

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: SB199
 () Publish Date: _____

Identifier (file name): SB199-DHSS-MAA-2-9-10 Dept. Affected: Health & Social Services
 Title Medicaid Coverage for Dentures RDU Health Care Services
 Component Medical Assistance Administration
 Sponsor Ellis
 Requester Senate Finance Component Number 242

Expenditures/Revenue (Thousands of Dollars)

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

	Appropriation Required	Information						
		FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
OPERATING EXPENDITURE								
Personal Services	84.5							
Travel								
Contractual	54.8							
Supplies	1.0							
Equipment	7.6							
Land & Structures								
Grants & Claims								
Miscellaneous								
TOTAL OPERATING	147.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURE								
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CHANGE IN REVENUES								
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	86.4		0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	61.5		0.0	0.0	0.0	0.0	0.0	0.0
1004 GF								
1005 GF/Program Receipts								
1037 GF/Mental Health								
Other Interagency Receipts								
TOTAL	147.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2010) c _____

POSITIONS

Full-time	1.0							
Part-time								
Temporary								

ANALYSIS: (Attach a separate page if nece:

SB199 is meant to address limitations of coverage for upper and lower dentures within a given state fiscal year under the \$1,150 annual limit. The annual limit provides for expenditures that would typically cover only an upper or lower denture, thus requiring Medicaid recipients to wait until the subsequent fiscal year to obtain the opposing denture under the Medicaid program.

The bill would authorize the department to allow for provision of both an upper and lower denture within the same state fiscal year, however when these services are provided the adult recipient would not be eligible for additional services under Medicaid preventative and restorative dental for a two-year period.

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 Date/Time 2/9/10 9:58 AM

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Finance & Management Services

Date 2/9/2010

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ANALYSIS CONTINUATION

The Division of Health Care Services estimates that it will need a total of 1 FTE to fully track expenditures and to authorize procedures up to the limit of the proposed legislation in the first year of the program, prior to modification of the claims payment system (MMIS) to permit automated tracking of expenditures.

Administrative Costs:

1 Medical Assistance Administrator II (Range 18), \$84,510; All personal services costs include benefits. Assumes \$9.6 per FTE annually for office space, phones, and other contractual costs; \$2.6 one time costs per FTE for computers and software; \$5.0 one time costs per FTE for office equipment; \$2.0 per FTE annually for supplies. GF portion of these expenses is 50%.

Medical Assistance Administrator II Duties

If legislation is passed and implemented to allow recipients the ability to utilize two fiscal year's annual cap for dentures (full sets and partials) during SFY2011, it will create a labor intensive process of tracking the service limits manually. Our current Medicaid Management Information System has the capability of applying service exceptions on an annual basis only. Combining two years limits will initially require a manual work-around for tracking the 11 denture and partial procedure codes being utilized by approximately 4,400 recipients, and follow-up to ensure limits are not exceeded nor services duplicated at any point in the two year period. To authorize payment of individual dental claims, staff will have to research, review, and evaluate the recipients' claims and treatment history for the two year period in question. The division estimates the need for a Medical Assistance Administrator II to handle the increased workload until modifications can be made to the MMIS.

Modification of MMIS

DHSS estimates that it will cost \$50.0 in contractual to modify the present MMIS or enhance the new MMIS currently in development. Part of the development process involves ceasing all modifications to the current MMIS prior to conversion, to ensure that the new system can replicate the functionality of the present system. DHSS assumes that it will not be able to make the necessary modifications prior to the "freeze" of the current system, like to occur early in the summer of 2010. If DHSS is able to make the modifications before the freeze, it will not fill the position requested. GF portion of the system modification is 25%.