

Fiscal Note

State of Alaska
2025 Legislative Session

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| Bill Version: | CSHB 73(FIN) |
| Fiscal Note Number: | 4 |
| (H) Publish Date: | 5/9/2025 |

Identifier: HB073-FCS-CCHU-4-18-25
 Title: COMPLEX CARE RESIDENTIAL HOMES
 Sponsor: RLS BY REQUEST OF THE GOVERNOR
 Requester: (H)Finance

Department: Department of Family and Community Services
 Appropriation: Departmental Support Services
 Allocation: Coordinated Health and Complex Care
 OMB Component Number: 3440

Expenditures/Revenues

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

| | FY2026 | Included in | Out-Year Cost Estimates | | | | | |
|-------------------------------|-------------------------|---------------------------|-------------------------|---------|---------|---------|---------|---------|
| | Appropriation Requested | Governor's FY2026 Request | FY 2026 | FY 2027 | FY 2028 | FY 2029 | FY 2030 | FY 2031 |
| OPERATING EXPENDITURES | FY 2026 | FY 2026 | | | | | | |
| Personal Services | *** | | *** | *** | *** | *** | *** | *** |
| Travel | | | | | | | | |
| Services | | | | | | | | |
| Commodities | | | | | | | | |
| Capital Outlay | | | | | | | | |
| Grants & Benefits | | | | | | | | |
| Miscellaneous | | | | | | | | |
| Total Operating | *** | 0.0 | *** | *** | *** | *** | *** | *** |

Fund Source (Operating Only)

| | | | | | | | | |
|--------------|-----|------------|-----|-----|-----|-----|-----|-----|
| None | | | | | | | | |
| Total | *** | 0.0 | *** | *** | *** | *** | *** | *** |

Positions

| | | | | | | | | |
|-----------|--|--|--|--|--|--|--|--|
| Full-time | | | | | | | | |
| Part-time | | | | | | | | |
| Temporary | | | | | | | | |

Change in Revenues

| | | | | | | | | |
|--------------|-----|------------|-----|-----|-----|-----|-----|-----|
| None | *** | | *** | *** | *** | *** | *** | *** |
| Total | *** | 0.0 | *** | *** | *** | *** | *** | *** |

Estimated SUPPLEMENTAL (FY2025) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2026) 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? No
 If yes, by what date are the regulations to be adopted, amended or repealed? N/A

Why this fiscal note differs from previous version/comments:

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| Initial Version. |
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 Approved By: Kyle Scherrer, Division Operations Manager
 Agency: Department of Family and Community Services

Phone: (907)465-5808
 Date: 04/18/2025
 Date: 04/18/2025

REPORTED OUT OF
HFC 05/08/2025
Control Code: YEYjo

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2025 LEGISLATIVE SESSION

Analysis

The financial impact of this legislation is indeterminate. The Complex Care Residential Homes proposed in this legislation will address financial concerns across the continuum of complex care in Alaska, impacting areas that fall under the statutory authority of the Department of Family and Community Services and the Coordinated Health and Complex Care Unit. The exact amount of money this legislation would save the department is impossible to determine because it depends on the number of individuals in department custody each year who can be served in a complex care residential home.

Due to the lack of appropriately licensed facility settings in Alaska, the Office of Children's Services spent \$2,443.0 in FY2024 and \$1,565.0 so far in FY2025 on long-term non-Medicaid covered placements. The Alaska Psychiatric Institute is currently supporting two individuals with severe and persistent mental illness diagnoses who reside in the community; one of these individuals is on an outpatient commitment. Both of these individuals are in non-Medicaid enrolled placements. These placements are paid out of general funds at a rate of about \$18,000/month, which has cost the Alaska Psychiatric Institute \$220.0 in FY2025.

The Department of Family and Community Services prioritizes Medicaid-enrolled settings for individuals in the custody of the department and only use non-Medicaid covered residential placements as a last resort. This legislation would provide Medicaid-covered residential settings that would substantially reduce the amount of general funds utilized for the purpose of securing and maintaining appropriate placement every year, having a lasting positive impact on general funds across the department.