Fiscal Note

State of Alaska
2021 Legislative Session

Bill Version:	CSHB 58(HSS)
Fiscal Note Number:	3
(H) Publish Date:	4/22/2021

Identifier: HB058-DHSS-MS-4-9-2021
Title: CONTRACEPTIVES COVERAGE:INSURE;MED ASSIST
Sponsor: CLAMAN
Requester: (H) HSS

Department: Department of Health and Social Services
Appropriation: Medicaid Services
Allocation: Medicaid Services
OMB Component Number: 3234

Expenditures/Revenues

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

	FY2022 Appropriation Requested	Included in Governor's FY2022 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY 2022**	**FY 2022**	**FY 2023**	**FY 2024**	**FY 2025**	**FY 2026**	**FY 2027**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Fund Source (Operating Only)

None							
Total	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None							
Total	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimated SUPPLEMENTAL (FY2021) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2022) cost: 0.0 *(separate capital appropriation required)*

Does the bill create or modify a new fund or account? No

(Supplemental/Capital/New Fund - 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If yes, by what date are the regulations to be adopted, amended or repealed? 01/01/22

Why this fiscal note differs from previous version/comments:

Not applicable, initial version.

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Division:	Finance and Management Services	Date:	04/09/2021
Approved By:	Sylvan Robb, Administrative Services Director	Date:	04/09/21
Agency:	Office of Management and Budget		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2021 LEGISLATIVE SESSION

Analysis

This bill requires Medicaid reimbursement for a 12-month supply of contraceptives, if prescribed and requested by the patient, regardless of whether the recipient was eligible at the time of first or previous dispensing. It also requires Medicaid reimbursement for any contraceptive-associated medical services necessary to dispense, insert, distribute or administer or remove contraceptives. If a beneficiary previously received a prescription from a non-Medicaid enrolled provider, it would not be fillable under the Medicaid program. Department of Health and Social Services cannot reimburse for prescriptions written by a non-Medicaid provider. This federal rule eliminates the ability of Medicaid to reimburse for "subsequent" refills of a prescription written by a non-Medicaid provider. The beneficiary would need to get a new prescription from a Medicaid-enrolled provider in order to be reimbursable under Medicaid.

This fiscal analysis assumes that standard Medicaid utilization management controls such as preferring specific products and promoting the use of generics would remain consistent with other drug classes. Requests for specific non-preferred or branded products would be reviewed using the standard prior authorization process. Existing electronic prior authorization capabilities would assist with expedited reviews so as to not delay care.

It is anticipated that there could be duplication of services provided due to a member losing medication or the medication becoming damaged over the 12-month period. It is anticipated these costs could be absorbed within the current program funding if such losses are minimal.

Promulgation of associated regulations will take approximately nine months following State Plan Amendment approval by the Centers for Medicare and Medicaid Services, with implementation effective after January 1, 2022.