

Fiscal Note

State of Alaska
2015 Legislative Session

Bill Version: SB 74
Fiscal Note Number: _____
() Publish Date: _____

Identifier: SB074-DHSS-TRG-03-21-15
Title: MEDICAID REFORM/PFD/HSAS/ER
USE/STUDIES
Sponsor: KELLY
Requester: Senate Health & Social Services Committee

Department: Department of Health and Social Services
Appropriation: Behavioral Health
Allocation: Behavioral Health Treatment and Recovery
Grants
OMB Component Number: 3099

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2016 Appropriation Requested	Included in Governor's FY2016 Request	Out-Year Cost Estimates				
	FY 2016	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
OPERATING EXPENDITURES							
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits				(3,456.6)	(3,484.3)	(3,867.6)	(3,898.5)
Miscellaneous							
Total Operating	0.0	0.0	0.0	(3,456.6)	(3,484.3)	(3,867.6)	(3,898.5)

Fund Source (Operating Only)

1003 G/F Match				(3,456.6)	(3,484.3)	(3,867.6)	(3,898.5)
Total	0.0	0.0	0.0	(3,456.6)	(3,484.3)	(3,867.6)	(3,898.5)

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues							
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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If yes, by what date are the regulations to be adopted, amended or repealed?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.

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Division: <u>Behavioral Health</u>	Date: <u>03/21/2015 12:00 PM</u>
Approved By: <u>Sarah Woods, Deputy Director Finance & Management Services</u>	Date: <u>03/21/15</u>
Agency: <u>Health & Social Services</u>	

FISCAL NOTE ANALYSIS

**STATE OF ALASKA
2015 LEGISLATIVE SESSION**

BILL NO. SB074

Analysis

Section 2(a)(6) of the bill directs the Department of Health and Social Services (DHSS) to reduce the cost of behavioral health services provided to recipients of medical assistance under the state's home and community based services waiver. Behavioral Health will accomplish this by working with the Centers for Medicare and Medicaid Services to elect the Section 1915(i) option. This option will provide funds to cover services provided to Medicaid-eligible adults with demonstrated behavioral health needs that result in multiple admissions to inpatient or residential care. The population includes homeless, those re-entering from incarceration, and others who intermittently use services. These services are currently provided through behavioral health grants with 100% general funds. The Department anticipates that behavioral health grants will be reduced through the 1915(i) option beginning in FY2018 by the following amounts: FY2018 -\$3,456.6, FY2019 -\$3,484.3, FY2020 -\$3,867.6, FY2021 -\$3,898.5.

Specific services that are currently funded through General Fund grant dollars , but are eligible for Medicaid reimbursement will be transitioned to Medicaid reimbursement as grant funds decrease. Grants will not be completely eliminated as some services provided through grants are not reimbursable through Medicaid.