

# 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 RELATING TO LICENSING FUNCTIONS OF  
THE DEPT. OF HEALTH AND SOCIAL  
SERVICES

RDU Senior and Disabilities Svcs  
 Component Senior/Disabilities Medicaid Svc

Sponsor (RLS) BY REQUEST OF THE  
GOVERNOR

Requester HOUSE (HES)

Component No. 2662

**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						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	10,759.6	23,671.2	26,038.3	28,642.1	31,506.3	34,657.0
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>10,759.6</b>	<b>23,671.2</b>	<b>26,038.3</b>	<b>28,642.1</b>	<b>31,506.3</b>	<b>34,657.0</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	6,195.4	13,629.9	14,992.9	16,492.1	18,141.3	19,955.5
1003 GF Match	4,564.2	10,041.3	11,045.4	12,150.0	13,365.0	14,701.5
1004 GF						
1037 GF/Mental Health						
Other(Specify Type-do not abbreviate)						
Other(Specify Type-do not abbreviate)						
<b>TOTAL</b>	<b>10,759.6</b>	<b>23,671.2</b>	<b>26,038.3</b>	<b>28,642.1</b>	<b>31,506.3</b>	<b>34,657.0</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						
Part-time						
Temporary						

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

Revisions to CS HB 193 provide for expansion of reimbursable waiver services for Older Alaskans (OA) and Adults with Physical Disabilities (AD) to include Adult Companion Services.

The addition of Adult Companion Services is intended to restore non-medical care, supervision and socialization services formerly provided as a part of Respite Services.

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Prepared by: Janet Clarke, Assistant Commissioner Phone 465-1630  
 Division Finance and Management Services Date/Time 04/25/2005  
 Approved by: Joel S. Gilbertson, Commissioner Date 04/26/2005  
 Agency Department of Health and Social Services

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**ANALYSIS CONTINUATION**

The revisions provide for Companion Services as part of a recipient's approved plan of care to allow a primary caregiver to work and to allow a primary caregiver to sleep during normal nighttime hours when the care recipient may not be safely left alone.

Companion Services will not replace other services but would be in addition to existing services including Chore, Respite, and Personal Care Services. Companion Services providers are unskilled and would not be qualified to provide medical based Personal Care Services.

Currently there are 1,915 recipients of OA and AD waiver services. Of those approximately 570 reside in Assisted Living Homes and would not be eligible for Companion Services.

The department estimates that of the 1,345 eligible recipients, approximately 10% have caregivers who would utilize companion services for 10 hours per day to allow them to work full time. At \$19.72 per hour (the current median cost for unskilled Respite Care workers), daytime supervision is estimated at \$49.3 per recipient, per year or \$6,655.5 for 135 recipients each year. This assumes that care would be provided for 10 hrs per day, 5 days a week, 50 weeks per year.

Estimated costs for overnight supervision are based on the assumption that 10% of the 1,340 eligible recipients would be in need of overnight companion services. If these services were limited to 9 hrs per night and 3 nights per week, the cost would be \$27.7 per recipient or \$3,737.7 for 135 recipients each year.

Of the approximately 1,200 recipients who do not qualify for work related or overnight Companion Services, the department estimates that 90% (1,085) would utilize basic Companion Services. If limited to 10 hours per week, the cost would be \$10.3 per recipient per year or \$11,126.0 total.

The fiscal note assumes the program would be operational for one half year in FY06 and growth of 10% a year in succeeding years.

**CS HB 193 - Companion Services Fiscal Note Calculation - Revised 4/25/05**

	Work Related Supervision	Overnight Supervision	Basic Services	Total
# Recipients	135	135	1085	
Cost Per Hour	\$19.72	\$19.72	\$19.72	
# Hrs Per Week	n/a	n/a	10	
# Hrs Per Day	10	9	n/a	
# Days Per Week	5	3	n/a	
# Weeks Per Yr	50	52	52	
<b>Total</b>	<b>6,655,500</b>	<b>3,737,729</b>	<b>11,126,024</b>	<b>21,519,253</b>

	1/2 Year FY06	Full Yr Plus 10% - FY07	Plus 10% - FY08	Plus 10% - FY09	Plus 10% - FY10	Plus 10% - FY11
<b>Cost</b>	<b>10,759,626</b>	<b>23,671,178</b>	<b>26,038,296</b>	<b>28,642,125</b>	<b>31,506,338</b>	<b>34,656,972</b>
Fed	6,195,393	13,629,864	14,992,851	16,492,136	18,141,349	19,955,484
GF	4,564,234	10,041,314	11,045,445	12,149,990	13,364,989	14,701,487