

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	(217,635)	0	(404,178)	0	(621,813)
FY2027-2028	(435,269)	0	(808,357)	0	(1,243,626)
FY2028-2029	(435,269)	0	(808,357)	0	(1,243,626)
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.

This bill strikes an exception that prevents antidepressant, antipsychotic, and anticonvulsant drugs from being included on the preferred drug list. The Department of Health and Human Services indicates the proposed policy would result in savings. Initial drug costs would increase. However, the higher cost drugs qualify for drug rebates, which would more than offset the increased costs of the drugs. The total savings is estimated to be \$1,243,626. DHHS utilized an estimated fund mix of 65% federal funds and implementation date of January 2027. There is no basis upon which to disagree with this estimate.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE				
LB:	1043	AM:	AGENCY/POLT. SUB: Nebraska Department of Health & Human Services	
REVIEWED BY:	Ann Linneman		DATE:	2-3-2026
COMMENTS: Concur with the Nebraska Department of Health and Human Services' assessment of fiscal impact.				

LB (1) 1043**FISCAL NOTE****2026****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 2-3-2026

Phone: (5) 471-6719

	<u>FY 2026-2027</u>		<u>FY 2027-2028</u>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	(\$217,635)		(\$435,269)	
CASH FUNDS				
FEDERAL FUNDS	(\$404,178)		(\$808,357)	
OTHER FUNDS				
TOTAL FUNDS	(\$621,813)	\$0	(\$1,243,626)	\$0

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

Explanation of Estimate:

LB1043 allows the Medicaid program to include prescription antidepressants, antipsychotics, and anticonvulsants on the preferred drug list (PDL) under the Medical Assistance Act.

This bill would result in an estimated \$1,243,626 reduction to Medicaid expenditures. The total amount of drug spend for these medications would likely increase; however, the program would receive a significant increase in drug rebates resulting in a net reduction to the program. Currently, Medicaid pays for approximately 120,000 prescriptions for these drugs annually. The current net cost to the program is \$9,446,354. If this bill passes, Medicaid anticipates a total net spend of \$8,202,728, when drug rebates are accounted for. The department expects that these drug classes would be added to the PDL in January of 2027 and estimates a blended Federal Medical Assistance Percentage (FMAP) of 65%.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:

POSITION TITLE	NUMBER OF POSITIONS 26-27	27-28	2026-2027 EXPENDITURES	2027-2028 EXPENDITURES
Benefits.....				
Operating.....				
Travel.....				
Capital Outlay.....				
Aid.....			(\$621,813)	(\$1,243,626)
Capital Improvements.....				
TOTAL.....			(\$621,813)	(\$1,243,626)