

# Fiscal Note

State of Alaska  
2015 Legislative Session

Bill Version:	CSSB 46(FIN)
Fiscal Note Number:	1
(S) Publish Date:	4/15/2015

Identifier: SB046-DHSS-HCMS-2-20-15  
 Title: MUNI BOND BANK LOANS TO REG HEALTH ORGS  
 Sponsor: HOFFMAN  
 Requester: Senate Finance Committee

Department: Department of Health and Social Services  
 Appropriation: Medicaid Services  
 Allocation: Health Care Medicaid Services  
 OMB Component Number: 2077

## Expenditures/Revenues

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

	FY2016	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2016 Request	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
<b>OPERATING EXPENDITURES</b>	<b>FY 2016</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
Personal Services	***		***	***	***	***	***
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	<b>***</b>	<b>0.0</b>	<b>***</b>	<b>***</b>	<b>***</b>	<b>***</b>	<b>***</b>

## Fund Source (Operating Only)

None							
<b>Total</b>	<b>***</b>	<b>0.0</b>	<b>***</b>	<b>***</b>	<b>***</b>	<b>***</b>	<b>***</b>

## Positions

Full-time							
Part-time							
Temporary							

## Change in Revenues

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**Estimated SUPPLEMENTAL (FY2015) cost:** 0.0 (separate supplemental appropriation required)  
 (discuss reasons and fund source(s) in analysis section)

**Estimated CAPITAL (FY2016) 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? No  
 If yes, by what date are the regulations to be adopted, amended or repealed? N/A

## Why this fiscal note differs from previous version:

Not applicable, initial version.

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 Approved By: Sarah Woods, Deputy Director Finance & Management Services  
 Agency: Health & Social Services

Phone: (907)465-5830  
 Date: 02/19/2015 10:30 AM  
 Date: 02/20/15

REPORTED OUT OF  
SFC 04/15/2015

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2015 LEGISLATIVE SESSION**Analysis**

This bill would offer municipal bonds to tribal health organizations for the construction or remodel of tribal healthcare facilities, a low interest option that may encourage infrastructure development. As tribal organizations take advantage of this opportunity, the State may see an increase in provision of tribal healthcare services to Alaska Native Medicaid recipients, services which are claimable at 100% federal match as compared to the 50% federal match rate for the same service provision delivered in a non-tribal setting.

Based on past experience, the department expects it may be able to capture 10%, annually, of the value of the municipal bonds issued for a project, in general fund cost savings resulting from service provision at 100% federal match vs. the 50% match rate. However, the department cannot gauge the level of interest such a municipal bonds offer may garner from tribal organizations and thus, costs for this bill are currently indeterminate.