**Fiscal Note**

State of Alaska

2015 Legislative Session

Bill Version: HB 148
Fiscal Note Number: 13
(H) Publish Date: 3/18/2015

Identifier: 0055-DHSS-SCBG-03-16-15
Department: Department of Health and Social Services
Title: MEDICAL ASSISTANCE COVERAGE; REFORM
Appropriation: Senior and Disabilities Services
Sponsor: RLS BY REQUEST OF THE GOVERNOR
Allocation: Senior Community Based Grants
Requester: Governor
OMB Component Number: 2787

**Expenditures/Revenues**

Note: Amounts do not include inflation unless otherwise noted below.

<table>
<thead>
<tr>
<th>Category</th>
<th>FY2016 Appropriation Requested</th>
<th>Included in Governor's FY2016 Request</th>
<th>Out-Year Cost Estimates</th>
</tr>
</thead>
<tbody>
<tr>
<td>OPERATING EXPENDITURES</td>
<td></td>
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<tr>
<td>Personal Services</td>
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<td>Travel</td>
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<td>Services</td>
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<tr>
<td>Commodities</td>
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<tr>
<td>Capital Outlay</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Grants &amp; Benefits</td>
<td></td>
<td></td>
<td>(716.3)</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td></td>
<td></td>
<td>(716.3)</td>
</tr>
<tr>
<td>Total Operating</td>
<td>0.0</td>
<td>0.0</td>
<td>(716.3)</td>
</tr>
</tbody>
</table>

**Fund Source (Operating Only)**

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<tbody>
<tr>
<td>1004 Gen Fund</td>
<td>(716.3)</td>
<td>(716.3)</td>
<td>(716.3)</td>
<td>(716.3)</td>
<td>(716.3)</td>
<td>(716.3)</td>
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<tr>
<td>Total</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>(716.3)</td>
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</table>

**Positions**

<table>
<thead>
<tr>
<th>Type</th>
<th>Full-time</th>
<th>Part-time</th>
<th>Temporary</th>
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</table>

**Change in Revenues**

**Estimated SUPPLEMENTAL (FY2015) cost:** 0.0  
*(separate supplemental appropriation required)*
*(discuss reasons and fund source(s) in analysis section)*

**Estimated CAPITAL (FY2016) cost:** 0.0  
*(separate capital appropriation required)*
*(discuss reasons and fund source(s) in analysis section)*

**ASSOCIATED REGULATIONS**

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? yes
If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/17

**Why this fiscal note differs from previous version:**
Not applicable, initial version.

Prepared By: Duane Mayes  
Division: Senior and Disabilities Services  
Approved By: Sarah Woods, Deputy Director Finance & Management Services  
Agency: Health & Social Services  
Phone: (907)269-2083  
Date: 03/14/2015 05:45 PM  
Date: 03/16/15  
Printed 3/18/2015  
Control Code: HKjO
Section 10 of the bill directs the department to apply for the 1915(i) option under Medicaid.

The department will use this option to refinance the Senior Community Based Grant component’s Adult Day and Senior In-Home Services for those who are receiving the service and are also Medicaid eligible.

Adult Day Grant: Total general fund expenditures = $1,757.0 serving 416 recipients. SDS anticipates serving 114 under the 1915(i) option with an average cost per individual of $4,223.58. Estimated general fund to be reduced for the Adult Day Grant = $481.5.

Senior In-Home Grant: Total general fund expenditures = $2,917.3, serving 1,528 individuals. SDS anticipates serving 123 under the 1915(i) option with an average cost per individual of $1,909.20. Estimated general fund to be reduced for the Senior In-Home Grant = $234.8.

The combined estimated general fund to be reduced through the use of the 1915(i) option = $716.3

State Plan and regulation changes are required to implement the new option and would involve extensive public comment. The Department expects the 1915(i) option to be implemented by FY2018.