

FISCAL NOTE

STATE OF ALASKA
2016 LEGISLATIVE SESSION

Bill Version CSHB315
 Fiscal Note Number _____
 () Publish Date _____

Identifier (file name) HB315CS-DHSS-SDSA draft-4-1-16 Dept. Affected Health and Social Services
 Title Electronic Visit Verification Appropriation Senior and Disabilities Services
 Allocation Senior and Disabilities Services
 Sponsor Rep Vazquez Administration
 Requester House HSS OMB Component Number 2663

Expenditures/Revenues (Thousands of Dollars)

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

	FY17 Appropriation Requested	Included in Governor's FY17 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY17	FY17	FY18	FY19	FY20	FY21	FY22
Personal Services				106.1	499.9	499.9	499.9
Travel							
Services				3.5	17.5	17.5	17.5
Commodities				2.5	12.5	12.5	12.5
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	0.0	0.0	0.0	112.1	529.9	529.9	529.9

FUND SOURCE		(Thousands of Dollars)					
1002	Federal Receipts			56.1	265.0	265.0	265.0
1003	GF Match			56.1	264.9	264.9	264.9
1004	GF						
1005	GF/Prgm (DGF)						
1007	I/A Rcpts (Other)						
1178	temp code (UGF)						
		0.0	0.0	0.0	112.1	529.9	529.9

POSITIONS							
Full-time				1	5	5	5
Part-time							
Temporary							

CHANGE IN REVENUES							
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Estimated SUPPLEMENTAL (FY16) operating costs 0.0 (separate supplemental appropriation required)
 (discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY17) costs 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 If yes, by what date are the regulations to be adopted, amended, or repealed? 7/1/2018 Discuss details in analysis section.

Why this fiscal note differs from previous version (if initial version, please note as such)

Committee Substitute requires the State to contract with single vendor to implement Electronic Verification.

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 Agency Health and Social Services

Phone 907-269-2083
 Date/Time 4/1/2016 5:30pm
 Date 4/1/2016

FISCAL NOTE ANALYSIS

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Analysis

As amended, the bill requires the department to contract with a single vendor to implement an Electronic Visit Verification (EVV) System for Medicaid personal care services (PCS) and Home and Community Based Services providers to verify services provided to recipients of these services. The bill also requires that the department receive real-time data on missed appointments.

Dedicated staff is required to implement and manage the ongoing operations of an EVV system. Management of the EVV system includes system implementation, internal operational design, the writing of new regulations and policies, and the establishment of sound quality assurances and controls in the management of the EVV system. This position will also ensure provider compliance with EVV system. SDS will require one full time Health Program Manager II position.

6,500 individuals receive services each day for a total of over 6,289,300 units of service annually. Current practice requires the agencies to remediate when there is a missed appointment or failure to provide services. Receipt of this information at the department obligates the department to take an action to remediate. Over 98% of personal care services are consumer directed. The schedules are often changed and agencies may or may not be notified so the department anticipates receiving hundreds of reports daily. SDS will require one full-time Health Program Manager II and three full time Health Program Manager I positions to receive and remediate reports of missed appointments or a failure to provide scheduled services.

For the FY2019 start-up period and ongoing:

One GGU Health Program Manager II positions (range 19 step C) located in Anchorage: annual cost per position \$106.1

Total: \$106.1 (50% federal/50% general fund)

For FY2020 and ongoing:

One SU Health Program Manager II position (range 19 step C) located in Anchorage: annual cost \$109.3 (50% federal/50% general fund)

Three GGU Health Program Manager I positions (range 17 step C) located in Anchorage: annual cost per position \$94.8

Total: \$284.5 (50% federal/50% general fund)

Commodities: annual cost per position \$2.5 Total \$15.0 (50% federal/50% general fund)

Services: annual cost per position \$3.5 Total \$21.0 (50% federal/50% general fund)

Other changes to MMIS necessary to implement existing state and federal requirements must be completed prior to beginning the system development for an EVV system. The Department anticipates that it will be able to initiate the development and implementation of EVV in FY 19, with a start date of July 1, 2019.

Regulations changes are required.