

ALASKA STATE LEGISLATURE
HOUSE HEALTH AND SOCIAL SERVICES STANDING COMMITTEE

February 7, 2023

3:02 p.m.

MEMBERS PRESENT

Representative Mike Prax, Chair
Representative CJ McCormick
Representative Justin Ruffridge
Representative Dan Saddler
Representative Jesse Sumner
Representative Zack Fields
Representative Genevieve Mina

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

HOUSE BILL NO. 17

"An Act relating to insurance coverage for contraceptives and related services; relating to medical assistance coverage for contraceptives and related services; and providing for an effective date."

- HEARD & HELD

HOUSE BILL NO. 58

"An Act relating to medical assistance for recipients of Medicaid waivers; establishing an adult care home license and procedures; providing for the transition of individuals from foster care to adult home care settings; and providing for an effective date."

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: HB 17

SHORT TITLE: CONTRACEPTIVES COVERAGE;INSURE;MED ASSIST

SPONSOR(S): REPRESENTATIVE(S) CARRICK

01/19/23	(H)	PREFILE RELEASED 1/9/23
01/19/23	(H)	READ THE FIRST TIME - REFERRALS
01/19/23	(H)	HSS, CRA, L&C, FIN

02/07/23 (H) HSS AT 3:00 PM DAVIS 106

BILL: HB 58

SHORT TITLE: ADULT HOME CARE; MED ASSISTANCE

SPONSOR(s): RULES BY REQUEST OF THE GOVERNOR

02/03/23 (H) READ THE FIRST TIME - REFERRALS

02/03/23 (H) HSS, L&C, FIN

02/07/23 (H) HSS AT 3:00 PM DAVIS 106

WITNESS REGISTER

REPRESENTATIVE ASHLEY CARRICK

Alaska State Legislator

Juneau, Alaska

POSITION STATEMENT: As prime sponsor, presented HB 17.

CHERIE BOWMAN, Staff

Representative Ashley Carrick

Alaska State Legislature

Juneau, Alaska

POSITION STATEMENT: Presented a sectional analysis for HB 17 on behalf of Representative Carrick, prime sponsor.

LORI WING-HEIER, Director

Anchorage Office

Division of Insurance Director

Department of Commerce, Community & Economic Development

Anchorage, Alaska

POSITION STATEMENT: Answered questions during the hearing on HB 17.

TONY NEWMAN, Acting Director

Division of Senior and Disability Services

Department of Health

Anchorage, Alaska

POSITION STATEMENT: Presented HB 58 on behalf of the sponsor, House Rules by request of the governor.

ROBERT "BOBBY" NAVE

Assisted Living Home Manager

Division of Healthcare Services

Department of Health

Anchorage, Alaska

POSITION STATEMENT: Answered questions during the hearing on HB 58.

ACTION NARRATIVE

[3:02:32 PM](#)

CHAIR MIKE PRAX called the House Health and Social Services Standing Committee meeting to order at 3:02 p.m. Representatives Mina, Ruffridge, McCormick, Sumner, Fields, and Prax were present at the call to order. Representative Saddler arrived as the meeting was in progress.

HB 17-CONTRACEPTIVES COVERAGE:INSURE;MED ASSIST

[3:03:40 PM](#)

CHAIR PRAX announced that the first order of business would be HOUSE BILL NO. 17, "An Act relating to insurance coverage for contraceptives and related services; relating to medical assistance coverage for contraceptives and related services; and providing for an effective date."

[3:04:32 PM](#)

REPRESENTATIVE ASHLEY CARRICK, Alaska State Legislator, as prime sponsor, presented HB 17. She stated that since the mid-'90s, 28 states have required health insurance plans regulated by the state to provide coverage of prescription drugs and devices, including contraceptives. Under a provision of the Affordable Care Act of 2010 (ACA), these state policies were expanded in several ways. She said ACA's contraceptive coverage guarantee extends from Section 13 of the Public Health Service Act, which requires non-grandfathered health insurance coverage and employer-sponsored group health plans to cover preventive services without cost-sharing. She said Section 27.13 required coverage of women's preventive services, as defined by the Health Resources and Service Administration (HRSA). She said HRSA asked the then Institute of Medicine to recommend that women's preventative services be covered, and based on this recommendation, HRSA defined women's preventative services to include all contraceptives approved by the U.S. Food and Drug Administration (FDA) and patient education and counseling for "women of reproductive capacity," as prescribed by a health care provider, collectively referred to as "contraceptive services." The final preventative services rules required insurers and group health plans to cover all such contraceptive services.

REPRESENTATIVE CARRICK said more recently some states have amended and expanded their own requirements to match the federal

guarantee. She offered examples. She said HB 17 would put into statute language consistent with the federal standards. It would also mandate dispensing coverage of contraceptives up to 12 months at a time. She noted that Alaskans often face numerous challenges when trying to access contraceptives, especially in rural areas where it is not feasible to travel multiple times to a pharmacy in a larger community. Additionally, some women work in high demand jobs that take them away from access to pharmacies, such as working on the North Slope, on fishing vessels, or in the mining industry. She argued that a one-year supply of contraceptives could assist many women to balance their health with their professional work. She cited research in the Journal of Obstetrics and Gynecology [hard copy included in the committee packet] as showing that women who are dispensed a 12-month supply of contraceptives have a 30 percent drop in unplanned pregnancy and a 46 percent drop in "the likelihood of abortion" compared to women dispensed a 1- to 3-month supply. Representative Carrick stated that HB 17 would also save money for the state. Based on prior, similar legislation, the former Department of Health and Social Services estimated a \$1.35 million savings annually due to a reduction in unplanned pregnancies. She pointed out that HB 17 has zero fiscal impact. She expressed her knowledge that improved access to contraceptives means improved health for women and families. She said providers are still able to make decisions in consultation with their patients; the proposed legislation would take "insurance coverage away as a barrier to access."

[3:08:46 PM](#)

REPRESENTATIVE CARRICK stated that HB 17 would offer the additional benefit of protecting victims of domestic violence. She noted that in the past few years there has been an increased awareness of domestic violence and sexual assault. She talked about contraceptive coercion as being a form of domestic or interpersonal violence by which abusers "dictate when and how contraceptives can or cannot be accessed as a means of being in power or control." She stated, "Contraceptive services have long been recognized by both government and a wide range of private sector experts as a vital and effective component of preventative and public health care." She talked about the benefits of contraceptive use in preventing unintended pregnancy and improving "birth spacing." She noted that there had been letters of support for previous versions of this legislation from organizations such as the Alaska Network of Domestic Violence and Sexual Assault (ANDVSA), the Alaska Public Health Association, and the League of Women Voters; and there are

updated letters and resolutions from entities in support of HB 17. Representative Carrick concluded by stating that HB 17 makes sense for Alaska women and families. She introduced her staff to provide the sectional analysis.

[3:10:41 PM](#)

CHERIE BOWMAN, Staff, Representative Ashley Carrick, Alaska State Legislature, on behalf of Representative Carrick, prime sponsor of HB 17, provided the sectional analysis [included in the committee packet], which read as follows [original punctuation provided]:

Section 1

AS 21.42.427. Coverage for contraceptives.

Amends AS 21.42 by adding a new section which (1) requires a health care insurer to provide coverage for prescription contraceptives and medical services necessary for those products or devices (including over-the-counter emergency contraception that was obtained without a prescription); (2) requires reimbursement to a health care provider or dispensing entity for dispensing prescription contraceptives intended to last for a 12-month period for subsequent dispensing; (3) prevents an insurer from offsetting the costs of compliance; (4) prevents an insurer from restricting or delaying coverage for contraceptives; (5) if the provider recommends a particular service or FDA-approved item based on a determination of medical necessity, the plan or issuer must cover that service or item without cost sharing; and (6) exempts religious employers if certain criteria are met.

Section 2

AS 29.10.200. Limitation of home rule powers.

Amends AS 29.10.200 by adding a provision applying to home rule municipalities.

Section 3

AS 29.20.420. Health insurance policies.

Amends AS 29.20 by adding a new section clarifying that municipal health care insurance plans that are self-insured are subject to the requirements of sec. 1.

Section 4

AS 39.30.090. Procurement of group insurance.

Clarifies that a group health insurance policy covering employees of a participating governmental unit is subject to the requirements of sec. 1.

Section 5

AS 39.30.091. Authorization for self-insurance and excess loss insurance.

Clarifies that a self-insured group medical plan covering active state employees provided under this section is subject to the requirements of sec. 1.

Section 6

AS 47.07.065. Payment for prescribed drugs.

Requires the Department of Health and Social Services to pay for prescription contraceptives intended to last for a 12-month period for subsequent dispensing for eligible recipients of medical assistance, if prescribed to and requested by the recipient, as well as medical services necessary for Distributed by the Office of Representative Ashley Carrick 1.25.2023 2 those products or devices. The Department of Health and Social Services must also provide coverage for over-the-counter emergency contraception that was obtained without a prescription.

Section 7

Uncodified law - applicability

Requires the Department of Health to immediately amend and submit for federal approval a state plan for medical assistance coverage consistent with sec. 6 of this Act.

Section 8

Uncodified law - applicability

Makes sec. 6 of the Act conditional on the approval required under sec. 7 of the Act.

Section 9

Uncodified law - applicability

If, under sec. 8 of this Act, sec. 6 of this Act takes effect, it takes effect on the day after the date the revisor of statutes receives notice from the commissioner of health and social services under sec. 8 of this Act.

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REPRESENTATIVE MINA expressed appreciation to the bill sponsor and asked whether "the month-span for different types of contraceptives" is found in statute or regulations.

[3:15:59 PM](#)

REPRESENTATIVE CARRICK offered her understanding that it is typically within a one- to three-month span depending on patient needs, in consultation with the provider.

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REPRESENTATIVE SADDLER, seeking a baseline, asked about current limits to the duration of a prescription for any medication.

REPRESENTATIVE CARRICK answered she is not sure and suggested Ms. Wing-Heier from the Division of Insurance could provide an answer.

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REPRESENTATIVE RUFFRIDGE directed attention to language in HB 17, [Section 1, paragraph (2)], on page 2, lines 5-9, which read as follows:

(2) reimburse a health care provider or dispensing entity for dispensing prescription contraceptives intended to last for a 12-month period for subsequent dispensings of the same prescription contraceptive to the insured regardless of whether the insured was enrolled in the health care insurance plan at the time of the first dispensing.

REPRESENTATIVE RUFFRIDGE asked for more information regarding the part about enrollment.

REPRESENTATIVE CARRICK offered her understanding that that potentially may allow for some type of reimbursement, but deferred again to Ms. Wing-Heier.

REPRESENTATIVE RUFFRIDGE then directed attention to the repeated use of the term "emergency contraception" in HB 17, first seen on page 1, line 11, and he offered his understanding that emergency contraception is available over the counter (OTC). He asked whether the intent of the bill language was that a person would go get emergency contraception from wherever it is sold and expect to obtain it at no charge upfront.

REPRESENTATIVE CARRICK answered that she thinks the language means that someone who has [insurance] coverage for "Plan B" [emergency contraception] and purchases it could submit for reimbursement. This would allow someone to get Plan B without having to first make an appointment with a medical provider to get a prescription, which can be a burden. She said she thinks it does not mean the person could get it at no cost upfront.

REPRESENTATIVE RUFFRIDGE highlighted language on page 2, beginning on line 26: "cost containment measure does not unreasonably limit choice in access to coverage". He asked what would be considered unreasonable.

REPRESENTATIVE CARRICK, in response, offered her understanding that that is not defined in statute, but the reason for this language is to ensure that people are incentivized "to go for generics as much as possible." In response to a follow-up question regarding restrictions in cost-containment measures related to prescriptions, and whether that may refer to mail order prescriptions, she related the key goal of HB 17 is to provide access to contraceptives.

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REPRESENTATIVE SADDLER indicated concern that HB 17 may provide "special consideration for this particular kind of prescription." He also questioned whether there was such a thing as reasonable limitations of choice in terms of contraceptive prescriptions.

REPRESENTATIVE CARRICK emphasized that emergency contraceptives are not the same thing as an abortifacient drug. She said she would like to find out more about the issue of what is reasonable. That said, she reiterated that the goal of HB 17 is "to direct toward generics in order to help with the cost containment." In response to a follow-up question, she highlighted the medical difference between emergency contraception and an abortifacient drug.

REPRESENTATIVE SADDLER asked about the cost of HB 17 to the State of Alaska.

[3:28:42 PM](#)

LORI WING-HEIER, Director, Anchorage Office, Division of Insurance Director, Department of Commerce, Community & Economic

Development, addressed the previously asked questions regarding cost and what is reasonable. She confirmed that based on previous iterations of this legislation, insurance companies had determined the cost would be negligible. Contraceptives would still be covered; the difference would be in the cost-sharing, which is the person's deductible and co-pay, which she estimated would be about \$3. She said HB 17 is asking those be waived in dispensing birth control. She said she could not think of an example of a contraceptive pill on the market today where there would be "an unreasonable expectation or an unreasonable limit for [the generic version] to be dispensed in the state of Alaska." The only exception she could think of, she said, would be in a case where an individual worked on the North Slope, for example, and had come to Fairbanks to pick up a prescription for a contraceptive, and the pharmacy was currently out of the generic brand. In this scenario, she opined, it would be unreasonable to send the person back to the North Slope without the prescription when a brand-name drug could be substituted.

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REPRESENTATIVE RUFFRIDGE reiterated his question about cost-containment measures. He offered understanding about the Medicaid system using cost-management techniques, and he asked if "this bill would override those for Medicaid." He asked whether HB 17 could result in a slight increase in cost to Medicaid.

MS. WING-HEIER responded that the division is not involved with Medicaid; therefore, she cannot speak to that issue.

[3:32:44 PM](#)

REPRESENTATIVE SUMNER asked if there is any "strong reason" this should not be applied to all medications that do not have "an abuse potential."

MS. WING-HEIER responded that a provider currently can prescribe a 12-month dose of whatever medication a patient needs, but the insurance plan may be the limiting factor by only paying for 3 months at a time. In response to a follow-up question, she confirmed that is what is trying to be addressed under HB 17.

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REPRESENTATIVE CARRICK added that HB 17 could be more comprehensive and include other types of medication, but the

reason she is carrying the proposed legislation is because many women have specifically asked for 12-month contraceptive prescriptions to be allowed.

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REPRESENTATIVE SADDLER asked what the justification is to limit any other drug to a three-month prescription and whether there is a therapeutic benefit to doing so.

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MS. WING-HEIER noted that often a physician gives a patient a drug on a trial basis and asked the patient to come back for blood work in three months to determine the efficacy of the drug. In response to a follow-up question, she said this may be beyond her expertise, but she supposed birth control is a drug that is not looked at as heavily as looking at lab work; rather it is a matter of determining effectiveness in preventing [conception].

[3:36:34 PM](#)

CHAIR PRAX announced that HB 17 was held over.

HB 58-ADULT HOME CARE; MED ASSISTANCE

[3:36:40 PM](#)

CHAIR PRAX announced that the final order of business would be HOUSE BILL NO. 58, "An Act relating to medical assistance for recipients of Medicaid waivers; establishing an adult care home license and procedures; providing for the transition of individuals from foster care to adult home care settings; and providing for an effective date."

[3:37:27 PM](#)

TONY NEWMAN, Acting Director, Division of Senior and Disability Services, Department of Health, presented HB 58 on behalf of the sponsor, House Rules by request of the governor. He began a PowerPoint [hard copy included in the committee packet] and directed attention to slide 2, "Senior and Disabilities Services - Medicaid Home and Community Based Waivers," which read as follows [original punctuation provided]:

Senior and Disabilities Services - Medicaid Home and Community Based Waivers

- Allow people with disabilities and seniors to remain in their homes or local community settings when they would otherwise need institutional care
- Home and Community Based Waivers receive a 50% Federal and 50% General Fund Match
- Alaska provides five home and community-based waivers:

- Intellectual and Developmental Disabilities waiver (serving about 2,000 people)
- Alaskans Living Independently waiver (2,200 people)
- Children with Complex Medical Conditions waiver (225 people)
- Adults with Physical & Developmental Disabilities waiver (144 people)
- Individualized Supports waiver (500 people)

MR. NEWMAN gave an example of someone who might be on the Alaskans Living Independently waiver as a senior who had a stroke, has limited use of their arms and legs, and has had to move into an assisted living home. An example of someone on the Intellectual and Developmental Disabilities waiver might be someone with cerebral palsy or Down's Syndrome, but with enough support is able to stay at home or in a group home. He said the waiver provides people not only with more independence and personal choice but also saves the state significant amounts of money that would otherwise be spent on more expensive institutional care.

MR. NEWMAN moved on to slide 3, "Services available under Alaska's Medicaid Home and Community-Based Waivers," which lists the services, as follows [original punctuation provided]:

- Residential Habilitation (Group Home, Family Home Habilitation)
- In-Home Supports
- Supported Living
- Day Habilitation
- Adult Day Services
- Respite
- Supported Employment
- Transportation
- Environmental Modifications

- Meals
- Specialized Medical Equipment
- Nursing Oversight • Intensive Active Treatment
- Specialized Private Duty Nursing

...and Care Coordination

MR. NEWMAN explained that not all the services are available to every waiver. The one thing all people on waivers have in common is that they rely on caregiver coordinators to set up support plans and help recipients take the best advantage of the resources in their communities. He expressed gratitude for all those serving as care coordinators. He said they are not state employees; they work for non-profit organizations or are self-employed. He said HB 58 seeks to provide people on waivers with a new service option called, "Adult Home Care," which would be offered in a new residential setting - an "Adult Care Home." He said the vision is that both the service and setting will have reduced administrative burdens compared with the assisted living home option, while still ensuring the care and safety of the individuals residing in them.

MR. NEWMAN said the idea for HB 58 was brought to the governor's attention by constituents who were serving as foster parents for children with severe disabilities who were "aging out" of the foster care system, and there were no easy ways to continue to offer care to these foster children as they became adults. The only option available to them was to turn their home into an assisted living home, with all the licensure and other requirements that would entail. He said HB 58 would extend the possibility of home care to other individuals with disabilities, including seniors who qualify under the Medicaid Home and Community Based Waiver program.

MR. NEWMAN covered slide 4, "Options for 24/7 residential care for people on Medicaid home & community-based waivers," which compares the assisted living home with the proposed adult care home. The assisted living home is available for three waivers, and the adult care home would be available for four waivers. He said regulations would need to be worked out to cover the types of training needed, the space expectations, and rates of payment. He said the division would invite input from its partners and those with disabilities. The proposed legislation provides the conceptual framework to get all that started, he advised. The bill is needed because of the lack of care options, the growth of the senior population, and workforce shortages. He stated, "We are hopeful that adult home care will

grow in popularity and ultimately be an attractive alternative, helping make Alaska the best place it can be for neighbors and friends to live and grow older together."

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MR. NEWMAN presented the sectional analysis for HB 58, which read as follows [original punctuation provided]:

Section 1. Adds a new section in AS 47.07, Medicaid Assistance for Needy Persons, declaring that the state shall pay for adult home care services for an individual at a daily rate set by the department in regulation for individuals on Medicaid who are at least 18; enrolled in a home and community-based waiver under AS 47.07.045; if the individual's support plan is approved for adult home care services; and if they person providing the services to the individual holds an adult care home license issued under AS 47.32. This section also allows individuals to receive habilitative and rehabilitative care in addition to adult home care services and directs the department to adopt regulations setting a rate for the service, establish standards for operating an adult care home, and establish a procedure for transitioning an individual from a licensed foster care home to a licensed adult care home. This section also directs the department to establish a simple and efficient process to allow a foster parent who holds a foster home license issued under AS 47.32 to transition from the foster home license to an adult care home license for purposes of maintaining the placement of and services provided to an individual who is transitioning out of foster care, enrolled in a waiver, and at least 18 years of age.

Section 2. Amends AS 47.32.010(b) to add a new entity, "adult care homes," that shall be subject to the centralized licensing functions of the department.

Section 3. Adds a new section to AS 47.33 that defines the conditions under which the department may license an adult care home. A person may be licensed to operate such a home for an individual who is at least 18 years of age and enrolled in Medicaid and home and community-based waiver services. An adult care home may provide 24-hour oversight and care for up to two

adults for compensation or reimbursement under the adult home care service, allows the department to establish standards in regulation to authorize care for up to three individuals based on unusual circumstances; and defines "care" as providing for the physical, mental, and social needs of an individual.

Section 4. Amends AS 47.32.900(2) to add adult care homes to the list of settings that are not defined as assisted living homes.

Section 5. Amends AS 47.32.900 to add a definition of adult care home, meaning a licensed home, not a business site, in which the adult head of household resides and provides 24-hour care on a continuing basis for eligible individuals. SECTIONAL ANALYSIS House Bill 58: Adult Home Care Services Prepared on February 1, 2023 Page 2 of 2

Section 6. Amends uncodified law by adding a new section that requires the Department of Health to submit for approval by the United States Department of Health and Human Services an amendment to the state medical assistance plan, waivers, or an 1115 demonstration waiver as necessary to allow eligible individuals to receive adult home care services and other long-term care services that are not duplicative.

Section 7. Amends uncodified law by adding a new Conditional Effect Notification section specifying that Section 1 takes affect if the United States Department of Health and Human Services approves amendments to the state plan submitted under Section 6 by July 1, 2027 and adds requires the commissioner of health to notify the revisor of statutes in writing within 30 days that those amendments were approved.

Section 8. Provides for an effective date for any portion of section 1 as the day after the revisor of statutes receives notice from the commissioner of health, per Section 7.

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REPRESENTATIVE SUMNER offered his understanding that Medicaid expansion is 90 percent federal and 10 percent state, and he

asked whether, under HB 58, people eligible for Medicaid expansion would be declassified, thus increasing the amount of state matching funds required.

MR. NEWMAN responded that the services provided under the Home Community Based Waiver are provided at a 50/50 rate. He added that the individuals who are eligible for the division's services must be Medicaid eligible.

[3:48:28 PM](#)

REPRESENTATIVE SADDLER asked if the provisions under HB 58 would be "implementing a federally authorized level of service."

MR. NEWMAN replied that Alaska would be developing this service in collaboration with the Centers for Medicare and Medicaid Services. He said other states offer similar services, but with variations that make it difficult to compare state to state. Unique to Alaska is that all of its services currently offered not in a home setting require licensure in an assisted living home setting. In response to another question, he said there are approximately 50 children on a home and community based waiver who are also in foster care; five or fewer a year are graduations from foster care into adulthood and remaining on the waiver. There are approximately 2,200 seniors on the Alaska Living Independently waiver.

[3:50:59 PM](#)

REPRESENTATIVE FIELDS asked for information as to the funding.

MR. NEWMAN responded that the fiscal note includes staff to oversee residential licensing. He added that the division certifies the service, and both the Division of Health Care Services and the Division of Senior and Disability Services do the monitoring.

REPRESENTATIVE FIELDS asked about frequency of visits.

MR. NEWMAN deferred the question to Mr. Robert Nave.

[3:52:36 PM](#)

ROBERT "BOBBY" NAVE, Assisted Living Home Manager, Division of Healthcare Services, Department of Health, answered that the division visits the assisted living homes biannually to inspect

them for the purpose of licensing. Additionally, it conducts unannounced investigations.

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REPRESENTATIVE SADDLER asked a question about two foster children in a home, where one is aging out but wants to stay in the home, and whether the home could operate under two licensures: adult care and foster care.

MR. NEWMAN said that is a situation that arises now, and he deferred to Mr. Nave to describe how that is handled.

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MR. NAVE confirmed that currently the division has dually licensed homes, and the division coordinates with the Office of Children's Services to make plans that meet regulations and care for the clients.

[3:54:53 PM](#)

MR. NEWMAN, at the invitation of Chair Prax, reviewed the two fiscal notes to HB 58 [included in the committee packet]. Referring to fiscal note 1, with the Division of Health Care Services appropriation, he paraphrased a part of the analysis section, which read as follows:

One full-time Community Care Licensing Specialist 1 (including benefits): Range 16, Anchorage: \$105.0 in FY2024 and beginning in FY2029 and beyond two Community Care Licensing Specialists will be needed at a cost of \$210.0 annually. Travel: \$10.0 annually for each position to license and recertify providers. Years one through five \$10.0 annually and year six \$20.0 annually.

Services: Office space, phone, reimbursable service agreements for position support: \$10.0 annually for each position. Years one through five \$14.0 annually and year six \$28.0 annually.

Commodities: Office Supplies \$1.0 annually for each position. Years one through five \$1.0 annually and year six \$2.0 annually.

One-Time Commodities Cost: Computer, software, and office equipment: \$3.0 in the first year and \$3.0 in year six with the addition of one more position.

MR. NEWMAN then referred to fiscal note 2, with the Division of Senior and Disabilities Services appropriation, and he paraphrased a portion of the analysis, which read as follows:

The division's provider certification and compliance unit would require one additional permanent full-time Health Program Manager 2, Range 19, in Anchorage, to manage the work of certifying and monitoring these providers for compliance with service rules and requirements.

Cost for a Health Program Manager 2, Range 19, would be \$119.1 with a 50% Federal/50% General Fund Match. Annual position costs include: Travel: \$2.3; Services: \$14.0; Commodities: \$3.0. This position would be hired to begin July 1, 2024.

Regulations would be needed to define the expectations for qualifications and service delivery for these providers.

[3:56:23 PM](#)

REPRESENTATIVE MINA prefaced her question by sharing she grew up in assisted living homes; her family ran assisted living homes. She pointed to fiscal note 1 and offered her understanding that it indicates there would be 40 new providers licensed in the first two years, and she asked where that number is derived.

MR. NEWMAN proffered it is "a fair best estimate," and then he deferred to Mr. Nave.

[3:58:08 PM](#)

MR. NAVE responded that this was a "best estimate" based on applications and percentages. In response to a follow-up question, he touched upon the average caseload per provider.

[4:00:10 PM](#)

REPRESENTATIVE FIELDS asked how HB 58 would provide for a situation in which a live-in care giver gets sick and must hire a caregiver that is not live-in.

MR. NEWMAN answered that those are details that would be "ironed out" through regulation.

[4:01:19 PM](#)

REPRESENTATIVE SADDLER asked if there is any risk that if HB 58 passed, consequently there would be a change in funding.

MR. NEWMAN emphasized the good report and communication the division has had with the Centers for Medicaid and Medicare Service. He added, "We've not had them change course that dramatically in any way, (indisc.)."

[4:02:21 PM](#)

REPRESENTATIVE RUFFRIDGE offered his understanding of how HB 58 would work, with a scenario of a family offering foster care and a child aging out, at which point the parents apply to have their home licensed as an adult care home and receive some kind of monthly financial support. He asked, "Is that what that \$408 is that's mentioned in the summary of HB 58?"

MR. NEWMAN answered that it is the cost to the state and would be inclusive of the daily rate, as well as other services for which the person would be eligible. He added that the daily rates are figured by the Office of Rate Review.

[4:04:50 PM](#)

REPRESENTATIVE MINA, regarding the fiscal notes, asked whether there may be a need for increased capacity to do inspections if there is an increase in providers.

MR. NEWMAN responded yes. He said the folks at the Residential Licensing Section are "more actively out and visiting facilities." He noted, "Our fiscal note is lower, because we don't anticipate needing a second person in the out years."

[4:06:08 PM](#)

REPRESENTATIVE FIELDS expressed concern that wages that at least meet minimum state wage requirements would be considered when considering outsourcing.

[4:07:13 PM](#)

CHAIR PRAX announced that HB 58 was held over.

[4:07:24 PM](#)

ADJOURNMENT

There being no further business before the committee, the House Health and Social Services Standing Committee meeting was adjourned at 4:07 p.m.