

Fiscal Note

State of Alaska
2021 Legislative Session

Bill Version:	HB 119
Fiscal Note Number:	1
(H) Publish Date:	3/1/2021

Identifier: LL0708-3-DHSS-MS-2-23-2021
Title: ADULT FOSTER CARE FOR DISABLED
Sponsor: RLS BY REQUEST OF THE GOVERNOR
Requester: Governor

Department: Department of Health and Social Services
Appropriation: Medicaid Services
Allocation: Medicaid Services
OMB Component Number: 3234

Expenditures/Revenues

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

(Thousands of Dollars)

	FY2022 Appropriation Requested	Included in Governor's FY2022 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2022	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits			1,259.2	1,679.0	2,098.8	2,518.5	2,938.2
Miscellaneous							
Total Operating	0.0	0.0	1,259.2	1,679.0	2,098.8	2,518.5	2,938.2

Fund Source (Operating Only)

1002 Fed Rcpts (Fed)			755.5	1,007.4	1,259.2	1,511.1	1,762.9
1003 GF/Match (UGF)			503.7	671.6	839.6	1,007.4	1,175.3
Total	0.0	0.0	1,259.2	1,679.0	2,098.8	2,518.5	2,938.2

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2021) cost: 0.0 (separate supplemental appropriation required)

Estimated CAPITAL (FY2022) cost: 0.0 (separate capital appropriation required)

Does the bill create or modify a new fund or account? No
(Supplemental/Capital/New Fund - 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If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/22

Why this fiscal note differs from previous version/comments:

Not applicable. Initial Version.

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Date: 02/18/21

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2021 LEGISLATIVE SESSION

Analysis

This bill provides enhanced caregiver support for individuals with severe disabilities who are aging out of foster care and would like to continue to reside in their familiar home setting. The bill establishes a new service type (adult foster care) and residential setting type (adult foster home) that may appeal to both recipients and their caregivers as an alternative care and living arrangement to current service and settings types.

The Division of Senior and Disabilities Services would administer the adult foster care service by certifying and monitoring providers who offer the service, and approving support plans for those receiving the service. This bill does not specify a rate for adult foster care. Under a streamlined application and licensing process, this analysis assumes the daily rate to provide Adult Foster Care will be less than the Child Family Home Habilitation rate of \$158, but still more than the minimal, daily room and board payment of \$70 that is provided under the Division's general relief for assisted living homes recipients.

The department assumes a rate of \$115.00 per person per day for severely disabled youth and waiver recipients that meet nursing facility level of care who could qualify for Adult Foster Care. Based on data from the Office of Children's Services, the department estimates 10 people could transition to Adult Foster Care beginning in FY2023.

Estimated Newly eligible for Adult Foster Care each year:	10
Daily Cost per person:	\$115.00 x 365 days (60% Federal/40% GF Match)
Estimated Annual per person:	\$419,750.00 (60% Federal/40% GF Match)

In addition, an estimated 20 service recipients who are currently in other living arrangements could apply for and be eligible to receive the service in its initial year of implementation, for an additional cost of \$839,500.00 (60% Federal/40% GF Match). Because these individuals would continue to receive Foster Care Services for potentially their entire lives, the fiscal note demonstrates a cumulative cost as an estimated 10 more individuals are added each year.

This bill would require Medicaid waiver amendments and amendments to regulations to add adult foster care as a service. A 60% federal share reflects a blend of federal financial participation rates including the enhanced Indian Health Care rate of 100%.