

# Fiscal Note

State of Alaska  
2024 Legislative Session

|                     |           |
|---------------------|-----------|
| Bill Version:       | HB 343    |
| Fiscal Note Number: | 2         |
| (H) Publish Date:   | 2/20/2024 |

Identifier: LL0369-DOH-MAA-02-15-24  
 Title: SCHOOL DISTRICT MEDICAL ASSISTANCE  
 Sponsor: RLS BY REQUEST OF THE GOVERNOR  
 Requester: Governor

Department: Department of Health  
 Appropriation: Health Care Services  
 Allocation: Medical Assistance Administration  
 OMB Component Number: 242

**Expenditures/Revenues**

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

|                               | FY2025                  | Included in               | Out-Year Cost Estimates |                |                |                |                |                |
|-------------------------------|-------------------------|---------------------------|-------------------------|----------------|----------------|----------------|----------------|----------------|
|                               | Appropriation Requested | Governor's FY2025 Request | FY 2025                 | FY 2026        | FY 2027        | FY 2028        | FY 2029        | FY 2030        |
| <b>OPERATING EXPENDITURES</b> | <b>FY 2025</b>          | <b>FY 2025</b>            | <b>FY 2025</b>          | <b>FY 2026</b> | <b>FY 2027</b> | <b>FY 2028</b> | <b>FY 2029</b> | <b>FY 2030</b> |
| Personal Services             |                         |                           |                         |                |                |                |                |                |
| Travel                        |                         |                           |                         |                |                |                |                |                |
| Services                      |                         |                           |                         |                |                |                |                |                |
| Commodities                   |                         |                           |                         |                |                |                |                |                |
| Capital Outlay                |                         |                           |                         |                |                |                |                |                |
| Grants & Benefits             |                         |                           |                         |                |                |                |                |                |
| Miscellaneous                 |                         |                           |                         |                |                |                |                |                |
| <b>Total Operating</b>        | <b>0.0</b>              | <b>0.0</b>                | <b>0.0</b>              | <b>0.0</b>     | <b>0.0</b>     | <b>0.0</b>     | <b>0.0</b>     | <b>0.0</b>     |

**Fund Source (Operating Only)**

|              |            |            |            |            |            |            |            |            |
|--------------|------------|------------|------------|------------|------------|------------|------------|------------|
| None         |            |            |            |            |            |            |            |            |
| <b>Total</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> |

**Positions**

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

**Change in Revenues**

|              |            |            |            |            |            |            |            |            |
|--------------|------------|------------|------------|------------|------------|------------|------------|------------|
| None         |            |            |            |            |            |            |            |            |
| <b>Total</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> |

**Estimated SUPPLEMENTAL (FY2024) cost:** 0.0 *(separate supplemental appropriation required)*

**Estimated CAPITAL (FY2025) 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? **07/01/25**

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

Not applicable, initial version.

|              |   |        |                     |
|--------------|---|--------|---------------------|
| Prepared By: | Renee Gayhart, Director                 | Phone: | (907)465-1184       |
| Division:    | Health Care Services                    | Date:  | 02/05/2024 05:30 PM |
| Approved By: | Josephine Stern, Assistant Commissioner | Date:  | 02/15/24            |
| Agency:      | Department of Health                    |        |                     |

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2024 LEGISLATIVE SESSION**Analysis**

This bill expands school-based services to include all children who are Medicaid eligible and repeals the requirements that the child must be disabled and have an Individualized Education Program (IEP) to qualify. The passage of this bill will allow these services to be offered through School Based Services to all eligible children rather than being limited to those on an IEP.

Currently, six school districts participate and approximately 2,100 recipients are receiving a limited number of therapy services. At present, Alaska Medicaid has 93,772 school-aged recipients enrolled in Medicaid and a total of 54 recognized school districts. At this time, the department estimates a 50 percent school district participation.

Currently, the Health Care Services position that oversees the School Based Services (SBS) program claims spends approximately 15 to 20 percent of their time involved with SBS activities including administrative support (reports, claiming, work orders, meetings), and provider support (including training, claims resolution and research, initial enrollment, and revalidations). The department expects the workload created by the expansion to be approximately 20 more schools and increase to a full-time position workload beginning in FY2026 when the expansion of the program takes effect. At this time the division plans to absorb this work with current staff.

This bill will require system changes and a regulatory project by the Division of Health Care Services. A Medicaid State Plan amendment will be required.

This bill will require system modifications and regulations to be updated; these costs can be absorbed by existing staff and contracts within the division.