

Fiscal Note

State of Alaska
2022 Legislative Session

Bill Version: SB 175
Fiscal Note Number: _____
() Publish Date: _____

Identifier: SB175-DOH-BHA-2-18-2022
Title: HEALTH CARE SERVICES BY TELEHEALTH
Sponsor: WILSON
Requester: (S) HSS

Department: Department of Health
Appropriation: Behavioral Health
Allocation: Behavioral Health Administration
OMB Component Number: 2665

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	100.4		120.5	120.5	120.5	120.5	120.5
Travel							
Services	10.0		10.0	10.0	10.0	10.0	10.0
Commodities	9.6		1.5	1.5	1.5	1.5	1.5
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	120.0	0.0	132.0	132.0	132.0	132.0	132.0

Fund Source (Operating Only)

1002 Fed Rcpts (Fed)	60.0		66.0	66.0	66.0	66.0	66.0
1003 GF/Match (UGF)	60.0		66.0	66.0	66.0	66.0	66.0
Total	120.0	0.0	132.0	132.0	132.0	132.0	132.0

Positions

Full-time	1.0		1.0	1.0	1.0	1.0	1.0
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? 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If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/24

Why this fiscal note differs from previous version/comments:

Not applicable, initial version.

Prepared By: Gennifer Moreau-Johnson, Director
Division: Behavioral Health
Approved By: Sylvan Robb, Assistant Commissioner
Agency: Department of Health and Social Services

Phone: (907)269-4804
Date: 02/11/2022 01:00 PM
Date: 02/18/22

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2022 LEGISLATIVE SESSION

BILL NO. SB175

Analysis

HB 265 establishes that health care providers may provide health care services through telehealth without an initial in-person consultation as long as they are providing services that are within their authorized scope of practice and as long as the provider holds a certificate or license in good standing. It further allows health care providers who are licensed in another state to provide services if the patient has been referred by a provider currently licensed in Alaska or a federal or tribal health care program.

HB 265 also states that the department shall pay for all behavioral health services covered by the medical assistance program, including those provided through telehealth in the same manner as if the services had been provided in person.

This legislation also provides protection in the form of a directive that a health care provider shall advise the patient that some or all of the services fall outside their authorized scope of practice, and recommend the patient contact an appropriate provider for those services. HB 265 also stipulates that the health care provider may not charge a fee for those services for which they are not authorized to provide health care. Further, HB 265 requires that a fee for service provided through telehealth must be "reasonable and consistent" with fees typically charged for the same service and may not exceed those fees.

HB 265 establishes that a physician, osteopath, physician assistant, or advanced practice registered nurse - and only these practitioners - may examine, diagnose, and provide treatment for opioid use disorder. This bill explicitly excludes other providers from providing these services.

HB 265 addresses permissibility to prescribe controlled substances as listed under AS 11.71.140-11.71.190 or botulinum toxin through telehealth by physicians, podiatrists, osteopaths, and physician assistants as long as they comply with AS 08.64.364. The bill would allow an advanced practice registered nurse to prescribe, dispense, or administer a controlled substance as listed under AS 11.71.140-11.71.190 other than buprenorphine if they first conduct an in-person examination on the patient.

The bill provides a definition for "health care provider" as given under AS 08.11, AS 08.15, AS 08.20, AS 08.29, AS 08.32, AS 08.36, AS 08.38, AS 08.45, AS 08.63, AS 08.64, AS 08.65, AS 08.68, AS 08.71, AS 08.72, AS 08.80, AS 08.84, AS 08.86, and AS 08.95, respectively, and provides the definition of "telehealth" as that given in AS 47.05.270(e).

HB 265 requires the department to pay for all services provided through telehealth in the same manner as if the services had been provided in person, except as provided in section b, which outlines rate setting and the adoption of regulations.

Efficacy is an essential factor in the assessment of whether a behavioral health service should be delivered through telehealth; however, efficacy is not an allowable reason for the department to reduce, restrict, or disallow behavioral health services from being delivered through telehealth. Adding 47.07.069(b) also increases the threshold of information that the department must collect, assess, and monitor for all behavioral health services that may be eligible for telehealth delivery through this bill.

To effectively implement 47.07.069(b), the Division of Behavioral Health will need an additional staff person to ensure that the division is able to adequately review and monitor the clinical appropriateness of behavioral health services delivered through telehealth, including the best practices in telehealth delivery, as this bill makes all behavioral health services potentially billable through telehealth delivery.

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Additional costs associated with implementing SB 175:

Personal Services: 1 full-time employee (FTE) is needed at an annual cost of \$120.0. The salary amount will be prorated in FY23 to reflect a September 1, 2022 hire date.

Public Health Informaticist 2 (12 months)

Range 20 Step C based in Anchorage

Salary: \$73.0, Benefits: \$47.5 Total: \$120.5

Services: Costs of department and state chargeback reimbursable services agreements for position support at \$10.0 per year.

Commodities: \$9.6 for FY23 to purchase IT equipment and additional office supplies for the new position and then \$1.5 for subsequent years.