

# FISCAL NOTE

**STATE OF ALASKA**  
**2007 LEGISLATIVE SESSION**

Fiscal Note Number: 5  
 Bill Version: CSSB 4(FIN) am  
 (S) Publish Date: 4/5/07  
 Dept. Affected: Health & Social Services  
 RDU: Public Assistance  
 Component: Public Assistance Field Svcs

Revision Date/Time (Note if correction):  
 Title: RELATING TO SENIOR CARE

Sponsor: OLSON  
 Requester: SENATE (FIN)

Component No. 236

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

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

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services	33.6	67.2	67.2	67.2	67.2	67.2
Travel						
Contractual	4.4	8.8	8.8	8.8	8.8	8.8
Supplies	2.2					
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>40.2</b>	<b>76.0</b>	<b>76.0</b>	<b>76.0</b>	<b>76.0</b>	<b>76.0</b>

<b>CAPITAL EXPENDITURES</b>						
<b>CHANGE IN REVENUES (0)</b>						

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts	18.7	35.4	35.4	35.4	35.4	35.4
1003 GF Match	16.5	31.1	31.1	31.1	31.1	31.1
1004 GF	4.4	8.4	8.4	8.4	8.4	8.4
1037 GF/Mental Health						
Other(Inter-Agency Receipts)	0.6	1.1	1.1	1.1	1.1	1.1
Other(Specify Type-do not abbreviate)						
<b>TOTAL</b>	<b>40.2</b>	<b>76.0</b>	<b>76.0</b>	<b>76.0</b>	<b>76.0</b>	<b>76.0</b>

Estimate of any current year (FY2007) cost: \_\_\_\_\_  
 Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

**POSITIONS**

Full-time	1	1	1	1	1	1
Part-time						
Temporary						

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

CS SB 4 (FIN) Am changes AS 47.07.020(b) to reset the upper income limit for Denali KidCare (DKC) pregnant women and uninsured children under the Title XXI State Children's Health Insurance Program (SCHIP) to 175% of the prevailing federal poverty guideline (FPG) for Alaska. Currently, the qualifying income limit for these children and pregnant women is set in statute at 175% of the 2003 FPG (effectively, about 154% of the current FPG). This fiscal note represents the administrative costs for the eligibility determinations for medical assistance coverage for pregnant women and children.

The eligibility decision includes determining eligibility based on the household's size and monthly income at the time of application, acting on changes in a household's circumstances that are reported during the period of eligibility, and re-examining a household's eligibility every six months.

Prepared by: Sherry Hill, Special Assistant Phone 465-1618  
 Division: Office of the Commissioner Date/Time 04/04/2007  
 Approved by: Karleen Jackson, Commissioner Date 04/04/2007  
 Agency: Department of Health and Social Services

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**ANALYSIS CONTINUATION**

**Assumptions:**

We assume that 218 pregnant women and 1277 children will enroll in Medicaid if the qualifying income limit is revised to 175% FPG, and that implementation will begin January 1, 2008. We estimate one additional Eligibility Technician I (Range 14) position will be needed for six months to manage this additional work in FY 08. This position will be needed for 12 months in the following fiscal years.

**Total FY08 Administrative Costs:**

Personal Services: One Eligibility Technician I Range 14 at a cost of \$33.6, including benefits, for six months.

Contractual: for office space, phones, and supplies will be \$4,400 for six months.

Additional Equipment/Supply: A one time cost of \$2,200 for a desktop computer, software, printer, and work station will be needed for the new position.

**Total Administrative Costs FY09 through FY13**

Personal Services: One Eligibility Technician I Range 14 at a cost of \$67.2, including benefits, for 12 months.

Contractual: Annual costs for office space, phones, and supplies will be \$8,800.

FISCAL NOTE # 5 ATTACHMENT

<b>CS SB 4 (FIN) am</b>						
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
<b><u>SENIOR BENEFIT PROGRAM</u></b>						
Caseload	8,800	8,914	9,030	9,148		
Annual Benefit Cost	\$16,645.8	\$16,862.2	\$17,081.4	\$17,305.5		
Estimated Administration Costs	<u>\$753.1</u>	<u>\$683.1</u>	<u>\$683.1</u>	<u>\$683.1</u>		
<b>Total Cost Senior Benefit Prgm</b>	\$17,398.9	\$17,545.3	\$17,764.5	\$17,988.6	\$0.0	\$0.0
<b><u>DENALI KID CARE</u></b>						
Additional Children Served	1277	1302	1328	1355	1382	1410
Additional Pregnant Women Served	<u>218</u>	<u>223</u>	<u>227</u>	<u>232</u>	<u>236</u>	<u>241</u>
	1495	1525	1555	1587	1618	1651
Annual Medicaid program costs	2651.3	2879.3	3126.9	3395.9	3687.9	4005
Annual Administrative Costs	\$40.2	\$76.0	\$76.0	\$76.0	\$76.0	\$76.0
<b>Total Denali Kid Care Costs</b>	\$2,691.5	\$2,955.3	\$3,202.9	\$3,471.9	\$3,763.9	\$4,081.0
Federal Share	\$1,907.4	\$2,030.4	\$2,189.9	\$2,375.2	\$2,576.4	\$2,795.0
General Fund Share	\$783.5	\$923.8	\$1,011.9	\$1,095.6	\$1,186.4	\$1,284.9
Inter/Agency Funds	0.6	1.1	1.1	1.1	1.1	1.1
<b>TOTAL COSTS OF CS SB 4 am</b>	<b>\$20,090.4</b>	<b>\$20,500.6</b>	<b>\$20,967.4</b>	<b>\$21,460.5</b>	<b>\$3,763.9</b>	<b>\$4,081.0</b>
<b>Gen Fund costs of CS SB 4 am</b>	<b>\$18,182.4</b>	<b>\$18,469.1</b>	<b>\$18,776.4</b>	<b>\$19,084.2</b>	<b>\$1,186.4</b>	<b>\$1,284.9</b>