

Fiscal Note

State of Alaska
2016 Legislative Session

Bill Version:	CSHB 227(HSS)
Fiscal Note Number:	7
(H) Publish Date:	3/9/2016

Identifier: HB227-DHSS-SCBG-1-30-16
 Title: MEDICAL ASSISTANCE REFORM
 Sponsor: SEATON
 Requester: House HSS

Department: Department of Health and Social Services
 Appropriation: Senior and Disabilities Services
 Allocation: Senior Community Based Grants
 OMB Component Number: 2787

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2017	Included in	Out-Year Cost Estimates					
	Appropriation Requested	Governor's FY2017 Request	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
OPERATING EXPENDITURES	FY 2017	FY 2017	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants & Benefits					(735.2)	(735.2)	(735.2)	(735.2)
Miscellaneous								
Total Operating	0.0	0.0	0.0		(735.2)	(735.2)	(735.2)	(735.2)

Fund Source (Operating Only)

1004 Gen Fund				(735.2)	(735.2)	(735.2)	(735.2)
Total	0.0	0.0	0.0	(735.2)	(735.2)	(735.2)	(735.2)

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2016) cost: 0.0 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2017) cost: 0.0 *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? yes
 If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/18

Why this fiscal note differs from previous version:

Not applicable; initial version.

Prepared By:	Duane Mayes, Director	Phone:	(907)269-2083
Division:	Senior and Disabilities Services	Date:	01/29/2016 03:00 PM
Approved By:	Sana Efird, Asst. Commissioner, Finance and Management Services	Date:	01/30/16
Agency:	Health and Social Services		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2016 LEGISLATIVE SESSION

Analysis

In part, **HB227 version H** authorizes the DHSS to apply for federal waivers and options to reform the Medicaid program and to assess the most cost-effective method for revising expansion coverage.

Section 12 of the bill directs the department to apply for the 1915(i) option under Medicaid.

Making use of the 1915(i) option offers the department the opportunity to shifting eligible recipients from 100% general funded grants programs to the 50% fed/50% GF funded 1915(i) Medicaid option.

The department will use this option to refinance the Senior Community Based Grant component's Adult Day and Senior In-Home Services for those who are receiving the service and are also Medicaid eligible.

Adult Day Grant: Total general fund expenditures = \$1,757.0, serving 423 recipients. Of those, SDS anticipates serving 114 under the 1915(i) option with an average cost per individual of \$4,153.69. Estimated general fund Adult Day grant services to be refinanced with the 1915(i) Medicaid option = \$473.5.

Senior In-Home Grant: Total general fund expenditures = \$2,917.3, serving 1,371 individuals. Of those, SDS anticipates serving 123 under the 1915(i) option with an average cost per individual of \$2,127.84. Estimated general Senior In-Home grant services to be refinanced with the 1915(i) Medicaid option = \$261.7.

The combined estimated general fund to be refinanced through the use of the 1915(i) option = \$735.2.

State Plan and regulation changes are required to implement the new option and would involve extensive public comment. The Department expects the 1915(i) option to be implemented by FY2019.