

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version CSSB 70(FIN)
 Fiscal Note Number 7
 (S) Publish Date 2/3/12

Identifier (file name) SB070-DCCED-AHBE-12-08-11 Dept. Affected DCCED
 Title Alaska Health Benefit Exchange Appropriation Alaska Health Benefit Exchange
 Allocation Alaska Health Benefit Exchange Op
 Sponsor Senator French
 Requester Senate Finance OMB Component Number _____

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates					
			FY13	FY14	FY15	FY16	FY17	FY18
OPERATING EXPENDITURES								
Personal Services	1,280.1		1,280.1	1,280.1	1,280.1	1,280.1	1,280.1	1,280.1
Travel	121.0		30.3	30.3	30.3	30.3	30.3	30.3
Services	273.6		241.0	241.0	241.0	241.0	241.0	241.0
Commodities	30.0		0.0	0.0	0.0	0.0	0.0	0.0
Capital Outlay								
Grants, Benefits	120.0		120.0	120.0	120.0	120.0	120.0	120.0
Miscellaneous								
TOTAL OPERATING	1,824.7	0.0	1,671.4	1,671.4	1,671.4	1,671.4	1,671.4	1,671.4

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF	1,824.7	1,671.4	1,671.4	1,671.4	1,671.4	1,671.4	1,671.4
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		1,824.7	0.0	1,671.4	1,671.4	1,671.4	1,671.4	1,671.4

POSITIONS							
Full-time	12		12	12	12	12	12
Part-time							
Temporary							

CHANGE IN REVENUES							
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Estimated SUPPLEMENTAL (FY12) operating costs 0.0 (separate supplemental appropriation required,
 (discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs 0.0 (separate capital appropriation required,
 (discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

This fiscal note has been amended to reflect higher FY13 Personal Services costs due to salary and benefit increases. Travel for years beyond FY13 have been reduced to reflect change from monthly Board meetings to quarterly. One-time support costs have been reduced in years beyond FY13. The fiscal note has been updated to the new form for the 2012 Legislative Session.

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 Division Administrative Services
 Approved by Susan K. Bell, Commissioner
Commerce, Community, and Economic Development

Phone 907-465-2506
 Date/Time 12/8/11 10:00 AM
 Date 12/30/2011

FISCAL NOTE #7

STATE OF ALASKA
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BILL NO. CSSB 70(FIN)

Analysis

SB 70 would establish a health benefit exchange in order to facilitate the purchase and sale of individual and small employer health insurance plans in Alaska. The exchange would also provide consumer education and assistance. The exchange would be established as a public corporation within the Department of Commerce, Community, and Economic Development, but it would be a separate legal entity. An exchange board appointed by the Governor would have the responsibility and authority to develop and maintain the exchange which would include developing and maintaining a website for Alaskans to obtain information on insurance plans, to determine eligibility for and enroll eligible Alaskans in Medicaid or Denali Kidcare, to determine cost of coverage after any premium tax credit or costs sharing reduction and many other functions specified in the bill.

Estimates have been developed for the required resources to meet the core functions to be performed including:

- 1) Personal Services - a staff of 12 including an executive director, accounting staff, web support and program staff.
- 2) Board Costs - first year travel costs based on monthly two day meetings until the exchange is fully operational, followed by quarterly meetings for subsequent years.
- 3) Services - including one-time and on-going work station supplies and equipment, telephone hotlines, phone systems, printing, leased space support contracts and core services costs.
- 4) Commodities - one-time for computers and supplies.
- 5) Grants to the Navigator program.