

Health and Human Services Committee

LB 148

January 30, 2015

Ruth T. Vineyard, Deputy Director

Division of Medicaid and Long-Term Care

Good afternoon, Senator Campbell and members of the Health and Human Services Committee. My name is Ruth Vineyard (R-U-T-H-V-I-N-E-Y-A-R-D), deputy director for the Division of Medicaid and Long-Term Care in the Nebraska Department of Health and Human Services. I am here to testify in opposition to LB 148.

The Affordable Care Act added the Former Foster Care (FFC) group as a new mandatory Medicaid eligibility category, as of January 1, 2014. FFC applies to individuals under the age of 26 who were in foster care under the responsibility of the state or tribes of Nebraska and enrolled in Medicaid when they aged out of foster care. This is a unique category of eligibility as there is no income or asset test for this population.

LB 148 would expand FFC eligibility to individuals entering the state who were in foster care under the responsibility of *any* state or territory. This is an optional expansion of the Medicaid program beyond the required Nebraska FFC population. In addition, the bill would require the department to accept self-attestation of out-of-state foster care and Medicaid status for this population. That means we would accept their word that they were in foster care when they aged out of foster care and that they were covered by Medicaid at that time. We would not verify that information. The Department is concerned that allowing individuals entering the state to declare rather than verify eligibility requirements will open the door to potential fraud and abuse. Nebraska Medicaid verifies these eligibility elements for the current Nebraska FFC population.

In addition to expanding Medicaid eligibility to an optional category of individuals, LB 148 requires the Department to seek out potentially eligible individuals and provide those declining enrollment with written notice explaining the benefits of the program.

The potential impact to Nebraska of out-of-state enrollees is unknown. However, as a point of reference, a 5% increase in this population would result in increased costs of approximately \$87,000 total funds in SFY16 and \$116,000 total funds in SFY17.

A review of the State Plan Amendments (SPAs) of Nebraska's six border states (IA, WY, KS, CO, SD, MO), only South Dakota elected the provision to expand eligibility to individuals who were in foster care in any state. If Nebraska were to elect this expansion of eligibility, 5 of our neighboring states would not be reciprocating.

For all of these reasons, the Department opposes LB 148. I would be happy to answer any questions.