (QHP), or the enrollee. Pursuant to the ACA, the insurer quantifies the cost attributable to the new required benefit and that cost is submitted to the state for reimbursement. Under current Nebraska law, these defrayal costs would be paid under the state claims process.

The defrayal costs are charged by each individual QHP insurer. Depending upon the relevant population of insureds that have coverage under that insurer, the costs could potentially exceed the estimate provided depending upon actual utilization by all eligible enrollees in the plans. In any instance, the amount spent, pursuant to the ACA, must be reimbursed by the state.

No basis to disagree with these estimates.

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

**2026**

**LB<sup>(1)</sup> 762**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Department of Administrative Services – State Personnel - Benefits

Prepared by: <sup>(3)</sup> Jennifer Norris Date Prepared: <sup>(4)</sup> 1/9/26 Phone: <sup>(5)</sup> 402 480 9728

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

	<u>FY 2026-27</u>		<u>FY 2027-28</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	\$26,718		\$26,718	
CASH FUNDS	\$11,659		\$11,659	
FEDERAL FUNDS	\$8,258		\$8,258	
REVOLVING FUNDS	\$1,944		\$1,944	
<b>TOTAL FUNDS</b>	<b>\$48,579</b>		<b>\$48,579</b>	

**Explanation of Estimate:**

LB 762 would require coverage for treatment of certain pediatric autoimmune disorders. Currently the State of Nebraska plans do not include this coverage. As this would be new coverage, cost data remains limited. Variability in costs, insurer practices, number of cases, treatment types and care settings further complicate projections and therefore the exact fiscal impact and cost to the plan is difficult to determine.

Current assumptions by the State's Third-Party Administrator (TPA) suggest costs could range from \$0.03 to \$0.25 per "lives covered" (28,909) under the State's plans per month or \$10,407.24 - \$86,727 annually.

The largest cost drivers are:

- IVIG (Intravenous Immunoglobulin) infusions can cost between \$7,500 to \$30,000 depending on setting (office vs. hospital); patients can have more than one course (typically 2 courses); while 10%-15% of patients might need IVIG plus Plasmapheresis treatment.
- Plasmapheresis (therapeutic plasma exchange) can cost \$20,000 or higher per treatment (although only 1% of patients might need it).

Nebraska is likely on the lower end of this range, as its estimated incidence aligns with the national clinical rate (8.5 per 100,000), meaning the state can expect less than a handful of cases annually.

The State of Nebraska's health and prescription plans are self-insured. Any increase in costs would need to be covered by an increase in premiums. The State of Nebraska pays 79% of the premiums for State of Nebraska teammates and the teammate pays 21%.

The table below summarizes the estimated impact by fund type of any estimated premium increases (low/mid/high). The allocation by fund type is based on an average for Health Insurance expenditures over a five-year period (2021-2025). The midpoint estimate is used above to forecast expenditures.

<b>Fund Type</b>	<b>% of Expenditures</b>	<b>Low Estimate</b>	<b>Mid-Point Estimate</b>	<b>High Estimate</b>
General Fund	55%	\$5,720	\$26,718	\$47,700
Cash Fund	24%	\$2,496	\$11,659	\$20,814
Federal Fund	17%	\$1,768	\$8,258	\$14,744
Revolving Fund	4%	\$ 416	\$1,944	\$ 3,469
<b>Total</b>	<b>100%</b>	<b>\$10,400</b>	<b>\$48,579</b>	<b>\$86,727</b>

The State’s health plans utilize trust funds; thus, no additional appropriation would be required.

<u>BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE</u>				
<u>Personal Services:</u>				
<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2026-27</u>	<u>2027-28</u>
	<u>26-27</u>	<u>27-28</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
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LB: 762	AM:	AGENCY/POLT. SUB: Department of Insurance
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REVIEWED BY: Ryan Walton	DATE: 2/10/2026	PHONE: (402) 471-4174
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COMMENTS: The Department of Insurance's assessment of fiscal impact from LB 762 appears reasonable.		
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ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
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LB: 762	AM:	AGENCY/POLT. SUB: Department of Health and Human Services (DHHS)
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REVIEWED BY: Ryan Walton	DATE: 2/4/2026	PHONE: (402) 471-4174
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COMMENTS: DHHS' assessment of no fiscal impact from LB 762 appears reasonable.		
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ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
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LB: 762	AM:	AGENCY/POLT. SUB: Department of Administrative Services (DAS)
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REVIEWED BY: Ryan Walton	DATE: 1/25/2026	PHONE: (402) 471-4174
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COMMENTS: DAS' assessment of fiscal impact from LB 762 appears reasonable.		
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ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
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LB: 762	AM:	AGENCY/POLT. SUB: University of Nebraska System
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REVIEWED BY: Ryan Walton	DATE: 1/16/2026	PHONE: (402) 471-4174
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COMMENTS: No basis to disagree with the University of Nebraska System's assessment of fiscal impact from LB 762.		
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**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 2-4-2026

Phone: (5) 471-6719

**FY 2026-2027****FY 2027-2028**

	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
<b>GENERAL FUNDS</b>				
<b>CASH FUNDS</b>				
<b>FEDERAL FUNDS</b>				
<b>OTHER FUNDS</b>				
<b>TOTAL FUNDS</b>	\$0	\$0	\$0	\$0

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

**Explanation of Estimate:**

There is no fiscal impact to the Department of Health and Human Services.

**MAJOR OBJECTS OF EXPENDITURE****PERSONAL SERVICES:**

POSITION TITLE	NUMBER OF POSITIONS		2026-2027	2027-2028
	26-27	27-28	EXPENDITURES	EXPENDITURES
Benefits.....				
Operating.....				
Travel.....				
Capital Outlay.....				
Aid.....				
Capital Improvements.....				
<b>TOTAL.....</b>			\$0	\$0

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

2026

LB<sup>(1)</sup> 762

FISCAL NOTE

State Agency OR Political Subdivision Name: <sup>(2)</sup> Department of Insurance

Prepared by: <sup>(3)</sup> Jordan Blades Date Prepared: <sup>(4)</sup> 1/30/26 Phone: <sup>(5)</sup> 402-471-4638

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2026-27</u>		<u>FY 2027-28</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>947,000</u>	<u></u>	<u>947,000</u>	<u></u>
CASH FUNDS	<u></u>	<u></u>	<u></u>	<u></u>
FEDERAL FUNDS	<u></u>	<u></u>	<u></u>	<u></u>
OTHER FUNDS	<u></u>	<u></u>	<u></u>	<u></u>
TOTAL FUNDS	<u>947,000</u>	<u></u>	<u>947,000</u>	<u></u>

Explanation of Estimate:

LB 762 would mandate that health carriers provide coverage for treatment of pediatric autoimmune neuropsychiatric disorder associated with a streptococcal infection and pediatric acute-onset neuropsychiatric syndrome, including antibiotics, medication and behavioral therapies to manage symptoms, plasma exchange, and immunoglobulin.

The Affordable Care Act (ACA) requires the defrayal of all costs of new state required benefits for ACA individual and small group plans. This is done either through reimbursement by the state to the issuer of a Qualified Health Plan (QHP), or the enrollee. Pursuant to the ACA, the insurer quantifies the cost attributable to the new required benefit and that cost is submitted to the state for reimbursement. Under current Nebraska law, these defrayal costs would be paid under the state claims process.

The benefits mandated by LB 762 constitute a new state-required benefit pursuant to the ACA and the costs resulting from these benefits would need to be defrayed.

The Department surveyed several QHP issuers to create a cost estimate for the benefits that would be required to be defrayed under this bill. The estimates from QHP issuers for increased premium costs to their plans totaled approximately \$947,000 annually.

Please note that the defrayal costs are charged by each individual QHP insurer. Depending upon the relevant population of insureds that have coverage under that insurer. The costs could potentially exceed the estimate provided depending upon actual utilization by all eligible enrollees in the plans. In any instance, the amount spent, pursuant to the ACA, must be reimbursed by the state.

Additionally, LB 762 would require the department to compile information on denials of coverage related to the services mandated by the bill and publish the information in a report on the department's website. The department anticipates that the work required to publish this report would be absorbed by current staff.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2026-27	2027-28
	<u>26-27</u>	<u>27-28</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				



State Agency OR Political Subdivision Name:<sup>(2)</sup>

University of Nebraska System

Prepared by:<sup>(3)</sup>

Anne Barnes

Date Prepared:<sup>(4)</sup>

01/16/2026

Phone:<sup>(5)</sup>

(402) 472-2191

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

	FY 2026 - 27		FY 2027 - 28	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS	<u>233,840.00</u>	<u>0.00</u>	<u>233,840.00</u>	<u>0.00</u>
CASH FUNDS	<u>132,720.00</u>	<u>0.00</u>	<u>132,720.00</u>	<u>0.00</u>
FEDERAL FUNDS	<u>25,280.00</u>	<u>0.00</u>	<u>25,280.00</u>	<u>0.00</u>
OTHER FUNDS	<u>240,160.00</u>	<u>0.00</u>	<u>240,160.00</u>	<u>0.00</u>
TOTAL FUNDS	<u>632,000.00</u>	<u>0.00</u>	<u>632,000.00</u>	<u>0.00</u>

**Explanation of Estimate:**

Blue Cross and Blue Shield of Nebraska (BCBSNE) is the third party administrator of the University of Nebraska's employee health insurance plan. BCBSNE estimates that if this bill were to pass it would annually increase costs for the University of Nebraska employee health insurance plan by \$800,000. The main reason for this increase costs is currently many treatments for PANDAS (Pediatric Autoimmune Neuropsychiatric Disorders Associated with Streptococcal Infections) are classified as an investigative procedure, which is a current plan exclusion.

The fiscal impact submitted assumes 79% fiscal support provided by the University for the self funded employee health insurance plan. Section 4 of the bill states the act takes effect when passed and approved. The fiscal impact assumes a start date of July 1, 2026.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2026 - 27	2027 - 28
	26 - 27	27 - 28	EXPENDITURES	EXPENDITURES
	<u>0</u>	<u>0</u>		
	<u>0</u>	<u>0</u>		
Benefits.....			<u>632,000.00</u>	<u>632,000.00</u>
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....			<u>632,000.00</u>	<u>632,000.00</u>