

# FISCAL NOTE

**STATE OF ALASKA**  
**2011 LEGISLATIVE SESSION**

Fiscal Note Number: \_\_\_\_\_  
 Bill Version: SB005  
 () Publish Date: \_\_\_\_\_

Identifier (file name): SB005-DHSS-PAFS-02-17-11  
 Title: Medical Assistance Eligibility  
 Sponsor: Sen. Bettye Davis, Sen. Dennis Egan  
 Requester: Senate HSS Committee  
 Dept. Affected: Health and Social Services  
 Appropriation: Public Assistance  
 Allocation: Public Assistance Field Services  
 OMB Component Number: 236

**Expenditures/Revenues** (Thousands of Dollars)

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

|                               | Appropriation<br>Required | Information |              |              |              |              |              |              |
|-------------------------------|---------------------------|-------------|--------------|--------------|--------------|--------------|--------------|--------------|
|                               |                           | FY 2012     | FY 2012      | FY 2013      | FY 2014      | FY 2015      | FY 2016      | FY 2017      |
| <b>OPERATING EXPENDITURES</b> |                           |             |              |              |              |              |              |              |
| Personal Services             | 187.0                     |             | 187.0        | 187.0        | 187.0        | 187.0        | 187.0        | 187.0        |
| Travel                        |                           |             |              |              |              |              |              |              |
| Services                      | 19.4                      |             | 19.4         | 19.4         | 19.4         | 19.4         | 19.4         | 19.4         |
| Commodities                   | 1.0                       |             | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          |
| Capital Outlay                | 14.4                      |             |              |              |              |              |              |              |
| Grants                        |                           |             |              |              |              |              |              |              |
| Miscellaneous                 |                           |             |              |              |              |              |              |              |
| <b>TOTAL OPERATING</b>        | <b>221.8</b>              | <b>0.0</b>  | <b>207.4</b> | <b>207.4</b> | <b>207.4</b> | <b>207.4</b> | <b>207.4</b> | <b>207.4</b> |

|                             |  |  |  |  |  |  |  |  |
|-----------------------------|--|--|--|--|--|--|--|--|
| <b>CAPITAL EXPENDITURES</b> |  |  |  |  |  |  |  |  |
|-----------------------------|--|--|--|--|--|--|--|--|

|                           |  |  |  |  |  |  |  |  |
|---------------------------|--|--|--|--|--|--|--|--|
| <b>CHANGE IN REVENUES</b> |  |  |  |  |  |  |  |  |
|---------------------------|--|--|--|--|--|--|--|--|

**FUND SOURCE** (Thousands of Dollars)

|                            |              |            |              |              |              |              |              |              |
|----------------------------|--------------|------------|--------------|--------------|--------------|--------------|--------------|--------------|
| 1002 Federal Receipts      | 144.2        |            | 134.8        | 134.8        | 134.8        | 134.8        | 134.8        | 134.8        |
| 1003 GF Match              | 77.6         |            | 72.6         | 72.6         | 72.6         | 72.6         | 72.6         | 72.6         |
| 1004 GF                    |              |            |              |              |              |              |              |              |
| 1005 GF/Program Receipts   |              |            |              |              |              |              |              |              |
| 1037 GF/Mental Health      |              |            |              |              |              |              |              |              |
| Other Interagency Receipts |              |            |              |              |              |              |              |              |
| <b>TOTAL</b>               | <b>221.8</b> | <b>0.0</b> | <b>207.4</b> | <b>207.4</b> | <b>207.4</b> | <b>207.4</b> | <b>207.4</b> | <b>207.4</b> |

Estimate of any current year (FY2011) cost: 0.0

**POSITIONS**

|           |     |  |     |     |     |     |     |     |
|-----------|-----|--|-----|-----|-----|-----|-----|-----|
| Full-time | 2.0 |  | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| Part-time |     |  |     |     |     |     |     |     |
| Temporary |     |  |     |     |     |     |     |     |

**Why this fiscal note differs from previous version:**

Not applicable, initial version.

Prepared by: Ron Kreher, Acting Director  
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DHSS Finance & Management Services

Phone (907) 465-2680  
 Date/Time: 2/17/11 12:00 AM  
 Date: 2/17/2011

## FISCAL NOTE

STATE OF ALASKA  
2011 LEGISLATIVE SESSION

BILL NO. SB005  
SB005

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### Analysis:

This legislation increases the income level for covering children and pregnant women under Denali KidCare to 200% of the federal poverty guidelines, up from 175%. It restores eligibility levels to the levels used when the Denali KidCare(DKC) program was originally created.

This fiscal note represents the additional administrative costs needed to support the increased eligibility determination workload resulting from more pregnant women and children applying for medical assistance, using the assumptions from the companion fiscal notes for the Division of Health Care Services and the Division of Behavioral Health.

The eligibility decision includes verifying information and determining whether a pregnant woman or child qualifies for DKC when they apply, acting on changes, and periodically re-examining a household's eligibility.

We assume that 218 pregnant women and 1,277 children will enroll in Medicaid if the qualifying income limit is revised to 200% FPG, and that implementation will begin July 1, 2011. We estimate two additional Eligibility Technician II (Range 14) positions will be needed to manage this additional work in FY2012.

#### Total Administrative Costs for Two ET II Positions:

Personal Services: Two Eligibility Technician II Range 14 at a cost of \$187.0, including benefits, for 12 months.

Contractual: Annual cost for office space, phones, etc. will be \$19.4.

Commodities: Annual cost for the office supplies will be \$1.0.

#### Additional Cost of FY2012:

Equipment/Supply: A one-time cost of \$14.4 for desktop computer, software, printer, and work stations will be needed for the new positions.