

NEBRASKA HEALTH CARE CASH FUND AND RELATED FUNDS

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Purpose

This report provides an overview of the Nebraska Health Care Cash Fund and related funds, the Nebraska Tobacco Settlement Trust Fund and the Nebraska Medicaid Intergovernmental Transfer Trust Fund.

The Health Care Cash Fund

The Nebraska Health Care Cash Fund receives funds from three sources -- the Nebraska Tobacco Settlement Trust Fund, the Nebraska Intergovernmental Transfer Trust Fund, and cigarette taxes. These funds will be described later in this report. LB 692 passed in the 2001 Legislative Session provided the current policy framework for the use of the Nebraska Health Care Cash Fund and established the tobacco settlement and intergovernmental transfer funds as the two sources of revenue for the fund.

Section 71-7606 states the purpose of the Nebraska Health Care Cash Fund:

(1) The purpose of the Nebraska Health Care Funding Act is to provide for the use of dedicated revenue for health-care-related expenditures.

(2) Any funds appropriated or distributed under the act shall not be considered ongoing entitlements or obligations on the part of the State of Nebraska and shall not be used to replace existing funding for existing programs.

(3) No funds appropriated or distributed under the act shall be used for abortion, abortion counseling, referral for abortion, or research or activity of any kind involving the use of human fetal tissue obtained in connection with the performance of an induced abortion or involving the use of human embryonic stem cells or for the purpose of obtaining other funding for such use.

(4) The Department of Health and Human Services shall report annually to the Legislature and the Governor regarding the use of funds appropriated under the act and the outcomes achieved from such use.

The State Investment Officer decides the amounts transferred from each fund, totaling the amount specified in statute. Every even-numbered year, the State Investment Officer submits a report to the Legislature on the sustainability of the fund.

The Legislature establishes in statute the total amount to be transferred into the Nebraska Health Care Cash Fund annually. The amount is based on existing statutory obligations and new appropriations set by the Legislature.

Passed in the 2012 Session, LB 969 harmonized provisions of the Tobacco Settlement Fund, Medicaid Intergovernmental Fund and the Health Care Cash Fund. Prior to LB 969, these funds were handled in disparate ways; some operated via transfers into cash funds and others via direct appropriation. The different mechanisms led to misunderstanding when discussing

the funds with policymakers. LB 969 eliminated the transfers to separate funds and now all distributions are handled via appropriations from the Health Care Cash Fund.

In 2015, the fund gained a new revenue source. A portion of the cigarette tax earmarked for the Nebraska Public Safety System was partially redirected to the Health Care Cash Fund as those funds were no longer needed for the system.

Related Funds

Although the tobacco settlement and intergovernmental funds are called trust funds in statute, they are not trust funds. Trust funds are assets held in trust and use is governed by the conditions of the trust. Neither the tobacco settlement nor the intergovernmental transfer fund is governed by the conditions of a trust. Use of the funds is strictly governed by the Legislature.

Nebraska Tobacco Settlement Trust Fund

Nebraska, along with 51 other states and territories, entered into a settlement agreement with tobacco manufacturers in 1998. The basis of the settlement was to reimburse states for additional Medicaid costs states incurred in treating smoking-related illnesses and diseases.

The terms and conditions of the settlement are contained in the Master Settlement Agreement. This agreement contains a schedule of payments the participating manufacturers are required to make to each of the states in perpetuity. This means as long as cigarettes are sold in the U.S. by companies that have settled with the States Nebraska can expect payments into the Tobacco Settlement Trust Fund. Payments are adjusted based on an annual inflation and volume adjustment. Payments are deposited in the Nebraska Tobacco Settlement Trust Fund.

The State must meet certain conditions of compliance contained in the Master Settlement Agreement. The Attorney General is responsible for ensuring compliance. The Department of Revenue assists with the compliance activity. Once the state receives the funds, there are no restrictions on the use of the funds. All states are required to enforce provisions of the settlement relating to Non-Participating Manufacturers (NPM). Failure to comply with this provision can result in the loss of up to the entire MSA payment for any given year when a state has been determined to have not met the enforcement requirements.

The revenue from the settlement varies from year to year. In the last five years the settlement payments ranged from \$35.6 million to \$43.7 million. Looking forward, estimated payment projections decline from \$36.1 million in 2025 to \$33.4 million in 2035. The balance in Tobacco Settlement Trust Fund as of June 30, 2025 is \$647.5 million.

In 2025, the Legislature included two \$50 million transfers, one in each fiscal year of the 2025-2027 biennium, from the Tobacco Master Settlement Trust Fund to the Transformational Projects Fund for Project Health in the enacted budget.

Nebraska Medicaid Intergovernmental Transfer Trust Fund

Until 2005, the federal government allowed states to establish disproportionate share pools for publicly owned nursing facilities. This federal policy contained a loophole which allowed states to receive excess federal funds and Nebraska deposited our excess funds in the Nebraska

Medicaid Intergovernmental Trust Fund. Since the loophole was closed in 2005, the only revenue for this fund is investment earnings. LB 331 in the 2017 Session directed the State Investment Officer to direct the transfer funds from the Medicaid Intergovernmental Trust Fund first until the fund was depleted. The fund was cleared out with the exception of a small amount of residual investment income. The balance in the fund as of June 30, 2025 was \$45.

Combined Balances

The revenues, earnings, transfers and fiscal year-end balances for the combined funds (the Tobacco Settlement Trust Fund and the Medicaid Intergovernmental Trust Fund which are the fund sources of Health Care Cash Fund) are shown in the following table:

Combined Funds	FY	Deposits	Earnings	Transfers	Expenses	Ending Balance	Change
Beginning Balance	FY 1998	27,261,416	134,932	-	-	27,396,348	
50,101	FY 1999	55,185,489	1,261,218	(66,364,205)	-	17,478,850	(9,917,498)
50,000	FY 2000	96,650,344	3,386,244	(3,418,190)	-	114,097,248	96,618,398
41,741,904	FY 2001	67,675,769	4,899,341	(4,118,235)	-	182,554,123	68,456,875
72,393,672	FY 2002	91,547,546	(13,783,454)	(50,000,000)	(41,166)	210,277,049	27,722,926
91,159,960	FY 2003	43,158,793	(1,436,957)	(22,000,000)	(72,923)	229,925,962	19,648,913
111,308,871	FY 2004	87,306,237	34,784,129	(52,652,500)	(183,652)	300,223,617	70,297,655
140,586,792	FY 2005	76,075,681	(1,000,646)	(58,352,500)	(207,899)	341,349,011	41,125,394
164,716,503	FY 2006	56,812,200	34,970,685	(52,000,000)	(225,204)	382,906,693	41,557,682
188,438,435	FY 2007	51,247,733	63,548,406	(52,000,000)	(338,155)	445,345,679	62,438,986
227,122,177	FY 2008	51,175,277	(22,731,127)	(55,250,000)	(307,065)	418,232,761	(27,112,918)
230,897,533	FY 2009	44,992,102	(75,178,454)	(57,400,000)	(358,126)	336,988,287	(81,244,474)
215,339,014	FY 2010	38,997,011	41,714,866	(53,333,277)	(317,358)	365,049,526	28,061,239
246,684,014	FY 2011	36,939,241	66,656,619	(56,095,512)	(348,495)	411,201,431	46,151,905
289,510,658	FY 2012	37,664,587	(17,927,089)	(59,100,000)	(373,009)	371,465,870	(39,735,561)
273,688,613	FY 2013	56,093,823	55,624,368	(56,280,948)	(414,229)	426,758,885	55,293,015
326,105,729	FY 2014	37,449,237	50,889,270	(56,958,081)	(465,597)	457,673,712	30,914,827
357,551,991	FY 2015	37,119,646	26,302,972	(59,498,760)	(377,883)	461,219,689	3,545,977
367,440,490	FY 2016	36,737,587	742,883	(58,232,193)	(364,541)	440,103,696	(21,115,993)
356,859,227	FY 2017	37,741,463	49,052,363	(57,849,846)	(480,003)	468,567,672	28,463,976
385,007,498	FY 2018	41,017,448	36,223,684	(67,661,381)	(326,965)	477,820,459	9,252,787
451,866,358	FY 2019	39,834,822	29,293,542	(70,660,050)	(416,337)	475,872,436	(1,948,023)
475,872,436	FY 2020	38,060,542	(7,114,865)	(56,771,230)	(440,022)	449,606,861	(26,265,575)
449,606,861	FY 2021	42,662,740	116,774,408	(60,959,530)	(405,479)	547,679,000	98,072,139
547,679,000	FY 2022	43,772,689	43,055,997	(49,443,265)	(517,210)	584,547,212	36,868,212
584,547,212	FY 2023	39,956,892	(16,483,432)	(60,826,974)	(486,911)	546,706,787	(37,840,425)
546,706,787	FY 2024	35,634,214	77,044,288	(53,269,985)	(194,592)	605,920,712	59,213,925
605,920,712	FY 2025	34,526,097	54,432,729	(46,777,371)	(582,518)	647,519,649	41,598,937

Sustainability Projections

The State Investment Officer is required to report to the Legislature on or before October 1 of every even-numbered year on Health Care Cash Fund transfer sustainability. The latest report from 2024 can be found in the appendix of this report or accessed [online](#).

In the past, reports show sustainability of the fund may be at-risk due to high expenditure levels. In 2021 the Legislature permanently moved \$10 million in funding for behavioral health to the General Fund. In 2022 the outlook of the fund went from being at risk to sustainable.

According to the 2024 report by the State Investment Officer, as long as the real market value remains stable, the endowment could continue to provide at least the same level of funding.

In 2025 the Legislature increased Health Care Cash Fund appropriations in a variety of areas. Total appropriations in FY25 total \$56,437,686 whereas FY26 appropriations from the fund total \$67,420,630, an increase of nearly \$11m annually. This increase in appropriations combined with the \$100 million transfer from the Tobacco Master Settlement for Project Health may affect the long-term sustainability of the fund. The next sustainability report will be issued on or before October 1, 2026 and will evaluate the impact of these commitments on long-term sustainability.

Programs Funded Through the Health Care Cash Fund

The programs funded by appropriations from the Health Care Cash Funds are shown in the table below in Agency order with associated Program and a brief description of the expense:

AG	Prog	Description	FY 2024	FY2025	FY 2026	FY 2027
3	122	Legislative Council	75,000	75,000	75,000	75,000
11	507	Attorney General (Tobacco MSA Enforcement)	595,807	595,807	845,807	845,807
16	102	Revenue Auditor (Tobacco MSA Enforcement)	329,808	329,808	336,404	336,404
16	164	Gamblers Assistance	250,000	0	0	0
25	30	Tobacco Prevention and Control	2,570,000	2,570,000	2,570,000	2,570,000
25	30	JUUL Settlement - Youth Tobacco Prevention	1,082,146	1,082,146	0	0
25	33	Smoking Cessation operations	6,000	6,000	6,000	6,000
25	33	EMS Technicians Regulation	13,688	13,688	13,688	13,688
25	33	Parkinson's Disease Registry	26,000	26,000	0	0
25	33	Public Health Staff	100,000	100,000	100,000	100,000
25	33	Minority Health Satellite Offices	220,000	220,000	220,000	220,000
25	33	Respite Care Regions Staff and Operating	404,643	404,643	404,643	404,643
25	38	Completely Kids Construction	0	0	500,000	0
25	38	Emergency Protective Service Funding	1,500,000	1,500,000	1,500,000	1,500,000
25	38	MH/SA Regions Service Capacity	6,500,000	6,500,000	6,500,000	6,500,000
25	250	MH/SA Service Capacity Juvenile Justice	1,000,000	1,000,000	1,000,000	1,000,000
25	344	Children's Health Insurance Aid	6,835,700	6,835,700	6,835,700	6,835,700
25	347	Respite Care Aid	810,000	810,000	810,000	810,000
25	348	Medicaid Smoking Cessation	450,000	450,000	450,000	450,000
25	424	Developmental Disability Aid	5,000,000	5,000,000	16,000,000	16,000,000
25	502	Midtown FQHC	0	0	0	500,000
25	502	FQHC Patient Counts	750,000	750,000	750,000	750,000
25	502	Minority Health Aid	2,875,000	2,875,000	2,875,000	2,875,000
25	502	County Public Health Aid	5,605,000	5,605,000	5,605,000	5,605,000
25	514	Poison Control Center	200,000	200,000	200,000	200,000
25	514	NE Cancer Coalition (NC2)- University	500,000	500,000	500,000	500,000
25	514	Pediatric Cancer - UNMC	2,700,000	2,700,000	2,700,000	2,700,000
25	514	Brain Injury Trust	500,000	500,000	500,000	500,000
25	514	Perinatal Quality Improvement	130,000	130,000	130,000	130,000
25	514	Special Olympics	0	0	300,000	300,000
25	621	Stem Cell Research	450,000	450,000	450,000	450,000
25	623	Biomedical Research	15,000,000	15,000,000	15,000,000	15,000,000
70	353	Nebraska Children's Commission Ops	200,784	208,894	217,388	226,307
		Total	56,679,576	56,437,686	67,394,630	67,403,549

The following excerpts describe the programs receiving Health Care Cash Fund dollars:

Legislative Council: This funding is provided for ongoing health-related research and public policy development conducted by the Health and Human Services Committee. Such funds may be used for, but shall not be limited to, hiring temporary legal research assistance, consulting and research contracts. (Agency 3, Program 122) \$75,000

Attorney General: The Attorney General is responsible for enforcement of provisions of the Master Settlement Agreement. These funds support compliance activities that the State is obligated to perform under the agreement. The amount was increased by \$250,000 in 2025 to support enforcement activities. (Agency 12, Program 507) \$845,807

Revenue Auditor: A Revenue Auditor works with tobacco manufacturers and ensures compliance with the Master Settlement Agreement. This program increased by a nominal amount in FY26 as an administrative increase (Agency 16, Program 102) \$336,404

Tobacco Prevention and Control: The funding is used for a comprehensive statewide tobacco-related public health program which includes, but is not limited to (1) community programs to reduce tobacco use, (2) chronic disease programs, (3) school programs, (4) statewide programs, (5) enforcement, (6) counter marketing, (7) cessation programs, (8) surveillance and evaluation and (9) administration. A one-time increase of \$500,000 was provided in FY18 (Agency 25, Program 30) \$2,570,000

Respite Care: Aid to the six regional services area is provided for coordination of respite services and direct funding of services as well. Of the \$1,214,643 in total funds, \$404,643 is provided to the regional service areas for personnel and \$810,000 for aid. (Agency 25, Programs 033 and 347) \$1,214,643

EMS Technicians: LB 1033 passed in 2002, authorized emergency medical technicians-intermediate, emergency medical technicians and-paramedics to perform out-of-hospital procedures in a health clinic or hospital when supervised by a registered nurse, physician or physician assistant. An additional part-time investigator is funded from the Health Care Cash Fund to handle additional investigations. (Agency 25, Program 33) \$13,688

Mental Health and Substance Abuse Treatment Service Capacity: This funding is to increase service capacity by the mental health and substance abuse regions and for juvenile justice. Each year \$1 million is earmarked for juvenile justice and \$6.5 million for the regions as a part of their base budget. (Agency 25, Programs 38 and 250) \$7,500,000

Emergency Protective Custody: Funding is provided to the mental health regions for emergency protective custody services. It is part of the base funding for the regions. (Agency 25, Program 38) \$1,500,000

County Public Health Departments: Funding is distributed on a formula basis to the 18 local public health departments to provide core public health functions include assessment and policy development, prevention of illness and disease, and assurance of services including public health nursing, health education, and environmental health services. The distribution formula is as follows:

a) \$100,000 for three-county departments with a total population of 30,000 to 50,000

- b) 125,000 to single-county departments or multiple-county departments with three or more counties departments with a total population of more than 50,000 up to 100,000
- c) \$150,000 to departments with a total population of more than 100,000.
- d) Any funding not distributed under the formula shall be equally distributed among all departments receiving funding under the above formula distribution.

Funding cannot be used to replace existing county funding.

There is \$100,000 for staff and operating expenses. The appropriation increased by \$200,000 for state aid from the cigarette tax revenue. (Agency 25, Program 33 and 502) \$5,705,000

Minority Health: Minority health funding is for initiatives that target, but is not limited to, infant mortality, cardiovascular disease, obesity, diabetes and asthma. It is distributed in the following manner:

- a) \$1,526,000 is for counties in the first and third congressional districts with a minority population equal to or exceeding 5%
- b) \$1,349,000 is divided equally among federally qualified health centers (FQHCs in the Second Congressional District.
- c) \$220,000 is also provided for minority health satellite offices in the second and third congressional districts.

(Agency 25, Program 33 and 502) \$3,095,000

Federally Qualified Health Centers: This funding supports the seven community health centers funded through Federal Program 330, Public Law 104-299, the federal Health Centers Consolidation Act of 1996. Each center receives an amount proportional to the previous fiscal year's number of uninsured clients as reported on the Uniform Data System Report to the United States Department of Health and Human Services Bureau of Primary Health Care. In 2025 the Legislature included an additional \$500,000 to Midtown Health, the FQHC in Norfolk. (Agency 25, Program 502) \$750,000

Children's Health Insurance Program (CHIP): The state match for CHIP was initially funded with \$25 million from the Health Care Cash Fund. As the initial \$25 million was exhausted, the Legislature in FY04 provided \$1.3 million from the HCCF to bring the total to \$5 million. In subsequent years the appropriation was increased to \$6,835,700 and is part of the base. Increases to the State's share of the program above this amount necessitate increases in the General Fund. (Agency 25, Program 344) \$6,835,700

Medicaid Smoking Cessation: LB 959, passed in 2008, appropriated funds to the Medicaid Program for a state plan amendment to include smoking cessation as a Medicaid-covered service. Although the bill saved general fund dollars beginning in 2010, the initial funding needed to provide the services was paid from the Health Care Cash Fund and is now part of the base. (Agency 25, Program 33 [\$6,000] and Program 348 [\$450,000]) \$456,000

Developmentally Disabled Aid for Services: LB 692, passed in 2001, added \$3 million in FY02 and \$5 million in FY03 to develop services for persons on the waiting list, who had been waiting the longest for services. The \$5 million is part of the on-going base for the program. In

2025 the Legislature increased this amount by \$11 million annually for a total of \$16 million to support ending the waitlist, an initiative announced March 2024 and implemented into FY26. (Agency 25, Program 424) \$16,000,000

Stem Cell Research: LB 606, passed in 2008, created the Stem Cell Research Act. Grants are awarded to Nebraska institutions or researchers for the purpose of conducting non-embryonic stem cell research. Originally the funding was \$500,000. This was reduced in 2010 to \$450,000. (Agency 25, Program 621) \$450,000

Biomedical Research: The University of Nebraska, Creighton Medical Center and Boys Town Research Hospital are eligible for this funding. Twenty-four percent of the appropriated funds are distributed annually to the University of Nebraska and sixteen percent to Creighton and Boys Town combined. When the original legislation was passed creating the Health Care Cash Fund, only the University of Nebraska Medical Center and the University of Nebraska at Lincoln were conducting biomedical research. More recently the University of Nebraska at Omaha is also conducting qualifying research. Sixty percent is distributed to the eligible institutions based on the percentage of all funds expended by such institutions from the National Institutes of Health of the United States Department of Health and Human Services in the prior year as contained in a certified report of such excluding any such funds expended for research involving the use of human fetal tissue obtained in connection with the performance of an induced abortion or involving the use of human embryonic stem cells. At least \$700,000 of such appropriated funds shall be used annually for research to improve racial and ethnic minority health. In 2015, the amount increased by \$1 million from the cigarette tax. (Agency 25, Program 623) \$15,000,000

Poison Control Center: The funding from the Health Care Cash Fund provides \$200,000 for the Poison Control Center at the University of Nebraska Medical Center. Until 2003, Children's Hospital covered the costs of operating the center. After they decided they could no longer support it, the operations were moved to UNMC. Initially, funding was provided from federal bioterrorism grants, Creighton Medical Center, and UNMC. When the bioterrorism funding decreased and Creighton withdrew support, attempts were made to secure funding from other hospitals and insurance companies but they declined to contribute. UNMC requested state funding so the poison control center could continue to operate. The services are provided to individuals, medical professionals, and hospitals free of charge. The Poison Control Center saves health care dollars through avoidance of emergency room visits by getting the appropriate treatment to patients who are poisoned. (Agency 51, Program 781) \$200,000

Foster Care Review Office: Funding from the Health Care Cash Fund was provided to continue staffing the Nebraska Children's Commission. This program increased by a nominal amount in FY26 as an administrative increase (Agency 70, Program 353) \$217,388

Brain Injury Trust Fund: \$500,000 in funding was provided beginning in FY21 and annually thereafter to be used to pay for contracts with entities that specialize in the area of brain injury for assistance to individuals with a brain injury (Agency 25, Program 514) \$500,000

Pancreatic Cancer Research: A one-time transfer of up to \$15 million to the University of Nebraska Medical Center for pancreatic cancer research occurred in FY23. The transfer is contingent on private match of up to \$15 million. (Agency 50) \$15,000,000

Perinatal Quality Improvement Program An additional \$130,000 in state funding to supplement the \$70,000 in general funds was provided for increased funding for the Nebraska Perinatal Quality Improvement Collaborative. The program works to improve the delivery of and access to evidence-based health care for all Nebraska mothers and babies to improve birth outcomes, prevent maternal and infant deaths, reduce the impact of premature births, and ensure healthy moms and babies across the state. (Agency 25, Program 514) \$130,000

Nebraska Cancer Coalition (NC2) – University: This expenditure was created in 2023 for the University of Nebraska Medical Center to contract with a statewide coalition based in Nebraska that provides cancer screening, prevention, support, and education for all ninety-three counties in the state. The funding is ongoing beginning in FY23. (Agency 25, Program 514) \$500,000

Pediatric Cancer Research – UNMC: This expenditure was created in 2023 for pediatric cancer research at the University of Nebraska Medical Center and is restricted for such use. The funding is ongoing beginning in FY23. (Agency 25, Program 514) \$2,700,000

Special Olympics: This expenditure was created in 2025 to support the Special Olympics. The funding is ongoing beginning in FY25. (Agency 25, Program 514) \$300,000

Time-Limited Programs

211 Information: Time-limited funding of \$300,000 for two years is provided for the statewide 211 System for FY20 and FY21 only. (Agency 14, Program 64) \$300,000

Olmstead Plan: LB 570 established a process for the state to come into compliance with the U.S. Supreme Court Olmstead decision. The unused balance in the appropriation to the Legislative Council was lapsed in FY19 to cover the costs in FY20 and FY21. The A-Bill stated legislative intent to fund one additional year with \$36,459 from the HCCF in FY22. (Agency 25, Program 33). \$43,570

Autism Treatment: One million dollars a year for five years was to be used for intensive behavioral services under Medicaid for children with autism. The transfer of up to \$1 million a year for five years was contingent upon the receipt of no less than one dollar of private funds for every two dollars from the Health Care Cash Fund. The organization that had intended to contribute private matching dollars informed the state that no matching funds will be donated. No funding for this purpose was used and was lapsed. (Agency 25, Program 348)

Medical Cannabidiol Pilot Study: LB 390 passed in the 2016 Session requires the University of Nebraska Medical Center to study the efficacy of cannabidiol to treat patients with intractable seizures and treatment resistant seizures. The funding of \$250,000 a year was for four years, FY16 to FY19. (Agency 51, Program 751)

Public Health Workforce Training: This was one-time funding of \$50,000 in FY17 was provided to the College of Public Health at the University of Nebraska Medical Center for workforce training. It was added from the cigarette tax revenue. (Agency 51, Program 751)

Aged and Disabled Resource Centers (ADRCs): Two-years of funding was provided for the ADRCs in FY18 and FY19. (Agency 25, Program 33 and 571)

Nursing Facility Inspector: Two-years of funding was provided in FY18 and FY19 for an additional nursing home inspector due to the requirements in LB 439. (Agency 25, Program 33)

Gamblers' Assistance: LB 332 (2005) provided \$250,000 of funding from FY06 through FY24 for the compulsive gambler's assistance program. The intent was to use another funding source to continue this level of support. A constitutional amendment to use lottery funds for this purpose was defeated. The Legislature continued to fund the program with the Health Care Cash Fund. The program was moved to the Department of Revenue in 2013. Due to a new revenue source for this program, casino gaming taxes, funding from the Health Care Cash Fund ended as of FY25. (Agency 16, Program 164)

JUUL Settlement – Youth Tobacco Prevention: This expenditure was designated for tobacco use prevention and control for minors and corresponds to new revenue from vaping companies into the Tobacco Settlement Trust Fund. The funding was intended for FY24 and FY25 only. (Agency 25, Program 30)

Completely Kids Construction: This expenditure was designated for the construction of a facility to enhance behavioral health services at the facility in Omaha. This is one-time funding of \$500,000 in FY26 only. (Agency 25, Program 38)

Parkinson's Disease Registry: The registry was the only statewide Parkinson's registry in the country. Originally funded with general funds, state law was changed in 2001 prohibiting general fund support and authorizing cash funds to pay for the registry. A grant from the Michael J. Fox Foundation and another source covered the cost of operations until it was exhausted. From FY09 through FY25 \$26,000 was appropriated from the Health Care Cash Fund to support operational expenses. In the 2025 session the Legislature terminated the funding, effectually ending the registry. (Agency 25, Program 33)

General Fund Transfers: In FY18 and FY19, \$10 million was transferred each year from the Health Care Cash Fund to the State General Fund to assist with balancing the budget.

Conclusion

In conclusion, the current level of appropriation exceeds what has previously been considered unsustainable and \$100 million in new transfers out of the Tobacco Master Settlement may impact the sustainability of the Health Care Cash Fund. The 2024 report by the State Investment Officer indicated the endowment has “a very good chance of meeting its investment goals” of providing funds for current and future spending needs. Changes enacted by the 109th Legislature in the 2025 session and any additional changes in the 2026 session will be considered along with market conditions in the next sustainability report due on or before October 1, 2026.