

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: SB 199
(S) Publish Date: 1/27/10

Identifier (file name): SB199-DHSS-MAA-01-22-10 Dept. Affected: Health & Social Services
Title Medicaid Coverage for Dentures RDU Health Care Services
Component Medical Assistance Administration
Sponsor Ellis
Requester Senate HSS Component Number 242

Expenditures/Revenue (Thousands of Dollars)

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

| | Appropriation Required | Information | | | | | | |
|------------------------------|---------------------------|-------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | | FY 2011 | FY 2011 | FY 2012 | FY 2013 | FY 2014 | FY 2015 | FY 2016 |
| OPERATING EXPENDITURE | | | | | | | | |
| Personal Services | 157.0 | | 157.0 | 157.0 | 157.0 | 157.0 | 157.0 | 157.0 |
| Travel | | | | | | | | |
| Contractual | 9.6 | | 9.6 | 9.6 | 9.6 | 9.6 | 9.6 | 9.6 |
| Supplies | 2.0 | | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| Equipment | 15.2 | | | | | | | |
| Land & Structures | | | | | | | | |
| Grants & Claims | | | | | | | | |
| Miscellaneous | | | | | | | | |
| TOTAL OPERATING | 183.8 | 0.0 | 168.6 | 168.6 | 168.6 | 168.6 | 168.6 | 168.6 |

| | | | | | | | | |
|----------------------------|--|--|--|--|--|--|--|--|
| CAPITAL EXPENDITURE | | | | | | | | |
|----------------------------|--|--|--|--|--|--|--|--|

| | | | | | | | | |
|---------------------------|--|--|--|--|--|--|--|--|
| CHANGE IN REVENUES | | | | | | | | |
|---------------------------|--|--|--|--|--|--|--|--|

FUND SOURCE (Thousands of Dollars)

| | | | | | | | | |
|----------------------------|--------------|------------|--------------|--------------|--------------|--------------|--------------|--------------|
| 1002 Federal Receipts | 91.9 | | 84.3 | 84.3 | 84.3 | 84.3 | 84.3 | 84.3 |
| 1003 GF Match | 91.9 | | 84.3 | 84.3 | 84.3 | 84.3 | 84.3 | 84.3 |
| 1004 GF | | | | | | | | |
| 1005 GF/Program Receipts | | | | | | | | |
| 1037 GF/Mental Health | | | | | | | | |
| Other Interagency Receipts | | | | | | | | |
| TOTAL | 183.8 | 0.0 | 168.6 | 168.6 | 168.6 | 168.6 | 168.6 | 168.6 |

Estimate of any current year (FY2010) c _____

POSITIONS

| | | | | | | | |
|-----------|-----|--|---|---|---|---|---|
| Full-time | 2.0 | | 2 | 2 | 2 | 2 | 2 |
| Part-time | | | | | | | |
| Temporary | | | | | | | |

ANALYSIS: (Attach a separate page if nece:

SB199 is meant to address limitations of coverage for upper and lower dentures within a given state fiscal year under the \$1,150 annual limit. The annual limit provides for expenditures that would typically cover only an upper or lower denture, thus requiring Medicaid recipients to wait until the subsequent fiscal year to obtain the opposing denture under the Medicaid program.

The bill would authorize the department to allow for provision of both an upper and lower denture within the same state fiscal year, however when these services are provided the adult recipient would not be eligible for additional services under Medicaid preventative and restorative dental for a two-year period.

Prepared by: William J. Streur, Deputy Commissioner
Division DHSS Health Care Services

Phone (907) 334-2520
Date/Time 1/21/10 12:00 AM

Approved by: Alison Elgee, Assistant Commissioner
Finance & Management Services

Date 1/22/2010

ANALYSIS CONTINUATION

The Division of Health Care Services estimates that it will need a total of 2 FTE's to fully track expenditures and to authorize procedures up to the limit of the proposed legislation.

Administrative Costs:

1 Medical Assistance Administrator II (Range 18), \$84,510; 1 Medical Assistance Administrator I (Range 16), \$72,530. All personal services costs include benefits. Assumes \$9.6 per FTE annually for office space, phones, and other contractual costs; \$2.6 one time costs per FTE for computers and software; \$5.0 one time costs per FTE for office equipment; \$2.0 per FTE annually for supplies.

Medical Assistance Administrator I and II Duties

If legislation is passed and implemented to allow recipients the ability to utilize two fiscal year's annual cap for dentures (full sets and partials) during SFY2011, it will create a labor intensive process of tracking the service limits manually. Our current Medicaid Management Information System has the capability of applying service exceptions on an annual basis only. Combining two years limits will require a manual work-around for tracking the 11 denture and partial procedure codes being utilized by approximately 4,400 recipients, and follow-up to ensure limits are not exceeded nor services duplicated at any point in the two year period. To authorize payment of individual dental claims, staff will have to research, review, and evaluate the recipients' claims and treatment history for the two year period in question. The division estimates the need for two Medical Assistance Administrators to handle the increased workload.