

Fiscal Note

State of Alaska
2016 Legislative Session

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

Identifier: SB074CS(FIN)am-DHSS-GRTAL-3-17-16
Title: MEDICAID REFORM;TELEMEDICINE;DRUG
 DATABAS
Sponsor: KELLY
Requester: House Finance

Department: Department of Health and Social Services
Appropriation: Senior and Disabilities Services
Allocation: General Relief/Temporary Assisted Living
OMB Component Number: 2875

Expenditures/Revenues

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

	FY2017	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2017 Request	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
OPERATING EXPENDITURES	FY 2017	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits				(4,689.9)	(4,689.9)	(4,689.9)	(4,689.9)
Miscellaneous							
Total Operating	0.0	0.0	0.0	(4,689.9)	(4,689.9)	(4,689.9)	(4,689.9)

Fund Source (Operating Only)

1004 Gen Fund				(4,689.9)	(4,689.9)	(4,689.9)	(4,689.9)
Total	0.0	0.0	0.0	(4,689.9)	(4,689.9)	(4,689.9)	(4,689.9)

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2016) cost: 0.0 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2017) 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If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/18

Why this fiscal note differs from previous version:

Bill references are updated.

Prepared By: <u>Duane Mayes, Director</u>	Phone: <u>(907)269-2083</u>
Division: <u>Senior and Disabilities Services</u>	Date: <u>03/17/2016 06:00 PM</u>
Approved By: <u>Sana Efird, Asst. Commissioner, Finance and Management Services</u>	Date: <u>03/17/16</u>
Agency: <u>Health and Social Services</u>	

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2016 LEGISLATIVE SESSION

BILL NO. CSSB074(FIN)

Analysis

In part, **CSSB74(FIN)** authorizes the DHSS to apply for federal waivers and options to reform the Medicaid program and to assess the most cost-effective method for revising expansion coverage.

Section 28, p.25 lines 27-29 require the department to "reduce the cost of... senior and disabilities services provided to recipients of medical assistance under the state's home and community based waiver."

Section 19, lines 10-13, subsection (d) (1) of the bill directs the Department to apply for the 1915(i) option under Medicaid.

Making use of the 1915(i) option offers the Department the opportunity to shift eligible recipients from 100% general funded grant programs to the 50% federal/50% general fund funded 1915(i) Medicaid option.

General Relief/Temporary Assistance (GR) provides temporary residential care for vulnerable adults who are ineligible for assistance from other programs. The Department assumes that all general relief recipients will be assessed for eligibility under the 1915(i) or behavioral health 1115 demonstration project. Of those assessed, the Department anticipates 349 being eligible for the 1915(i) option.

Current funding for GR program: \$7,323.9

Total number served: 545

Average cost per individual: \$13,438.35

Estimated eligible for 1915(i): 349

General fund services to be refinanced through the 1915(i) Medicaid option = \$ 4,689.9

Changes to the State Plan and regulations are required to implement the new option and would involve extensive public comment. The Department expects the 1915(i) option for temporary assisted living services to be implemented by FY2018.