

# FISCAL NOTE

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

Fiscal Note Number: 3  
 Bill Version: CSSB 27(HES)  
 (S) Publish Date: 3/14/07  
 Dept. Affected: Health & Social Services

Revision Date/Time (Note if correction):

Title RELATING TO ELIGIBILITY FOR MEDICAL ASSISTANCE

RDU Public Assistance

Component Public Assistance Field Svcs

Sponsor DAVIS

Requester SENATE (HES)

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	230.4	230.4	230.4	230.4	230.4	230.4
Travel						
Contractual						
Supplies	33.0	26.4	26.4	26.4	26.4	26.4
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>263.4</b>	<b>256.8</b>	<b>256.8</b>	<b>256.8</b>	<b>256.8</b>	<b>256.8</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	123.8	120.5	120.5	120.5	120.5	120.5
1003 GF Match	111.0	107.7	107.7	107.7	107.7	107.7
1004 GF	25.3	25.3	25.3	25.3	25.3	25.3
1037 GF/Mental Health						
Other(Inter-Agency Receipts)	3.3	3.3	3.3	3.3	3.3	3.3
Other(Specify Type-do not abbreviate)						
<b>TOTAL</b>	<b>263.4</b>	<b>256.8</b>	<b>256.8</b>	<b>256.8</b>	<b>256.8</b>	<b>256.8</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	3	3	3	3	3	3
Part-time						
Temporary						

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

This bill reverses the effect of legislation, effective September 2003, that reduced and froze the Medicaid income eligibility standard for certain children and pregnant women whose eligibility is managed through the Denali KidCare (DKC) office and froze the income standard for nursing home and home and community based (HCB) waiver recipients whose eligibility is determined under the 300% supplemental security income (SSI) eligibility criteria.

Prior to implementation of the 2003 legislation, Medicaid was available to children and pregnant women with incomes up to 200% of the prevailing Federal Poverty Guideline (FPG) for Alaska. Effective September 2003, the income standard was set in statute at what was equivalent to 175% of the FPG for 2003. This bill restores the income eligibility standard for children and pregnant women to 200% of the prevailing FPG.

(cont. on page 2)

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Division: Division of Public Assistance

Approved by: Karleen Jackson, Commissioner

Agency: Department of Health and Social Services

Phone: 465-2680

Date/Time: 01/30/2007

Date: 02/01/2007

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**ANALYSIS CONTINUATION**

(cont. from page 1)

SB 27 also would return the income standard for nursing home residents and HCB waiver clients to 300% of the prevailing SSI standard.

Between 2003 and 2006, the number of children in the affected income category dropped by 2,553 individuals, the number of pregnant women in the affected income category dropped by 436 individuals, and the number of persons enrolled in the 300% SSI group dropped by 106.

This fiscal analysis is based on the assumption that enrollment will rapidly recover to 2003 levels by the end of SFY 2008 and resume normal growth thereafter (about 2% per year). The proportion of enrollees that use services (participation) is expected to remain the same throughout the projection period.

For each component, the recipient count represents the number of enrolled persons using Medicaid services managed by that component during the period. It is anticipated that the number of people who lost Medicaid eligibility due to the 2003 legislation (about 3,100), will regain eligibility in 2008.

On average, an Eligibility Technician II can manage a caseload of 1,000 and with the additional caseload of approximately 3,100 cases, it will result in a need for three (3) additional Eligibility Technicians (at a cost of \$76,800, including benefits, per position) to manage the additional caseload in Field Services.

With the additional caseload, a one time cost for computers and software will be required with a cost of \$2,200 for each additional staff for a total of \$6,600. Annual costs for office space, phones and supplies are calculated at a cost of \$8,800 per additional staff for a total of \$26,400.

For the personal services allocations of this fiscal note, the fund source calculations are derived by using standard Random Moment Time Study averages.