

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version: SB 49
Fiscal Note Number: _____
() Publish Date: _____

Identifier: SB049SS(am)-DHSS-HCMS-4-11-13
Title: MEDICAID PAYMENT FOR ABORTIONS; TERMS
Sponsor: COGHILL
Requester: House Finance

Department: Department of Health and Social Services
Appropriation: Medicaid Services
Allocation: Health Care Medicaid Services
OMB Component Number: 2077

Expenditures/Revenues

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

	FY2014	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2014 Request	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
OPERATING EXPENDITURES	FY 2014	FY 2014					
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits	2,400.0		5,808.0	7,027.7	8,505.1	10,296.0	12,456.9
Miscellaneous							
Total Operating	2,400.0	0.0	5,808.0	7,027.7	8,505.1	10,296.0	12,456.9

Fund Source (Operating Only)

1002 Fed Rcpts	2,160.0		5,227.2	6,324.9	7,654.6	9,266.4	11,211.2
1003 G/F Match	240.0		580.8	702.8	850.5	1,029.6	1,245.7
Total	2,400.0	0.0	5,808.0	7,027.7	8,505.1	10,296.0	12,456.9

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

Estimated CAPITAL (FY2014) cost: 0.0

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If yes, by what date are the regulations to be adopted, amended or repealed? 01/01/14

Why this fiscal note differs from previous version:

The previous fiscal note was indeterminate, as the Department does not have the data necessary to estimate the impact of the proposed definition of medical necessity on Medicaid spending. This fiscal note only includes the program cost of the Senate Floor amendment #1. The overall impacts of the bill on abortion and Medicaid pregnancy spending are still indeterminate.

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Approved By:	Sarah Woods, Deputy Director	Date:	04/11/13
	Finance & Management Services		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. SSSB049AM

Analysis

Section one of the bill directs the department to submit a Medicaid State Plan Amendment to create a women's health program. A women's health program would include family planning-related services (i.e., testing and treatment of sexually-transmitted diseases, contraceptive methods, and an annual family planning visit at an office/clinic). The Department assumes that services would be made available to individuals with incomes below 175% of the federal poverty level for Alaska. According to the current population estimates from the U.S. Census Bureau, approximately 14,000 women in Alaska ages 19-44 are estimated to be uninsured and below this income level. Excluded in this fiscal note are women currently eligible for family planning services under Medicaid/Denali KidCare.

Assumptions:

An annual cost of \$800 per client in FY 14 for services, increasing 10% per year, based on experience with other family planning services and increased utilization and average medical cost index increases. This note assumes only 1/2 year's expenditures in FY 14, due to the need to adopt regulations prior to start-up.

85% of the 14,000 eligible population, or almost 12,000, would eventually utilize this service. In Year 1, it is anticipated that 6,000 women would initially enroll. This represents slightly less than half of the eligible population (uninsured, ages 19-44).

It is expected that the number enrolled would increase by 10% per year (6,600 women in FY 15) to approximately 12,000 women as the program ramps up, although not within the time span of this fiscal note.

90% of the cost of family planning services under Medicaid is paid by the federal government for this state plan option.

Administrative costs are shown in separate fiscal notes.

Regulations will be necessary to specify the eligibility requirements and covered services included in this Medicaid option.