

Fiscal Note

State of Alaska
2015 Legislative Session

Bill Version:	CSSB 74(HSS)
Fiscal Note Number:	2
(S) Publish Date:	4/11/2015

Identifier: SB074-DHSS-MAA-03-22-15
 Title: MEDICAID REFORM;TELEMEDICINE;DRUG
 DATABAS
 Sponsor: KELLY
 Requester: Senate Health & Social Services Committee

Department: Department of Health and Social Services
 Appropriation: Health Care Services
 Allocation: Medical Assistance Administration
 OMB Component Number: 242

Expenditures/Revenues

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

	FY2016 Appropriation Requested	Included in Governor's FY2016 Request	Out-Year Cost Estimates					
			FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
OPERATING EXPENDITURES								
Personal Services	500.6		500.6	500.6	500.6	500.6	500.6	500.6
Travel	4.0		4.0	4.0	4.0	4.0	4.0	4.0
Services	47.0		47.0	47.0	47.0	47.0	47.0	47.0
Commodities	48.0		10.0	10.0	10.0	10.0	10.0	10.0
Capital Outlay								
Grants & Benefits								
Miscellaneous								
Total Operating	599.6	0.0	561.6	561.6	561.6	561.6	561.6	561.6

Fund Source (Operating Only)

1002 Fed Rcpts	299.8		280.8	280.8	280.8	280.8	280.8	280.8
1003 G/F Match	299.8		280.8	280.8	280.8	280.8	280.8	280.8
Total	599.6	0.0	561.6	561.6	561.6	561.6	561.6	561.6

Positions

Full-time	5.0		5.0	5.0	5.0	5.0	5.0	5.0
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? Yes
 If yes, by what date are the regulations to be adopted, amended or repealed? 10/01/15

Why this fiscal note differs from previous version:

Not applicable, initial version.

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Division:	Health Care Services	Date:	03/21/2015 04:30 PM
Approved By:	Sarah Woods, Deputy Director Finance & Management Services	Date:	03/22/15
Agency:	Health & Social Services		

FISCAL NOTE ANALYSIS

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Analysis

Section 2(a)(5) of the bill directs the Department to enhance Medicaid fraud prevention, detection and enforcement.

Fraud prevention starts with the provider enrollment process. Enhancements to the provider enrollment process include requiring all ordering, rendering or referring providers to be enrolled with the Medicaid program, including all home and community-based waiver and behavioral health rehabilitation providers. In addition to the enrollment requirement, all categories of providers will be assigned a risk level that will be used to determine levels of pre-enrollment screening. Enhancements to the screening process includes pre- and post-enrollment site visits for medium and high risk categories of providers, and requiring background checks as a condition of enrollment.

1 Medical Asst Administrator III, range 20 - \$112.6

1 Medical Asst Administrator IV, range 21 - \$119.2

FY2016 Personal services total \$231.8

Travel total \$2.0

Lease costs, phone, etc - $\$9.4 \times 2 = \18.8

Office supplies - $\$2.0 \times 2 = \4.0

FY2016 Commodities, ongoing total \$4.0

Computer, software - $\$2.6 \times 2 = \5.2

One-time office set-up - $\$5.0 \times 2 = \10.0

FY2016 Commodities, one-time total \$15.2

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Analysis Continued

Section 3 of the bill directs the Department to create an optional Health Savings Account for Medicaid recipients. This bill also includes the requirement that the Health Savings Account program must include recipient cost-sharing. Cost sharing would have to comply with federally mandated limits, based on household income. Recipient may elect to have 10 percent of their annual permanent fund dividend put into the Health Savings Account. The program is also required to include consumer education.

Health Care Services anticipates an impact due to intensive account management requirements. The Department estimates that approximately 7,400 health savings accounts will need to be established, verified and accounted for on a weekly basis.

3 Accounting Technician Ills, range 16 = \$89.6 x 3 = \$268.8

FY2016 Personal services total \$268.8

Travel \$2.0

Lease costs, phone, etc - \$9.4 x 3 = \$28.2

Office supplies - \$2.0 x 3 = \$6.0

Computer, software - \$2.6 x 3 = \$7.8

One-time office set-up - \$5.0 x 3 = \$15.0

One-time commodities total \$22.8