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**LB 518**

Revision: 00

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

| <b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *</b> |                     |                |                     |                |
|---|---------------------|----------------|---------------------|----------------|
|   | <b>FY 2007-08</b>   |                | <b>FY 2008-09</b>   |                |
|   | <b>EXPENDITURES</b> | <b>REVENUE</b> | <b>EXPENDITURES</b> | <b>REVENUE</b> |
| GENERAL FUNDS                                       | 1,771,627           |                | 5,305,829           |                |
| CASH FUNDS  |                     |                |                     |                |
| FEDERAL FUNDS                                       | 3,028,063           |                | 9,075,512           |                |
| OTHER FUNDS   |                     |                |                     |                |
| TOTAL FUNDS   | 4,799,690           |                | 14,381,341          |                |

\*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

This bill extends continuous eligibility from six to 12 months for children covered by Medicaid and the Children’s Health Insurance Program. This bill also repeals the authorizing language that allows the department to review eligibility monthly after the period of continuous eligibility has expired.

Based on eligibility data from FY 2005, 37,359 children would receive on average four additional months of coverage. The cost increases in Medicaid would be \$3,387,910 (\$1,422,244 GF and \$1,965,665 FF) in FY 08 and \$10,164,745 (\$4,267,160 GF and \$5,897,585 FF) in FY 09. In the Children’s Health Insurance Program the increases would be approximately \$1,729,778 (\$508,382 GF and \$1,221,397 FF) in FY 08 and \$5,189,854 (\$1,525,298 GF and \$3,664,556 FF) in FY 09. The FY 08 estimate assumes an effective date of September, 2008.

This bill would decrease the workload of eligibility technicians. Reviews would only be required once a year rather than a minimum of twice a year. It is estimated that 25 fewer workers would be needed. The savings for four months in FY 08 would be \$317,998 (\$158,999 GF and FF) and \$973,258 (\$486,629 GF and FF) in FY 09.