

Health and Human Services Committee
LB 968
February 23, 2018

Rocky Thompson, Interim Director
Division of Medicaid & Long-Term Care
Department of Health and Human Services

Good afternoon, Chairman Riepe, and members of the Health and Human Services Committee. My name is Thomas “Rocky” Thompson (T-H-O-M-A-S R-O-C-K-Y T-H-O-M-P-S-O-N) and I am the Interim Director of the Division of Medicaid and Long Term Care (MLTC) in the Department of Health and Human Services (DHHS). I am here to testify in opposition to LB 968 based on the fiscal note.

The Department is committed to policies and programs that lead to greater integration of individuals with disabilities into the communities in which they live. We strive to promote independence whenever we can and when the budget, laws, and regulations allow.

In the current fiscal situation, this legislation is unaffordable. The bill expands the Medicaid program by increasing the income limits from 250% to 450% FPL with an increased resource limit up to \$40,000 depending on marital status and family size. The current limits are \$4,000 and \$6,000, so this legislation would be substantially higher. LB 968 also requires premiums, which are currently in place for individuals between 200% and 250% FPL. This bill would change the premium requirement to individuals with income above 150%. However, as written, the bill proposes different premium limits based on an individuals unearned and earned income. This would cause individuals in the same income level to have differing premiums.

It is estimated approximately 10,000 individuals could be eligible for these new programs due to the high income and resource limits. Using conservative estimates that only 25% of these individuals would apply for these programs the costs exceed \$70 million per year. The current fiscal situation sharpens our focus on sustaining our current programs to maintain services and LB 968 would put additional fiscal burden on the state.

Before I conclude, I also want to address the Disability Employment and Engagement Program Advisory Committee. As we’ve stated before, it is the request of the current administration that executive branch members be removed; we would be happy to show up as needed.

Due to the fiscal impact, we oppose LB 968. I am happy to answer any questions you have.