

Fiscal Note

State of Alaska
2022 Legislative Session

Bill Version: HB 58
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB58CS(HSS)-DOH-MS-2-25-2022
Title: CONTRACEPTIVES COVERAGE:INSURE;MED
ASSIST
Sponsor: CLAMAN
Requester: (H) L&C

Department: Department of Health
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)

	FY2023 Appropriation Requested	Included in Governor's FY2023 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2023	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

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 (FY2022) cost: 0.0 (separate supplemental appropriation required)

Estimated CAPITAL (FY2023) cost: 0.0 (separate capital appropriation required)

Does the bill create or modify a new fund or account? 0
(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If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/23

Why this fiscal note differs from previous version/comments:

This fiscal note has been updated for the following: FY23 and changes to the Department of Health, regulation adoption date change, and the added verbiage for emergency contraceptives which was added in the committee substitute for 2022 session.

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Division:	Finance and Management Services	Date:	01/19/2022
Approved By:	Sylvan Robb, Assistant Commissioner	Date:	01/26/22
Agency:	Department of Health and Social Services		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2022 LEGISLATIVE SESSION

BILL NO. HB058

Analysis

This bill requires that Alaska Medicaid to pay for initial dispensing of prescription contraceptives; 12-month supplies of prescription contraceptives, per refill; over-the-counter (OTC) and prescription emergency contraceptives; and associated exams and other services necessary to prescribe, dispense, insert, or otherwise provide these covered contraceptive services. HB058 stipulates that itemized reimbursement for contraceptive services is not required if the service would be reimbursable under a bundled or composite rate.

If a beneficiary previously received a prescription from a non-Medicaid enrolled provider, it would not be fillable under the Medicaid program. Department of Health cannot reimburse for prescriptions written by a non-Medicaid provider. This federal rule eliminates the ability of Medicaid to reimburse for “subsequent” refills of a prescription written by a non-Medicaid provider. The beneficiary would need to get a new prescription from a Medicaid-enrolled provider in order to be reimbursable under Medicaid.

This fiscal analysis assumes that standard Medicaid utilization management controls such as preferring specific products and promoting the use of generics would remain consistent with other drug classes. Requests for specific non-preferred or branded products would be reviewed using the standard prior authorization process. Existing electronic prior authorization capabilities would assist with expedited reviews so as to not delay care.

It is anticipated that there could be duplication of services provided due to a member losing medication or the medication becoming damaged over the 12-month period. It is anticipated these costs could be absorbed within the current program funding resulting in a zero fiscal note.

Promulgation of associated regulations will take approximately nine months following State Plan Amendment approval by the Centers for Medicare and Medicaid Services, with implementation effective after July 1, 2023.