

# FISCAL NOTE

**STATE OF ALASKA**  
**2005 LEGISLATIVE SESSION**

Fiscal Note Number: \_\_\_\_\_  
 Bill Version: \_\_\_\_\_  
 ( ) Publish Date: \_\_\_\_\_  
 Dept. Affected: Health & Social Services

Revision Date/Time (Note if correction): \_\_\_\_\_

Title ESTABLISHING THE ALASKA SENIOR CARE PROGRAM  
 RDU Health Care Services  
 Component Medical Assistance Admin.

Sponsor (RLS) BY REQUEST OF THE GOVERNOR

Requester HOUSE (FIN) Component No. 242

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services	80.9	80.9				
Travel						
Contractual	83.0	60.0				
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>163.9</b>	<b>140.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES (0)</b>						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1037 GF/Mental Health						
1196 AK Senior Care Fund	163.9	140.9				
Other(Specify Type-do not abbreviate)						
<b>TOTAL</b>	<b>163.9</b>	<b>140.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2005) cost: \_\_\_\_\_  
 Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

**POSITIONS**

Full-time	1	1				
Part-time						
Temporary						

**ANALYSIS:** *(Attach a separate page if necessary)*

This bill authorizes the continuation of the SeniorCare program through June 30, 2007 and modifies the prescription drug benefit available under the program. Approximately 4,000 seniors will receive assistance paying their premiums and deductibles for prescription drug coverage under Medicare or some comparable insurance.

The Division of Health Care Services will need to contract for changes to its claims payment system (MMIS) to allow for payment of premiums and deductibles, at a one-time cost of \$133.0 (\$50.0 of this total cost is included in the FY06 Governor's Budget and so not reflected above). There will be a continuing cost of \$60.0 contractual for on-going system programming, preparing and distributing tapes of eligible participants monthly to Prescription Drug Plan providers. (Continued on next page.)

Prepared by: Dwayne Peeples, Director Phone 465-5830  
 Division: Health Care Services Date/Time 05/05/2005  
 Approved by: Joel S. Gilbertson, Commissioner Date 05/05/2005  
 Agency: Department of Health and Social Services

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**ANALYSIS CONTINUATION**

In addition, the division will need to add one, full-time staff member. Initially, this position will perform the development and testing of system changes to MMIS. Once the new prescription drug benefit is effective, the position will be responsible for overseeing the premium buy-in process and coordinating the coverage of deductibles with providers.