

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	2,000,000	0	2,433,607	0	4,433,607
FY2027-2028	2,000,000	0	2,433,607	0	4,433,607
FY2028-2029	500,000	0	608,402	0	1,108,402
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 prohibits cost sharing under Medicaid unless required by federal law, the One Big Beautiful Bill Act (OBBBA), which will mandate cost sharing beginning October 1, 2028. Nebraska Medicaid discontinued copayments May 1, 2024. Following the passage of OBBBA, DHHS began planning for reimplementation of cost sharing in Medicaid beginning on July 1, 2027. The fiscal impact of delaying cost sharing implementation would be a reduction in total savings of \$4,433,607 in FY27 and FY29 and 25% of a full year in FY29. There is no basis upon which to disagree with this estimate.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE

LB: 929 AM: AGENCY/POLT. SUB: Nebraska Department of Health & Human Services

REVIEWED BY: Ann Linneman DATE: 2-3-2026 PHONE: (402) 471-4180

COMMENTS: Concur with the Nebraska Department of Health and Human Services' assessment of fiscal impact.

LB (1) 929**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	\$2,000,000		\$2,000,000	
CASH FUNDS				
FEDERAL FUNDS	\$2,433,607		\$2,433,607	
OTHER FUNDS				
TOTAL FUNDS	\$4,433,607	\$0	\$4,433,607	\$0

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

Explanation of Estimate:

LB929 prohibits the Department of Health and Human Services (DHHS) from imposing deductions or cost sharing, such as deductibles, coinsurances, or copayments, unless required by federal law. The bill establishes guardrails for any federally mandated cost sharing by delaying implementation until no earlier than October 1, 2028, and requiring amounts to be set at the lowest level permitted under federal law. LB929 also allows managed care organizations to pay cost-sharing amounts on behalf of enrollees and prohibits providers from denying care due to an enrollee's inability to pay required charges.

DHHS, in conjunction with the Governor's budget recommendation, included implementation of cost sharing during fiscal year (FY) 2027. LB929 does not inherently create a fiscal impact, but the delayed implementation would prohibit the department from realizing a projected budget reduction of \$4,433,607 (\$2,000,000 General Funds and \$2,433,607 Federal Funds) beginning FY 2027. Medicaid Management Information System (MMIS) and related system updates would be required to implement cost sharing. The department would absorb those costs.

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.....			\$4,433,607	\$4,433,607
Capital Improvements.....				
TOTAL.....			\$4,433,607	\$4,433,607