

Fiscal Note

State of Alaska
2018 Legislative Session

Bill Version:	CSSB 193(HSS)
Fiscal Note Number:	10
(S) Publish Date:	5/3/2018

Identifier: SB193-SFIN-DPA Field Services-5-2-18
Title: MED. ASSISTANCE WORK REQUIREMENT
Sponsor: KELLY
Requester: Senate Finance

Department: Department of Health and Social Services
Appropriation: Public Assistance
Allocation: Public Assistance Field Services
OMB Component Number: 236

Expenditures/Revenues

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

	FY2019 Appropriation Requested	Included in Governor's FY2019 Request	Out-Year Cost Estimates					
			FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
OPERATING EXPENDITURES								
Personal Services			***	***	***	***	***	***
Travel								
Services	173.0							
Commodities								
Capital Outlay								
Grants & Benefits								
Miscellaneous								
Total Operating	173.0	0.0	***	***	***	***	***	***

Fund Source (Operating Only)

1002 Fed Rcpts (Fed)	86.5							
1003 G/F Match (UGF)	86.5							
Total	173.0	0.0	***	***	***	***	***	***

Positions

Full-time			***	***	***	***	***
Part-time							
Temporary							

Change in Revenues

1002 Fed Rcpts (Fed)	86.5		***	***	***	***	***
Total	86.5	0.0	***	***	***	***	***

Estimated SUPPLEMENTAL (FY2018) cost: 0.0 (separate supplemental appropriation required)
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2019) cost: 6,120.0 (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If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/19

Why this fiscal note differs from previous version/comments:

This revised fiscal note reflects funding to support the 1115 waiver application. Out-year funding for 1115 waiver reporting requirements and position costs associated with this legislation are indeterminate as it is unknown at this time how much flexibility the Centers for Medicare and Medicaid Services (CMS) will approve in the 1115 waiver.

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Senate Finance Committee

Phone: (907)465-3777
Date: 05/02/2018

REPORTED OUT OF
SFC 05/03/2018

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2018 LEGISLATIVE SESSION

Analysis

SB 193 amends AS 47.07.036 to direct the department to apply for an 1115 waiver to require 20 hours of work or comparable work search, volunteer, subsistence, or educational activities for adults who are eligible for Medicaid and who are not exempt. Exemptions under the bill would include age, disability and parent caretakers of children of a certain age. The work requirements cannot interfere with substance abuse treatment, and compliance must be achieved within 90 days of being notified of the work requirements.

Costs to support the 1115 waiver application

Services

\$48.0 (50% GF Match, 50% Fed)

A professional services contract with a consulting firm with expertise in writing Medicaid 1115 waiver applications will be required. This will be a one-time cost in FY2019.

\$125.0 (50% GF Match, 50% Fed)

A professional services contract with an actuarial consulting firm to assist with the Medicaid 1115 waiver application financial analysis and certification of federal budget cost neutrality will be required. The cost will be \$125.0 in FY2019, and \$25.0 annually in subsequent years.

Implementation costs

Out year costs and positions to implement this legislation are indeterminate as it is unknown at this time if the waiver will be approved and how much flexibility will be allowed by the Centers for Medicare and Medicaid Services (CMS).

Capital Budget

\$6,120.0 (10% GF Match, 90% Fed)

Changes to the eligibility computer system, Alaska's Resource for Integrated Eligibility Services, will be required to include information on compliance with work requirements and to support denial or closure of cases due to non-compliance.

In order to implement work requirements for Medicaid, ARIES must be reprogrammed to add fields to indicate if a recipient is exempt from the work requirement, how they're participating (along with how participation was verified), allow for the actual disqualification, and new notices must be added. The division will also be required to create a new interface with the Case Management System. This system is used to track work activities and issue supportive service payments for ATAP recipients.