

Fiscal Note

State of Alaska
2022 Legislative Session

Bill Version:	CSHB 265(FIN)
Fiscal Note Number:	7
(H) Publish Date:	4/20/2022

Identifier: HB265CS(HSS)-DOH-MAA-3-18-2022
 Title: HEALTH CARE SERVICES BY TELEHEALTH
 Sponsor: SPOHNHOLZ
 Requester: (H) FIN

Department: Department of Health
 Appropriation: Behavioral Health
 Allocation: Behavioral Health Administration
 OMB Component Number: 2665

Expenditures/Revenues

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

	FY2023 Appropriation Requested	Included in Governor's FY2023 Request	Out-Year Cost Estimates					
			FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
OPERATING EXPENDITURES								
Personal Services	100.4		120.5	120.5	120.5	120.5	120.5	120.5
Travel								
Services	10.0		10.0	10.0	10.0	10.0	10.0	10.0
Commodities	9.6		1.5	1.5	1.5	1.5	1.5	1.5
Capital Outlay								
Grants & Benefits								
Miscellaneous								
Total Operating	120.0	0.0	132.0	132.0	132.0	132.0	132.0	132.0

Fund Source (Operating Only)

1002 Fed Rcpts (Fed)	60.0		66.0	66.0	66.0	66.0	66.0	66.0
1003 GF/Match (UGF)	60.0		66.0	66.0	66.0	66.0	66.0	66.0
Total	120.0	0.0	132.0	132.0	132.0	132.0	132.0	132.0

Positions

Full-time	1.0		1.0	1.0	1.0	1.0	1.0	1.0
Part-time								
Temporary								

Change in Revenues

None								
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2022) cost: 0.0 (separate supplemental appropriation required)

Estimated CAPITAL (FY2023) 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 If yes, by what date are the regulations to be adopted, amended or repealed? 06/30/23

Why this fiscal note differs from previous version/comments:

This fiscal note updates the analysis section to reflect the changes in the committee substitute version of the bill.

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 Approved By: Sylvan Robb, Assistant Commissioner
 Agency: Department of Health and Social Services

Phone: (907)269-4804
 Date: 03/17/2022
 Date: 03/18/22

**REPORTED OUT OF
HFC 04/18/2022**

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2022 LEGISLATIVE SESSION

Analysis

The bill requires the department to pay for all services provided through telehealth in the same manner as if the services had been provided in person, except as provided in 47.07.069(b).

47.07.069(b) directs the department to adopt telehealth regulations, including setting rates of payment, and limits the department's ability to reduce, restrict, or disallow health services from being delivered through telehealth.

The intent of the bill is to make permanent the expanded telehealth flexibilities under the federal public health emergency; to expand access to telehealth services through payment parity and an expansion of the types of health care providers - including behavioral health providers - who can provide health care services through telehealth without an initial in-person consultation; and to specify and make permanent within state statute telehealth modalities, which are the means through which telehealth services are delivered.

The department expects that the implementation of this bill will result in an increase of new providers who will need to be onboarded for telehealth services; an increase in post payment reviews, which are the measures that ensure claim payment accuracy, identify incorrectly paid claims, identify problematic policies and procedures, and ensure the modality used was clinically appropriate and is supported by documentation; an increase in data collection and reporting due to the expansion of services provided through telehealth, including gathering information for audits; an increase in the monitoring of the expanded telehealth services and modalities to prevent Medicaid fraud; and an increase in clinical monitoring to assess and review the clinical appropriateness of behavioral health services delivered through telehealth, including the best practices and outcomes associated with expanded telehealth services.

The Division of Behavioral Health anticipates that these implementation tasks can be accomplished with minimal fiscal impact. The division is requesting one full-time position to review, assess, and monitor the clinical appropriateness of the expanded behavioral health telehealth services, including collecting substantial medical evidence, as needed, to disallow a service from being implemented via telehealth; to assess the clinical outcomes associated with telehealth services, including telehealth modalities; and to pull, review, and assess Medicaid claims data for post payment reviews, federal reporting, and audits.

To implement this bill the Division of Behavioral Health will need to promulgate regulations on or before June 30, 2023 to address Medicaid billable telehealth services provided by a chemical dependency counselor and a behavior analyst licensed under AS 08.15. The division does not expect there to be a significant fiscal impact.

Additional costs associated with implementing this bill:

Personal Services: 1 full-time employee (FTE) is needed at an annual cost of \$120.5. The salary amount will be prorated in FY23 to reflect a September 1, 2022 hire date.

Public Health Informaticist 2 (12 months)

Range 20 Step C based in Anchorage

Salary: \$73.0, Benefits: \$47.5 Total: \$120.5

Commodities: \$9.6 for FY23 to purchase IT equipment and additional office supplies for the new position and then \$1.5 for subsequent years. Also, we have included the costs of department and state chargeback reimbursable services agreements for position support at \$10.0 per year.