Fiscal Note

State of Alaska
2021 Legislative Session

Bill Version:	CSHB 111(L&C)
Fiscal Note Number:	2
(H) Publish Date:	4/5/2021

Identifier: HB111-DHSS-MS-3-26-2021
Title: DENTAL HYGIENIST ADVANCED PRAC PERMIT
Sponsor: SPOHNHOLZ
Requester: (H) L&C

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	275.3		275.3	275.3	275.3	275.3	275.3
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	**275.3**	**0.0**	**275.3**	**275.3**	**275.3**	**275.3**	**275.3**

Fund Source (Operating Only)

1002 Fed Rcpts (Fed)	206.5		206.5	206.5	206.5	206.5	206.5
1003 GF/Match (UGF)	68.8		68.8	68.8	68.8	68.8	68.8
Total	**275.3**	**0.0**	**275.3**	**275.3**	**275.3**	**275.3**	**275.3**

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If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/21

Why this fiscal note differs from previous version/comments:

Not applicable; initial version.

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Division: Finance and Management Services — Date: 03/26/2021 03:55 PM
Approved By: Sylvan Robb, Administrative Services Director — Date: 03/26/21
Agency: Office of Management and Budget

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2021 LEGISLATIVE SESSION

Analysis

This bill establishes an advance practice permit for dental hygienists, prohibits unfair discrimination under group health insurance, and relates to medical assistance for dental hygiene services.

The Division of Health Care Services (DHCS) would be responsible for configuration changes to the Medicaid Management Information System (MMIS). Fiscal agent contract changes include accommodating an increase in codes for dental care, coordination with current fiscal agent on provider enrollment, monitoring and evaluating Medicaid authorizations, and claims processing and reimbursement for dental service providers to ensure compliance with state and federal laws and regulations.

Costs associated with the fiscal agent contract changes:

<u>Provider enrollment</u>: $25.9
Current contract is a negotiated flat rate based on current volumes. Any increase in workload would require a contract amendment and we anticipate the renegotiated rate to increase the annual cost $25.9.

<u>Increase claims processing</u>: $248.2
All claims processing actives performed by the fiscal agent (claims processing contractor). This includes additional claims data entry, mailroom services, claims adjudication, and quality assurance for audit purposes. Current contract is a negotiated flat rate based on current volumes. Any increase in workload would require a contract amendment and we anticipate the renegotiated rate to increase the annual cost $248.2

<u>HIPAA compliant electronic claims</u>: $1.2
Committee on Operating Rules Information Exchange requires that all electronic medical claims follow specific HIPAA compliance rules when submitting from a provider to a payer. To ensure Alaska Medicaid is compliant with these rules, CMS has authorized the use of the EDIFECS auditing tool for electronic claims transactions. Costs are related to each individual transaction. Additional transaction will incur additional per transaction cost estimated to be $1.2 annually.

<u>Total annual cost</u>: $275.3 ($206.5 Fed/$68.8 UGF)
These services are calculated at a 75% federal match blended rate because there are children and adult services. The additional services are anticipated to be a combination of Children's Health Insurance Plan, Medicaid Expansion, Regular Medicaid, and Indian Health Services.

Possible increased costs in Medicaid benefits may exist but are considered immaterial. While adding additional providers we don't anticipate additional benefit expenditures. DHCS agrees that some of these services will be provided at a lower cost but also believe that Medicaid will see a higher volume of services that could negate each other. Additionally, all services that may be provided by dental hygienist are currently covered services. It is unclear if additional services would be added to benefit plans as a result of adding dental hygienists.