

LEGISLATURE OF NEBRASKA  
ONE HUNDRED SEVENTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 988**

Introduced by Stinner, 48.

Read first time January 12, 2022

Committee: Appropriations

- 1 A BILL FOR AN ACT relating to appropriations; to appropriate funds to the
- 2 Department of Health and Human Services; to require a rate study;
- 3 and to declare an emergency.
- 4 Be it enacted by the people of the State of Nebraska,

1           Section 1.   (1)(a) There is hereby appropriated \$100,000 from the  
2 General Fund for FY2022-23 to the Department of Health and Human Services  
3 to carry out the purposes of this section.

4           (b) The department shall claim federal medicaid administrative  
5 matching funds at the rate of fifty percent of the cost of the study  
6 described in this section and the total cost shall not exceed \$200,000.

7           (2) The appropriation in this section shall be used to conduct a  
8 study for the purpose of determining reasonable rates for assisted-living  
9 care and assisted-living memory care for individuals participating in the  
10 aged and disabled medicaid waiver program. Such study shall include an  
11 analysis of the following:

12           (a) The actual cost of providing assisted-living care to aged and  
13 disabled medicaid waiver program participants whose needs are assessed to  
14 be equivalent to individuals receiving nursing facility level of care  
15 services;

16           (b) The actual cost of providing assisted-living memory care to aged  
17 and disabled medicaid waiver program participants whose needs are  
18 assessed to be equivalent to individuals diagnosed with Alzheimer's  
19 disease or other types of dementia receiving nursing facility level of  
20 care services;

21           (c) Any significant cost differences between participants receiving  
22 assisted-living facility services in urban counties and participants  
23 receiving such services in rural counties. The determination of whether a  
24 county is classified as urban or rural shall be made by the department;

25           (d) The cost range of medicaid reimbursement for memory care  
26 provided in nursing facilities;

27           (e) The average cost of medicaid reimbursement for memory care  
28 provided in nursing facilities;

29           (f) The advantages and disadvantages of a tiered medicaid waiver  
30 rate structure based on the needs of the program participants;

31           (g) The advantages and disadvantages of a memory care add-on as

1 compared to a tiered medicaid waiver rate structure that includes memory  
2 care;

3 (h) The number of individuals currently eligible for aged and  
4 disabled medicaid waiver services and estimates of the number of  
5 individuals likely to utilize memory care services if available at a  
6 higher rate;

7 (i) Provider eligibility criteria for the memory care rate;

8 (j) Client eligibility criteria, assessment toll, and approval  
9 process for the memory care rate period; and

10 (k) An evaluation process, including identification of desired  
11 client outcomes and service quality measures.

12 (3) In order to carry out this section, the department shall  
13 contract with an independent, Nebraska-based economic and business  
14 research organization with proven expertise in: (a) Data analysis; (b)  
15 cost analysis; (c) projections of future economic trends; and (d)  
16 development of reports and recommendations.

17 (4) Such contractor shall conduct listening sessions, or meetings of  
18 a similar format, with a representative sample of assisted-living care  
19 providers, taking into consideration geographic location, facility size,  
20 range of services offered, and other relevant factors in order to gain a  
21 better understanding of assisted-living care costs and care needs of  
22 participants in the aged and disabled medicaid waiver program. The  
23 contractor shall also consult with representatives of the assisted-living  
24 care provider associations to gather input and to assist in leveraging  
25 provider participation in the study.

26 (5) The department shall make data available as reasonably required  
27 for the study. Confidential information that identifies an individual,  
28 assisted-living facility, or nursing facility shall be released to  
29 researchers upon satisfactory agreement to maintain confidentiality. No  
30 individual, agency, or organization having access to such data shall  
31 disclose, either directly or indirectly, information that would lead to

1 the disclosure of provider business practices.

2 (6) Such study shall be completed by September 1, 2022, and shall  
3 include an electronic report to the Appropriations Committee of the  
4 Legislature with recommendations for rate changes, rate structure,  
5 methodology, and frequency of future rate studies.

6 Sec. 2. Since an emergency exists, this act takes effect when  
7 passed and approved according to law.