

FISCAL NOTE

STATE OF ALASKA
2009 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: HB 135
 (H) Publish Date: 2/16/09

Identifier (file name): 0130-DHSS-APDM-12-22-08 Dept. Affected: Health and Social Services
 Title Extending coverage of Medicaid adult dental services RDU Adult Preventative Dental Medicaid
 Component Adult Preventative Dental Medicaid
 Sponsor Rules Committee
 Requester Governor Component Number 541

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information						
		FY 2010	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
OPERATING EXPENDITURES								
Personal Services								
Travel								
Contractual								
Supplies								
Equipment								
Land & Structures								
Grants & Claims	0.0	6,133.8	7,246.1	7,484.2	7,722.2	7,960.2	0.0	
Miscellaneous								
TOTAL OPERATING	0.0	6,133.8	7,246.1	7,484.2	7,722.2	7,960.2	0.0	

CAPITAL EXPENDITURES								
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CHANGE IN REVENUES ()								
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	0.0	3,531.8	4,309.8	4,429.4	4,570.2	4,711.1	0.0
1003 GF Match	0.0	2,602.0	2,936.3	3,054.8	3,152.0	3,249.1	0.0
1004 GF							
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts							
TOTAL	0.0	6,133.8	7,246.1	7,484.2	7,722.2	7,960.2	0.0

Estimate of any current year (FY2009) cost: _____

POSITIONS

Full-time							
Part-time							
Temporary							

ANALYSIS: (Attach a separate page if necessary)

This bill extends the sunset date for the Adult Preventative Dental program from June 30, 2009 to June 30, 2014. On July 1, 2014 dental services for adult Medicaid recipients will revert to emergent dental services (treatment for immediate relief of pain and acute infection). During FY2008 about 7,600 adults received treatment under this program. Forecasted expenditures are based on an analysis of paid claims. The estimated federal portion is based on projected federal financial participation rates for 2010 through 2014. The fiscal note amount for 2010 anticipates continuation of the adult dental program without anticipating program growth. FY 2010 projections will be updated to reflect the most recent trends during the course of the legislative session.
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 Division Health Care Services Date/Time 12/22/08 12:00 PM
 Approved by: William Hogan, Commissioner Date 12/22/2008
Dept. Health & Social Services

FISCAL NOTE #1

**STATE OF ALASKA
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BILL NO. HB 135

ANALYSIS CONTINUATION

In April 2007, Alaska began providing preventive and restorative dental care for adults age 21 and older enrolled in Medicaid. The Legislature established a three year trial period to evaluate the new program, which will end June 30, 2009, if not reauthorized. Services provided under the Adult Preventative Dental Medicaid program must be preauthorized and are subject to a \$1,150 annual cap per individual. Services include exams, cleanings, fillings, root canals and dentures. Total program costs are limited to fiscal limits set by the legislature, ensuring that total program spending remains within the budgeted amount.

The Adult Preventative Dental Medicaid program helps protect and promote the health of Alaskans by improving affordable access to dental care services to the nearly 40,000 eligible adult Alaskans enrolled in Medicaid annually. During fiscal year 2008 about 7,600 adults received treatment under this program. In the past, Medicaid only treated emergency pain relief and acute infection for adult dental needs. This coverage expansion was added because infections in the mouth are no different than infections in other parts of the body. Dental infections cause pain and lost time at work, and affect overall health. Waiting until a dental emergency occurs can result in more expensive dental care. Missing teeth can affect employability.

The Alaska Mental Health Trust Authority contributed to state matching funds during the first three years of the program but will not do so after June 30, 2009. Fund source calculations for this fiscal note assume only GF match for the state portion. The federal portion is estimated for 2010 through 2014 based on the proportion of tribal and Title XIX reimbursable costs as forecast for 2010, and the estimates of federal matching percentages for 2010 through 2014. Approximately 18% of the claims are eligible for Indian Health Services and 100% federal reimbursement. The remaining 82% of claims are eligible for regular FMAP, which is projected to average 51.21% for state FY2010, 50.36% for FY2011 and 50% for FY 2012 to FY 2014.