

Fiscal Note

State of Alaska
2023 Legislative Session

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

Identifier: SB058-DOH-MS-3-29-2023
Title: MEDICAID ELIGIBILITY: POSTPARTUM
MOTHERS
Sponsor: RLS BY REQUEST OF THE GOVERNOR
Requester: (S) FIN

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)

| | FY2024 Appropriation Requested | Included in Governor's FY2024 Request | Out-Year Cost Estimates | | | | | |
|-------------------------------|--------------------------------------|--|-------------------------|----------------|----------------|----------------|----------------|----------------|
| | | | FY 2024 | FY 2025 | FY 2026 | FY 2027 | FY 2028 | FY 2029 |
| OPERATING EXPENDITURES | | | | | | | | |
| Personal Services | | | | | | | | |
| Travel | | | | | | | | |
| Services | | | | | | | | |
| Commodities | | | | | | | | |
| Capital Outlay | | | | | | | | |
| Grants & Benefits | | | 9,040.0 | 9,040.0 | 9,040.0 | 9,040.0 | 9,040.0 | 9,040.0 |
| Miscellaneous | | | | | | | | |
| Total Operating | 0.0 | 0.0 | 9,040.0 | 9,040.0 | 9,040.0 | 9,040.0 | 9,040.0 | 9,040.0 |

Fund Source (Operating Only)

| | | | | | | | |
|----------------------|------------|------------|----------------|----------------|----------------|----------------|----------------|
| 1002 Fed Rcpts (Fed) | | | 6,440.0 | 6,440.0 | 6,440.0 | 6,440.0 | 6,440.0 |
| 1003 GF/Match (UGF) | | | 2,600.0 | 2,600.0 | 2,600.0 | 2,600.0 | 2,600.0 |
| Total | 0.0 | 0.0 | 9,040.0 | 9,040.0 | 9,040.0 | 9,040.0 | 9,040.0 |

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 (FY2023) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2024) 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:

The funding for SB 58 Medicaid Eligibility: Postpartum Mothers was removed from the FY2024 Governor's Request and is therefore removed from the Included in Governor's FY2024 Request column. This fiscal note also adds the federal authority for clarity. The analysis section has also been updated to reflect a clearer explanation.

| | |
|--|---------------------------|
| Prepared By: Terra Serpette | Phone: (907)465-6333 |
| Division: Medicaid Services | Date: 03/29/2023 05:54 PM |
| Approved By: Josephine Stern, Assistant Commissioner | Date: 03/30/23 |
| Agency: Department of Health | |

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2023 LEGISLATIVE SESSION

BILL NO. SB 58

Analysis

This legislation intends to authorize the Department of Health to implement section 9812 of the American Rescue Plan Act (ARPA) of 2020 provision allowing all states an option to extend the postpartum coverage period under Medicaid from 60 days following pregnancy to a full year. Medicaid is currently required to cover pregnant women through 60 days postpartum. ARPA allows states to extend this to one year by filing a State Plan Amendment (SPA). In addition to filing a SPA, exercising this option would require this legislation to be passed to modify AS 47.07.020 as this would be a new optional eligibility group not covered by one of the existing categories.

Most women who lose Medicaid eligibility following the postpartum period in Alaska are likely eligible for either parent Medicaid coverage based on income levels, or subsidized Marketplace coverage. However, in practice, gaps in coverage occur leading to discontinuity of care. Medicaid data identified pregnant/postpartum beneficiaries who lost or experienced a gap in coverage, of these beneficiaries who lost and did not regain coverage; many beneficiaries experienced a gap in coverage.

The Division of Health Care Services identified pregnancy spans and has calculated a projected cost analysis for coverage for members who either lost coverage or had gaps in coverage. A break in coverage was taken to be anyone whose pregnancy span ended and did not have subsequent eligibility the following month. The potential additional cost for individuals experiencing gaps in coverage was calculated using the average cost multiplied by the gap in coverage. These estimates are based on pre-pandemic eligibility determinations, prior to continuous enrollment. The estimated total cost for providing ten months additional postpartum care for those who otherwise lost or had a gap in coverage is estimated at \$9,040.0 annually.

This bill amends the uncodified law to establish the requirement that the commissioner of health notifies the revisor of statutes within 30 days of federal approval of the state plan amendment.

This legislation establishes that the postpartum extension takes effect on the day after the date the commissioner notifies the revisor of statutes as described above. Promulgation of associated regulations will occur concurrently with state plan amendment with an implementation anticipated on July 1, 2024.