

# Fiscal Note

State of Alaska  
2015 Legislative Session

Bill Version:	CSSB 74(HSS)
Fiscal Note Number:	6
(S) Publish Date:	4/11/2015

Identifier: SB074-DHSS-GRTAL-03-19-15  
 Title: MEDICAID REFORM;TELEMEDICINE;DRUG  
 DATABAS  
 Sponsor: KELLY  
 Requester: Senate Health & Social Services Committee

Department: Department of Health and Social Services  
 Appropriation: Senior and Disabilities Services  
 Allocation: General Relief/Temporary Assisted Living  
 OMB Component Number: 2875

**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							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits				(4,494.3)	(4,494.3)	(4,494.3)	(4,494.3)
Miscellaneous							
<b>Total Operating</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>(4,494.3)</b>	<b>(4,494.3)</b>	<b>(4,494.3)</b>	<b>(4,494.3)</b>

**Fund Source (Operating Only)**

1004 Gen Fund				(4,494.3)	(4,494.3)	(4,494.3)	(4,494.3)
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>(4,494.3)</b>	<b>(4,494.3)</b>	<b>(4,494.3)</b>	<b>(4,494.3)</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? yes  
 If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/17

**Why this fiscal note differs from previous version:**

Not applicable, initial version.

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Division:	Senior and Disabilities Services	Date:	03/19/2015 06:00 PM
Approved By:	Sarah Woods, Deputy Director Finance & Management Services	Date:	03/19/15
Agency:	Health & Social Services		

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
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## Analysis

Section 2(a)(6) of the bill requires the State to reform the Medicaid program in a manner that reduces the cost of providing services to seniors and individuals with disabilities. To achieve savings, the department will apply to the Centers for Medicare and Medicaid Services (CMS) to develop the 1915(i) funding authority, and provide Medicaid-funded home and community-based services that are currently 100% GF-funded.

General Relief/Temporary Assistance (GR) provides temporary residential care for vulnerable adults who are ineligible for assistance from other programs. The department will use the 1915(i) funding option to refinance this 100% General Fund-funded program for Medicaid-eligible individuals.

Current funding for GR program: \$8,113.0

Total number served: 630

Average cost per individual: \$12,878.00

Estimated eligible for 1915(i): 349

General fund to be refinanced w/Medicaid: \$ 4,494.3

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 in FY2018.