

# Fiscal Note

State of Alaska  
2015 Legislative Session

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

Identifier: SB074-DHSS-PAA-03-20-15  
 Title: MEDICAID REFORM;TELEMEDICINE;DRUG  
 DATABAS  
 Sponsor: KELLY  
 Requester: Senate Health & Social Services Committee

Department: Department of Health and Social Services  
 Appropriation: Public Assistance  
 Allocation: Public Assistance Administration  
 OMB Component Number: 233

## 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>					
Personal Services	35.0						
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	<b>35.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## Fund Source (Operating Only)

1002 Fed Rcpts	17.5						
1003 G/F Match	17.5						
<b>Total</b>	<b>35.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</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 If yes, by what date are the regulations to be adopted, amended or repealed?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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Division:	Public Assistance	Date:	03/20/2015 03:50 PM
Approved By:	Sarah Woods, Deputy Director Finance & Management Services	Date:	03/20/15
Agency:	Health & Social Services		

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
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## Analysis

Section 3 of the bill requires the Department to develop and implement a personal health savings account program for Medicaid recipients that includes recipient cost-sharing and copayment structures.

Background: The Division of Public Assistance is currently using two systems to make Medicaid eligibility determinations and manage case actions -- the older Eligibility Information System (EIS) and the new system, Alaska's Resource for Integrated Eligibility Services (ARIES) - until ARIES implementation is fully complete. Both systems have an interface which passes information about Medicaid recipients to the Enterprise System, also known as the Medicaid Management Information System (MMIS).

The data needed to determine potential cost-sharing and copayments is not included in the Division's current interfaces with the Enterprise System. In order to support cost-sharing and copayment structures, both eligibility systems will require technical changes to enable the transmission of the necessary information to the Medicaid Management Information System.

For ARIES, this will be a change request to current, planned contracted work entailing changes to the interface design specifications and system testing. The cost of these ARIES system changes is eligible for funding through an existing capital appropriation and will not require additional funding authority.

EIS system changes will require additional funding authority to research, design, develop, test and implement changes necessary to modify the existing interface with the Enterprise System.