

Health and Human Services Committee
LB 518
March 18, 2015

Calder Lynch, Director
Division of Medicaid & Long-Term Care
Department of Health and Human Services

Good afternoon, Senator Campbell and members of the Health and Human Services Committee, my name is Calder Lynch (C-A-L-D-E-R L-Y-N-C-H) Director of the Division of Medicaid and Long-Term Care for the Department of Health and Human Services. I am happy to be before the committee today and look forward to a long and productive relationship with this body. I am here to testify regarding our concerns with LB 518.

I want to first note that I have met with Senator Riepe to discuss this legislation. We understand and appreciate his intention to advance our Medicaid program through market and consumer-driven reform efforts. However, we expressed to him that we cannot support LB 518 in its current form due to its potential cost and that various components within the current bill do not meet federal requirements with respect to eligibility categories and benefit packages.

One stated purpose of LB 518 is that no additional General Funds will be expended. With the many unknowns and potential conflicts with federal regulations, it is difficult to project the programmatic and fiscal impact of implementing LB 518. At a minimum we believe that it would create significant new staffing requirements, intensive technology systems development, and major contractual changes. My understanding is that Senator Riepe will therefore not be seeking to move the legislation forward at this time.

And while we support that decision, we have committed to working with the Senator to explore other ways to achieve meaningful reforms within our resources and the guidelines of federal rules and authorities. The department is actively working to develop a new request for proposals for its managed care programs and we believe that those contracts can also provide a vehicle to better engage Nebraska Medicaid recipients in their health care decisions and management.

We very much look forward to continuing to work with Senator Reipe and all of the members of this committee to seek improvements to our Medicaid program. In just my short time here I have observed an incredible interest to improve the Medicaid program within the agency as well as our legislative partners, and that is very encouraging. I would be happy to answer any questions from the committee.