

COMMITTEE REPORT
SENATE

4/30/81

FURTHER: Finance

Date: 4-12-82

Mr. President:

The Committee on HEALTH, EDUCATION AND SOCIAL SERVICES has had CSSSHB 41(Fin)(efd failed
health of residents of the state

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for CS CSSSHB 41 (HESS) same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

[Signature]
[Signature]
[Signature]

MEMBERS HAVING
OTHER RECOMMENDATIONS:

[Signature]
 CHAIRMAN

Offered: 4/19/82
Referred: Finance

Original sponsors: Buchholdt, Cato,
Gardiner, et al

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

1 IN THE HOUSE

2 SENATE CS FOR CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 41 (HESS)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act establishing a state health insurance program."

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

8 * Section 1. AS 18 is amended by adding a new chapter to read:

9 CHAPTER 27. STATE HEALTH INSURANCE PROGRAM.

10 Sec. 18.27.010. STATE HEALTH INSURANCE PROGRAM. (a) The com-
11 missioner shall establish a state health insurance program for resi-
12 dents.

13 (b) The commissioner shall by regulation specify the professional
14 and institutional benefits to be provided by the program.

15 (c) The commissioner shall contract for the underwriting of the
16 program and may contract for the administration of the program. A
17 contract entered into under this subsection shall be based on competi-
18 tive proposals.

19 (d) The program shall provide for copayments and deductibles, and
20 shall provide for an annual deductible for each enrolled resident and
21 for each enrolled family.

22 (e) The program shall provide a limit on the amount of reim-
23 bursable charges to be paid by an enrolled resident for institutional
24 and professional services received by the enrolled resident or depen-
25 dents of the resident who are enrolled in the program.

26 (f) The program may provide to enrolled residents a choice of
27 benefit options.

28 Sec. 18.27.020. STATE PAYMENT OF INSURANCE PREMIUMS. (a) The
29 commissioner shall pay the insurance premium for a resident who is

COMMITTEE COPY

1 enrolled in the program and who qualifies under the following formula:

2 (1) if the total adjusted gross income of the resident and
3 dependents of the resident who are enrolled in the program is at or
4 below 75 percent of the base income, 100 percent of the premium cost of
5 the program;

6 (2) if the total adjusted gross income of the resident and
7 dependents of the resident who are enrolled in the program is between
8 75 percent and 125 percent of the base income, a graduated percentage
9 of the premium cost of the program between 100 percent and zero percent.

10 (b) The commissioner may not pay the insurance premium for a
11 resident and the dependents of the resident if, and to the extent that,
12 subsidized medical care or subsidized health insurance (other than
13 insurance under the program) is, or would be, available to the resident
14 upon application.

15 Sec. 18.27.030. DEFINITIONS. In this chapter

16 (1) "adjusted gross income" means the adjusted gross income
17 of the resident determined under the regulations of the commissioner;

18 (2) "base income" means

19 (A) family median income for Alaska determined by the
20 United States Bureau of the Census; and

21 (B) regional adjustments established by the commis-
22 sioner to the family median income for Alaska determined by the
23 United States Bureau of the Census, that are based on relative
24 costs of living in the state;

25 (3) "commissioner" means the commissioner of administration;

26 (4) "copayment" means the portion of covered expenses pay-
27 able by the resident after the deductible has been met;

28 (5) "deductible" means a clause in a health insurance policy
29 stating that the insurer shall pay the portion of a claim remaining

1 after a stipulated amount, to be paid by the insured party, is deducted;

2 (6) "dependent" means a dependent under 26 U.S.C. sec. 152;

3 (7) "insurance" means prepaid health plans or health indem-
4 nity plans;

5 (8) "program" means the state health insurance program
6 established under this chapter;

7 (9) "resident" means a person who maintains a permanent
8 place of abode in the state and a voting residence in the state and who
9 has maintained both for 12 consecutive months immediately preceding
10 enrollment in the state health insurance program under this chapter;

11 (10) "subsidized health insurance" means health insurance
12 all or part of the premiums of which are paid by an employer or trade
13 union of the insured;

14 (11) "subsidized medical care" means medical care provided
15 at reduced charge or no charge to a resident or a dependent of the
16 resident.

17 * Sec. 2. AS 21.54.060 is amended by adding a new paragraph to read:

18 (7) under a policy issued to the state to insure residents
19 of the state under AS 18.27.

20 * Sec. 3. The commissioner of administration shall establish the state
21 health insurance program and provide for state health insurance cost sharing
22 by July 1, 1983.

Original sponsors: Buchholdt, Gardiner,
Clocksin, et al

Offered: 4/16/81
Referred: Rules

1 IN THE HOUSE BY THE FINANCE COMMITTEE
2 CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 41 (Finance) (efd failed)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 TWELFTH LEGISLATURE - FIRST SESSION
5 A BILL

6 For an Act entitled: "An Act relating to the health of residents of the
7 state."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. AS 18 is amended by adding a new chapter to read:

10 CHAPTER 27. STATE HEALTH INSURANCE.

11 Sec. 18.27.010. STATE COMPREHENSIVE HEALTH PLAN. (a) The com-
12 missioner shall establish minimum benefit standards for the state
13 comprehensive health plan and shall provide for the underwriting and
14 administration of the state comprehensive health plan.

15 (b) A resident of the state is entitled to enroll in the state
16 comprehensive health plan.

17 (c) The state comprehensive health plan shall provide for copay-
18 ments and deductibles, and shall provide an annual limit on the total
19 amount of copayments and deductibles for each enrolled resident and the
20 covered dependents of the resident for each year. The annual limit
21 shall be the same regardless of family size.

22 (d) The commissioner shall contract for the administration and
23 may contract for the underwriting of the state comprehensive health
24 plan. A contract entered into under this subsection shall be based on
25 competitive bids and shall be for a three-year period.

26 (e) Notwithstanding the provisions of (c) of this section and the
27 limitations in AS 18.27.020(b), an individual eligible for a permanent
28 fund dividend under AS 43.23.010 may, to the extent of his eligibility
29 under AS 43.23.010,

1 (1) enroll in the state comprehensive health plan or in an
2 individual health insurance plan certified under AS 18.27.020(a)(1);

3 (2) direct the commissioner of revenue to use as much of the
4 permanent fund dividend to which the individual is entitled under
5 AS 43.23.010 as is necessary to pay a cost of the individual incurred
6 in participation in the state comprehensive health plan or in an indivi-
7 dual health insurance plan certified under AS 18.27.020(a)(1).

8 Sec. 18.27.020. STATE HEALTH INSURANCE COST SHARING PROGRAM. (a)
9 A resident of the state is entitled to cost sharing under the state
10 health insurance cost sharing program if

11 (1) the resident is enrolled in the state comprehensive
12 health plan or an individual health insurance plan which the insurance
13 company has certified to the commissioner as equivalent to or exceeding
14 the benefit standards of the state comprehensive health plan estab-
15 lished by the commissioner under AS 18.27.010(a);

16 (2) the resident is not enrolled in a group health insurance
17 plan or in a federal health plan; and

18 (3) the resident qualifies for cost sharing under (b) of
19 this section.

20 (b) The commissioner shall pay the state share of the costs of
21 health insurance incurred by a resident of the state and his covered
22 dependents qualifying for cost sharing under the following formula:

23 (1) if the total adjusted gross income of the resident and
24 his dependents is at or below 75 percent of the base income, 100 per-
25 cent of the premium cost of health insurance;

26 (2) if the total adjusted gross income of the resident and
27 his dependents is between 75 percent of the base income and 125 percent
28 of the base income, a graduated percentage of the premium cost of
29 health insurance between 100 percent and zero percent;

1 (3) if the total adjusted gross income of the resident and
2 his dependents is at or below 45 percent of the base income, 100 per-
3 cent of copayments and deductibles;

4 (4) if the total adjusted gross income of the resident and
5 his dependents is between 45 percent of the base income and 95 percent
6 of the base income, a graduated percentage of the copayments and de-
7 ductibles from 100 percent and zero percent;

8 (5) if a resident is enrolled in an individual health insur-
9 ance plan certified to the commissioner under (a) of this section, the
10 state share of the cost of health insurance for the resident is limited
11 to the amount that the state's share would have been if the resident
12 had been enrolled in the state comprehensive health plan.

13 (c) The commissioner shall adopt minimum benefit standards and
14 guidelines for determining benefit equivalence for the certification of
15 plans under (a)(1) of this section.

16 (d) Notwithstanding the provisions of an individual health insur-
17 ance plan, a plan certified by an insurance company to the commissioner
18 under (a)(1) of this section provides the minimum benefits and the
19 equivalent benefits required for certification.

20 Sec. 18.27.030. DEFINITIONS. In this chapter

21 (1) "adjusted gross income" means the adjusted gross income
22 of the resident determined under the regulations of the commissioner;

23 (2) "base income" means

24 (A) family median income for Alaska determined by the
25 federal Office of Human Development Service; and

26 (B) regional adjustments established by the commis-
27 sioner to the family median income for Alaska determined by the
28 federal Office of Human Development Service which are based on
29 relative costs of living in the state;

1 (3) "benefit equivalence" means that the benefits provided
2 in an individual health insurance plan and certified to the commis-
3 sioner under AS 18.27.020(d) are equivalent to benefits provided under
4 the state comprehensive health plan;

5 (4) "commissioner" means the commissioner of administration;

6 (5) "copayment" means the portion of covered expenses pay-
7 able by the resident after the deductible has been met;

8 (6) "insurance" means prepaid plans or indemnity plans.

9 * Sec. 2. The commissioner of administration shall report by the 30th
10 day of the Second Session of the Twelfth Legislature on

11 (1) proposed minimum benefit standards and estimated actuarial
12 costs of the state comprehensive health plan (AS 18.27);

13 (2) the anticipated number and characteristics of participants in
14 the state health insurance cost sharing program (AS 18.27.020) and the
15 projected cost to the state;

16 (3) a proposed plan for

17 (A) implementation of AS 18.27;

18 (B) eligibility determinations under AS 18.27;

19 (C) payment of the state share of premium costs and copay-
20 ment and deductibles incurred under AS 18.27; and

21 (D) informing the public of benefits under AS 18.27;

22 (4) recommendations for amendments to AS 18.27.

23 * Sec. 3. Coverage under the state comprehensive health plan (AS 18.27.-
24 010) and the state health insurance cost sharing program under AS 18.27.020
25 begins on July 1, 1982.

26 * Sec. 4. AS 21.54.060 is amended by adding a new paragraph to read:

27 (7) under a policy issued to the state to insure residents
28 of the state under AS 18.27.

29 * Sec. 5. AS 39.30.090(1) is amended to read:

1 (1) A group insurance policy shall provide one or more of
2 the following benefits: life insurance, accidental death and dismem-
3 berment insurance, weekly indemnity insurance, hospital expense insur-
4 ance, surgical expense insurance, dental expense insurance, audio-
5 visual insurance, alcoholism and drug dependency insurance, or other
6 medical care insurance.

7 * Sec. 6. AS 39.30 is amended by adding a new section to read:

8 Sec. 39.30.092. COVERAGE FOR ALCOHOLISM AND DRUG DEPENDENCE. (a)
9 The group insurance policy under AS 39.30.090(1)

10 (1) shall provide coverage for alcoholism and drug depen-
11 dence to include

12 (A) inpatient detoxification benefits for not less than
13 14 days of benefit each calendar year in a state-approved treat-
14 ment facility or licensed hospital; payment of institutional and
15 professional benefits shall be equal to and payable as any other
16 covered condition, except a covered condition which, by the terms
17 of the policy, has an internal restriction;

18 (B) inpatient treatment coverage benefits for not less
19 than 30 days of benefit each calendar year in a state-approved
20 treatment program; payment of institutional and professional bene-
21 fits shall be at the same level as any other covered condition,
22 except a covered condition which, by the terms of the policy, has
23 an internal restriction; and

24 (C) outpatient treatment coverage benefits of not less
25 than 30 visits each calendar year if treatment is provided by a
26 licensed physician, state-approved treatment program, or state-
27 certified professional substance abuse counselor; coverage shall
28 include individual, family or group therapy; benefits shall be
29 paid at not less than 75 percent of the usual, customary and

1 reasonable charge for a medical procedure, treatment or service in
2 the geographic area;

3 (2) may not exclude dependents otherwise covered and may not
4 limit coverage for alcoholism or drug dependence because of age, sex or
5 state of illness;

6 (3) may not apply preexisting or named condition exclusions
7 to deny coverage for alcoholism or drug dependence; and

8 (4) may require a physician's certification of necessity as
9 a condition of payment for alcoholism or drug dependence treatment.

10 (b) The provisions of this section apply to group health insur-
11 ance contracts and group service or indemnity type contracts issued to
12 provide coverage for employees of the state and may apply to contracts
13 for the benefit of employees of other participating governmental units
14 only if the governing body of the governmental unit elects to have the
15 provisions apply.

16 (c) In (a) of this section,

17 (1) "alcoholism" means an illness or condition characterized
18 by the habitual lack of self control in the use of alcoholic beverages,
19 or use of alcoholic beverages to the extent that health is substantial-
20 ly impaired or endangered, or social or economic function is substan-
21 tially disrupted;

22 (2) "drug dependence" means the condition of being physi-
23 cally or psychologically addicted to an opiate, opiate derivative,
24 tranquilizer, amphetamine, barbiturate, or similar substance, but
25 excluding nicotine, caffeine and alcohol;

26 (3) "state" means any state in the United States and in-
27 cludes the District of Columbia.

28 * Sec. 7. AS 39.30.100 is amended to read:

29 Sec. 39.30.100. DEFINITIONS. In AS 39.30.090 - 39.30.100 [AS 39.-

1 30.0901

2 (1) "eligible employee" means

3 (A) an employee who has served in permanent full-time
4 or part-time employment with the same governmental unit for 30
5 days or more, except an emergency or temporary employee, and

6 (B) an elected or appointed official of a governmental
7 unit, effective upon taking the oath of office;

8 (2) "governmental unit" means the state, a borough, municipi-
9 pal corporation, or other political subdivision of the state, and the
10 North Pacific Fishery Management Council;

11 (3) "insurance", "insurance carrier" and "insurance policy"
12 include health care services, health care service contractors and con-
13 tracts.

14 * Sec. 8. The provisions of secs. 5 - 7 of this Act apply to group poli-
15 cies or contracts which provide coverage under AS 39.30.090 - 39.30.100 and
16 which are delivered, issued for delivery, or renewed in this state after the
17 effective date of this Act. A policy or contract providing coverage for
18 eligible employees in this state under AS 39.30.090 - 39.30.100 delivered,
19 issued for delivery, or renewed after the effective date of this Act provides
20 the minimum coverage required by this Act even if the language of the policy
21 or contract does not specifically so provide.

22 * Sec. 9. AS 47.05 is amended by adding new sections to read:

23 Sec. 47.05.070. MEDICAL ASSISTANCE BY INSURANCE OR SERVICE CON-
24 TRACTS. (a) The commissioner shall use medical assistance funds to
25 purchase and pay premiums on policies of insurance or pay the expenses
26 on health care service contracts that provide one or more of the ser-
27 vices available under state medical assistance programs.

28 (b) The policy of insurance or the contract financed under this
29 section must guarantee to

1 (1) provide services and supplies under policies of insur-
2 ance or contracts under AS 21;

3 (2) provide the statistical data, records, and reports
4 relating to the provision, administration, and costs of providing
5 services and supplies as required by the commissioner.

6 Sec. 47.05.080. IMPLEMENTATION. The commissioner shall implement
7 the provisions of AS 47.05.070 when he determines that comparable
8 benefits are available at equal or less cost than direct payments by
9 the department to the providers of services and supplies.

10 Sec. 47.05.090. INTERIM PAYMENT. If the commissioner determines
11 under regulations adopted by him that a provider of medical services is
12 expected to serve a large volume of medical assistance clients, he may
13 make an interim payment before receipt of billing for services to the
14 provider.

15 Sec. 47.05.100. INTEREST ON LATE PAYMENTS. When presented by a
16 provider of medical services with a clean claim, the commissioner shall
17 pay

18 (1) interest at the rate of one percent per month when
19 payment is delayed more than 45 days after presentation of the clean
20 claim;

21 (2) interest at the rate of two percent per month when
22 payment is delayed more than 90 days after presentation of the clean
23 claim; and

24 (3) the interest for a full month if the overdue clean claim
25 is not paid by the 15th day of a calendar month.

26 Sec. 47.05.110. DEFINITIONS. In AS 47.05.070 - 47.05.110

27 (1) "clean claim" means a claim for payment which can be
28 processed without obtaining additional information from the provider of
29 the service or from a third party; it includes a claim with errors

1 originating in the department's claims processing system, but does not
2 include claims from a provider who is under investigation for fraud or
3 abuse, or a claim under review for medical necessity;

4 (2) "commissioner" means the commissioner of health and
5 social services;

6 (3) "health care service contract" means a contract with a
7 nonprofit corporation which accepts prepayment for health care services
8 and is sponsored by or associated with a group of physicians or a group
9 of hospitals or both or by a health maintenance organization recognized
10 under federal law;

11 (4) "medical assistance" means Medicaid (AS 47.07), general
12 relief medical (AS 47.25.120), catastrophic illness (AS 47.08), and
13 crippled children's and maternal and child health programs (AS 18.05.-
14 010).

15 * Sec. 10. AS 47.07.020(b) is repealed and reenacted to read:

16 (b) A resident of the state for whom the provisions of the Social
17 Security Act in effect on March 1, 1981, allow optional medical cover-
18 age qualifying for federal financial participation is eligible for
19 medical assistance. A resident of the state qualifying as medically
20 needy is not eligible for medical assistance.

21 * Sec. 11. AS 47.07.030 is repealed and reenacted to read:

22 Sec. 47.07.030. MEDICAL SERVICES TO BE PROVIDED. Medical ser-
23 vices to be offered to eligible persons include those services eligible
24 for federal financial participation under the provisions of Title XIX
25 of the federal Social Security Act in effect on March 1, 1981.

26 * Sec. 12. AS 47.07.080 is amended by adding new paragraphs to read:

27 (5) "medically needy" means a person who meets the categori-
28 cal requirements of eligibility for medical assistance but whose income

29 (A) exceeds the income standard for categorical assist-

1 ance; and

2 (B) is less than the medically needy income standard
3 after the deduction of allowable medical expenses;

4 (6) "categorical requirements of eligibility" means the
5 standards established under 42 C.F.R., secs. 435.500 - 435.541;

6 (7) "medically needy income standard" means the standards
7 established under 42 C.F.R., secs. 435.800 - 435.816.

8 * Sec. 13. (a) By the 30th day of the Second Session of the Twelfth
9 Legislature the Legislative Council shall study and make recommendations to
10 the legislature

11 (1) for federal improvements in the Indian Health Service
12 delivery system;

13 (2) on the alternatives available to the state to complement the
14 funding of the Indian Health Service;

15 (3) on the alternatives available to the state to complement
16 services available to the senior citizens of the state under Medicare.

17 (b) The Legislative Council shall seek participation in the study by

18 (1) the Health, Education, and Social Services Committees of the
19 legislature;

20 (2) the Alaska Native Health Board;

21 (3) regional health organizations;

22 (4) other providers and consumers of health care;

23 (5) the Department of Health and Social Services;

24 (6) the Alaska Area Native Health Service, United States Public
25 Health Service.

26 * Sec. 14. AS 47.07.020(d) is repealed.
27
28
29

11B-41-B

FISCAL SUMMARY FOR CSSSHB 41 (Finance)

	<u>FY '82</u>	<u>FY '83</u>	<u>FY '84</u>	<u>FY '85</u>	<u>FY '86</u>
Federal funds:					
1. Medicaid match	11631.8	13353.4	15338.3	17619.6	20241.0
General fund:					
DHSS					
1. Medicaid	6781.6	7782.0	8938.8	10268.4	11796.0
2. GRM transfer to 50% federal match	(4619.1)	(5311.9)	(6108.6)	(7024.9)	(8078.9)
ADMIN.					
1. Alcoholism	180.0	414.0	476.1	547.5	629.6
2. Benefits/cost sharing	0.0	8800.0	23950.0	51420.0	63107.0
3. Administration ¹	1023.4	955.6	1047.6	1152.2	1267.3
REVENUE					
1. Rogers amendment ²					
<u>TOTAL GENERAL FUND</u>	<u>3365.9</u>	<u>12639.7</u>	<u>28303.9</u>	<u>56363.2</u>	<u>68721.2</u>
Total of g.f. and fed. funds	14997.7	25993.1	43642.2	73982.8	88962.2

¹ These figures will be updated by the Dept. The new FY '82 figure will be about \$400,000 more than indicated here.

² These figures are currently being generated by the Dept. Preliminary indications are that they will not go over \$50,000 for each fiscal year.

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Proposed CSSHB 41 (Finance)

Title An ACT Relating to the Health and Residents of the State

Requested by HOUSE FINANCE COMMITTEE Date 4/9/81

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services

Program Category Affected Health/Social and Economic Assistance

BRU, Program, or Subprogram(s) Affected Medicaid/Eligibility Deter./Public Assist. Admin.

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES		353.9	389.3	428.2	471.0	518.1
200 TRAVEL		12.9	14.2	15.6	17.2	18.9
300 CONTRACTUAL		133.8	147.2	161.9	178.1	195.9
400 COMMODITIES		6.5	7.2	7.9	8.7	9.5
500 EQUIPMENT		13.3	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES		0	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS, ETC.		17893.0	20576.9	23663.5	27213.0	31295.0
TOTAL		18413.4	21135.4	24277.1	27888.0	32037.0

FUNDING (Thousands of Dollars)

GENERAL FUND		6781.6	7782.0	8938.8	10268.4	11796.0
FEDERAL FUNDS		11,631.8	13353.4	15338.3	17619.6	20241.0
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME		12	12	12	12	12
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Medical benefits would be provided to approximately 2145 new cases under the Medicaid program. Administration of program benefits would require 11 field staff positions and 1 central office position, office space, an additional computer time to be divided between the Eligibility Determination and Public Assistance Administration BRUs. Funding is 50% federal except for the Indian Health Care Program which is funded at 100% federal funds.

IV. DATE 4/9/81

PREPARED BY David M. Davidson

AGENCY Division of Public Assistance

PHONE 465-5317

Original: Legislative Finance

Budget and Management

Prepared by (Print Leghibler Name) David M. Davidson

WAB Approval

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill Resolution No. Proposed CSSHB 41 (Finance)

Title An ACT Relating to the Health of Residents of the State

Requested by HOUSE FINANCE COMMITTEE

Date 4/9/81

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services

Program Category Affected Health

BRU, Program, or Subprogram(s) Affected General Relief Medical

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.		(4,619.1)	(5311.9)	(6108.6)	(7024.9)	(8078.7)
TOTAL		(4,619.1)	(5311.9)	(6108.6)	(7024.9)	(8078.7)

FUNDING (Thousands of Dollars)

GENERAL FUND	(4,619.1)	(5311.9)	(6108.6)	(7024.9)	(8078.7)
FEDERAL FUNDS					
OTHER (Specify Fund Source)					

POSITIONS

FULL TIME					
PART TIME					
TEMPORARY					

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Decrease in General Relief Medical program expenditures due to the transfer of coverage for certain service categories from state funding to coverage under the Medicaid program, and the addition of certain groups under Medicaid that are currently covered by General Relief Medical.

IV. DATE 4/9/81

PREPARED BY David M. Davidson

AGENCY Public Assistance

PHONE 333-3333

Original to: State Finance
Request and Management

Approved: _____
Date: _____

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPT. OF HEALTH AND SOCIAL SERVICES

DIVISION OF PUBLIC ASSISTANCE

POUCH H-07
JUNEAU, ALASKA 99811
PHONE: (907) 465-3355

April 9, 1981

Document# 98-81

The Honorable Samuel Cotten
House of Representatives
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Dear Representative Cotten:

This letter is intended to confirm the Department's estimate of increased Medicaid costs in FY82 based on CSSSHB-41 as amended by Representatives Buchholdt, Adams and Rogers on April 8, 1981.

HB-41 as originally introduced presented \$23,491.1 in additional costs as follows. (See position paper dated 2/27/81).

	<u>TOTAL</u>	<u>FED</u>	<u>STATE</u>	<u>POS.</u>
(1) Addition of all Medicaid Services & New Optional Categorical Groups.	\$18,413.4	11,631.8	6,781.6	12
(2) Decrease of GR Medical	(4,619.1)		(4,619.1)	
(3) Addition of Medically Needy to Medicaid	\$ 9,029.7	5,709.3	3,320.4	5
(4) Interest Payments	<u>667.2</u>	<u> </u>	<u>667.2</u>	<u> </u>
TOTAL	\$23,491.1	17,341.1	6,150.1	17

However, as a result of testimony offered by the Department and others, CSSSHB-41 was modified to delete medically needy coverage (item #3 above) and to resolve the Department's concerns with the interest payments provisions (item #4 above). As a result, only those costs associated with items #1 and #2 above remain at this time, representing an increase of \$13,794.3 as follows. (See position paper dated 4/3/81).

	<u>TOTAL</u>	<u>FED</u>	<u>STATE</u>	<u>POS.</u>
(1) Addition of all Medicaid Services & New Optional Categorical Groups.	\$18,413.4	11,631.8	6,781.6	12
(2) Decrease of GR Medical	<u>(4,619.1)</u>	<u> </u>	<u>(4,619.1)</u>	<u> </u>
TOTAL	\$13,794.3	11,631.8	2,162.5	12

Two final comments are in order:

- * President Reagan's proposed CAP on Medicaid makes it very uncertain whether the State will receive the expected \$11,631.8 in additional federal funds. The State could find itself in the position of paying the entire \$13,794.3 out of the State general fund.
- * These estimates do not include the costs associated with implementation of Sections 1-8 of CSSSHB-41. These costs would be in addition to the \$13,794.3 increase in Medicaid.

Please let me know if I may provide any additional information.

Sincerely,



Rod Betit
Director

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. Sponsor Substitute House Bill 41 (Sections 5-8)
 Title Insurance for Alcoholism and Drug Dependence
 Requested by _____ Date _____

II. FISCAL DETAIL

Agency Affected Administration - Division of Retirement & Benefits
 Program Category Affected Labor Services
 BRU, Program, or Subprogram(s) Affected 02-96-8-01-02-00 (OTHER BENEFITS)
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)
EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 STATE TRS MATCHING						
100 BENEFITS		180.0	414.0	476.1	547.5	629.6
TOTAL		180.0	414.0	476.1	547.5	629.6

FUNDING (Thousands of Dollars)

GENERAL FUND		147.4	339.1	389.9	448.4	515.6
FEDERAL FUNDS		8.3	19.0	21.9	25.2	29.0
VETERAN'S FUND		0.4	.8	1.0	1.1	1.3
FISH & GAME FUND		1.1	2.5	2.9	3.3	3.8
HIGHWAY FUND		2.3	5.4	6.2	7.1	8.2
AIRPORT FUND		5.2	12.0	13.8	15.9	18.2
CAPITAL FUND		15.3	35.2	40.4	46.5	53.5
PERS						
TRS						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

1. Approximately 10,275 State employees are currently covered under the State Group Health Plan.
2. The cost to implement provisions of this bill will be \$2.92 per employee per month.
3. Estimate that the cost to provide continued coverage will increase 15% each year for the immediate future. However, an effective Alcoholism/Drug dependency program should help to reduce overall health care claim experience in the future.

IV. DATE February 26, 1991 PREPARED BY Ken Humphreys, for Paul B. Arnoldt, Director
 AGENCY DIVISION OF RETIREMENT & BENEFITS
 PHONE 465-4460

Original: Legislative Finance
 cc: Budget and Management
 Title Sponsor (First Legislator Named) Buchholdt
 Office of the Governor (Faith Spocking)

ESTIMATION OF FISCAL IMPACT FOR STATE
COST-SHARING UNDER CSSH 41 (Finance)

44,000	individuals with no health coverage (Battelle study)
25,000	individuals with individual private coverage (est. by Battelle)
<u>+ 31,000</u>	assumed migration from small group plans (fudge factor)
100,000	individuals eligible for cost sharing (round estimate)
<u>/. 3.03</u>	average people per household (1980 est. by state demographer)
33,000	households eligible for cost sharing (round estimate)
<u>x \$1,620</u>	average plan cost per household (\$1,320 premium + \$300 out of pocket)
\$53,465	total plan cost (in thousands)
<u>x .564</u>	average subsidy level (analysis of SIE data)
\$30,179	benefit costs of cost sharing program (FY81 dollars)
<u>x 1.166</u>	two years' inflation factor at 8%
\$35,200	cost of full enrollment, FY83 dollars

\$35,200 x .25 = \$ 8,800 est. FY83 benefit costs (assumes 50% of eligibles enroll by end of FY83-- 25% ann. ave.)

\$35,200 x 1.08 x .63 = \$23,950 est. FY84 benefit costs (assumes 75% of eligibles enroll by end of FY84)

\$35,200 x 1.166 x .88 = \$51,420 est. FY85 benefit costs (assumes 100% of eligibles enroll by end of FY85)

\$35,200 x 1.793 x 1.0 = \$63,107 est. FY86 benefit costs (assumes 100% enrollment all year)

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Sponsor Substitute House Bill 41 (partial)
Title State Comprehensive Health Plan
Requested by House HESS Date _____

II. FISCAL DETAIL

Agency Affected Department of Administration, Division of Retirement & Benefits
Program Category Affected Public Health
BRU, Program, or Subprogram(s) Affected Retirement & Benefits
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES		144.8	591.1	650.2	715.2	786.7
200 TRAVEL		3.0	3.0	3.3	3.6	4.0
300 CONTRACTUAL		862.6	353.3	388.6	427.5	470.3
400 COMMODITIES		1.0	3.2	3.5	3.9	4.3
500 EQUIPMENT		12.0	5.0	2.0	2.0	2.0
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	1,023.4	955.6	1,047.6	1,152.2	1,267.3

FUNDING (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
GENERAL FUND		1,023.4	955.6	1,047.6	1,152.2	1,267.3
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
FULL TIME		12	16	16	16	16
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Assumption:

1. 30 thousand accounts first year with 75,000 covered individuals.
2. Field offices in Anchorage, Fairbanks, Nome and Juneau.
3. Staff costs increase by 10% after FY 83.
4. Does not include benefit costs under the cost sharing program or the costs under Sections 5-8.

This fiscal note addresses only the estimated costs of administering the state comprehensive health plan and state health insurance cost sharing program and producing the report called for in Sec. 2 of the bill.

IV. DATE February 26, 1981 PREPARED BY Ken Humphreys, Deputy Director
AGENCY Division of Retirement & Benefits
PHONE 465-4400

Original: Legislative Finance
cc: Budget and Management
Home Sponsor (First Legislator Named) Buchholz
Office of the Governor (Keith Steckler)

Ken Humphreys JCH

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

Bill/Resolution No. 1/1/82 SCS CS SS HB 41 (HESS) (attached draft)
 Title An Act establishing a state health insurance program
 Requested by Senator Parr Date _____

II. FISCAL DETAIL

Agency Affected Administration
 Program Category Affected Centralized Administrative Services
 BRU, Program, Or Subprogram(s) Affected Retirement and Benefits
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES		280.2	686.3	687.4	756.1	831.7
200 TRAVEL		8.5	16.0	17.6	19.4	21.3
300 CONTRACTUAL		1,045.0	521.6	548.8	603.7	664.0
400 COMMODITIES		3.5	8.3	9.1	10.0	11.0
500 EQUIPMENT		90.7	12.3	5.0	5.5	6.1
600 LAND & STRUCTURES		0	48.6	53.5	58.8	64.7
700 GRANTS, CLAIMS, ETC.		0	0	0	0	0
Benefit Costs		0	30,030.0	33,033.0	36,336.3	39,969.9
TOTAL		1,427.9	31,323.1	34,354.4	37,789.8	41,568.7

FUNDING (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND		1,427.9	31,323.1	34,354.4	37,789.8	41,568.7
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
FULL TIME		16	18	18	18	18
PART TIME						
TEMPORARY			4			

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

Assumptions:

- 30,000 accounts first year (FY 84) with 69,000 covered individuals.
- Field offices in Anchorage, Fairbanks, Juneau and Nome.
- Costs to increase by 10% after FY 84.
- Premium will be increased to include approximately \$800.00 per year fees for a third party administrator who will aggregate the premiums and provide the health carrier with eligibility listings.
- Eligibility for resident status and premium subsidies handled by the Division of Retirement and Benefits.

IV. DATE 4/16/82 PREPARED BY Ken Humphreys, Deputy Director
 AGENCY Division of Retirement and Benefits
 Original: Legislative Finance PHONE 465-4462
 cc: Budget and Management
 Prime Sponsor (First Legislator Named) Buchholdt
 33-001 (Rev. 12/81)

Bradley
12-0324

House Supplement #28
Fiscal Summary

FU NOTE ATTACHED - CS# 34-419102

ALASKA STATE LEGISLATURE

TWELFTH Legislature FIRST Session

SPONSOR SUBSTITUTE FOR

HOUSE BILL NO. 41

By BUCHHOLDT, GARDINER, CLOCK-SIN, CATO, ROGERS, ZHAROFF, ADAMS, FULLER AND VASKA

"An Act relating to the health of residents of the state; and providing for an effective date."

Health of residents of the state

Introduced in the House ... 21 9 ... 19 81

HISTORY IN THE HOUSE

19 81	Feb 19	Read first time and referred to Committee on HESS and Finance
	Mar 21	Reported back with recommendation that <i>Here replace C.S. (Fin) 4 do pass in the House. To Finance</i>
	Apr 16	<i>Finance replace C.S. (Fin) 3 do pass, 2 do not pass To Rules</i>
	Apr 24	Read second time and C.S. (Fin) adopted <i>rodv</i>
	Apr 24	Read third time and
	Apr 27	Reconsideration brought up <i>held until 4/29</i>
	Apr 29	Reconsideration taken <i>up</i>
	Apr 24	PASS <i>rodv</i> Effective Date <i>2nd 22</i> Yeas 21 Nays 14 Absent 5 Excused <i>not voting</i>
	Apr 24	Reconsideration
	Apr 29	PASS <i>rodv</i> Effective Date <i>2nd 23</i> Yeas 22 Nays 14 Absent 4 Excused <i>not voting</i>
	4 29	Reported correctly engrossed
	4 29	Signed by Speaker
	4 29	Sent to Senate
<i>Bernice Pastern</i> CHIEF CLERK OF THE HOUSE		

HISTORY IN THE SENATE

19 81	4 30	Read first time and referred to Committee on <i>HESS 1 2in</i>
	1982 4 19	Reported back with <i>HESS</i> recommendation that <i>replace w/SCS, new title, new ty noted 3 do pass to Fin.</i>
		Read second time and
		Read third time and
		PASS Effective Date Yeas Nays Absent Excused
		Reconsideration
		PASS Effective Date Yeas Nays Absent Excused
		Reported correctly engrossed
		Signed by President
		Returned to House
SECRETARY OF THE SENATE		

HISTORY IN THE HOUSE

19	Received from Senate
	Concurred in Senate amendment thus adopting: VOTE
	Failed to concur in Senate amendment; asked Senate to recede VOTE
	Senate receded from amendment VOTE
	Senate failed to recede from amendment VOTE
	CC appointed by House
	CC appointed by Senate
	CC adopted by House VOTE
	CC adopted by Senate VOTE
	To enrolling Reported correctly enrolled Sent to Governor by Governor
	Filed with Lt. Governor
	Chapter No.

Original sponsors: Buchholdt, Gardiner,
Clocksin, et al

Offered: 4/16/81
Referred: Rules

1 IN THE HOUSE BY THE FINANCE COMMITTEE

2 CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 41 (Finance) (efd failed)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the health of residents of the
7 state."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. AS 18 is amended by adding a new chapter to read:

10 CHAPTER 27. STATE HEALTH INSURANCE.

11 Sec. 18.27.010. STATE COMPREHENSIVE HEALTH PLAN. (a) The com-
12 missioner shall establish minimum benefit standards for the state
13 comprehensive health plan and shall provide for the underwriting and
14 administration of the state comprehensive health plan.

15 (b) A resident of the state is entitled to enroll in the state
16 comprehensive health plan.

17 (c) The state comprehensive health plan shall provide for copay-
18 ments and deductibles, and shall provide an annual limit on the total
19 amount of copayments and deductibles for each enrolled resident and the
20 covered dependents of the resident for each year. The annual limit
21 shall be the same regardless of family size.

22 (d) The commissioner shall contract for the administration and
23 may contract for the underwriting of the state comprehensive health
24 plan. A contract entered into under this subsection shall be based on
25 competitive bids and shall be for a three-year period.

26 (e) Notwithstanding the provisions of (c) of this section and the
27 limitations in AS 18.27.020(b), an individual eligible for a permanent
28 fund dividend under AS 43.23.010 may, to the extent of his eligibility
29 under AS 43.23.010,

1 (1) enroll in the state comprehensive health plan or in an
2 individual health insurance plan certified under AS 18.27.020(a)(1);

3 (2) direct the commissioner of revenue to use as much of the
4 permanent fund dividend to which the individual is entitled under
5 AS 43.23.010 as is necessary to pay a cost of the individual incurred
6 in participation in the state comprehensive health plan or in an indivi-
7 dual health insurance plan certified under AS 18.27.020(a)(1).

8 Sec. 18.27.020. STATE HEALTH INSURANCE COST SHARING PROGRAM. (a)
9 A resident of the state is entitled to cost sharing under the state
10 health insurance cost sharing program if

11 (1) the resident is enrolled in the state comprehensive
12 health plan or an individual health insurance plan which the insurance
13 company has certified to the commissioner as equivalent to or exceeding
14 the benefit standards of the state comprehensive health plan estab-
15 lished by the commissioner under AS 18.27.010(a);

16 (2) the resident is not enrolled in a group health insurance
17 plan or in a federal health plan; and

18 (3) the resident qualifies for cost sharing under (b) of
19 this section.

20 (b) The commissioner shall pay the state share of the costs of
21 health insurance incurred by a resident of the state and his covered
22 dependents qualifying for cost sharing under the following formula:

23 (1) if the total adjusted gross income of the resident and
24 his dependents is at or below 75 percent of the base income, 100 per-
25 cent of the premium cost of health insurance;

26 (2) if the total adjusted gross income of the resident and
27 his dependents is between 75 percent of the base income and 125 percent
28 of the base income, a graduated percentage of the premium cost of
29 health insurance between 100 percent and zero percent;

1 (3) if the total adjusted gross income of the resident and
2 his dependents is at or below 45 percent of the base income, 100 per-
3 cent of copayments and deductibles;

4 (4) if the total adjusted gross income of the resident and
5 his dependents is between 45 percent of the base income and 95 percent
6 of the base income, a graduated percentage of the copayments and de-
7 ductibles from 100 percent and zero percent;

8 (5) if a resident is enrolled in an individual health insur-
9 ance plan certified to the commissioner under (a) of this section, the
10 state share of the cost of health insurance for the resident is limited
11 to the amount that the state's share would have been if the resident
12 had been enrolled in the state comprehensive health plan.

13 (c) The commissioner shall adopt minimum benefit standards and
14 guidelines for determining benefit equivalence for the certification of
15 plans under (a)(1) of this section.

16 (d) Notwithstanding the provisions of an individual health insur-
17 ance plan, a plan certified by an insurance company to the commissioner
18 under (a)(1) of this section provides the minimum benefits and the
19 equivalent benefits required for certification.

20 Sec. 18.27.030. DEFINITIONS. In this chapter

21 (1) "adjusted gross income" means the adjusted gross income
22 of the resident determined under the regulations of the commissioner;

23 (2) "base income" means

24 (A) family median income for Alaska determined by the
25 federal Office of Human Development Service; and

26 (B) regional adjustments established by the commis-
27 sioner to the family median income for Alaska determined by the
28 federal Office of Human Development Service which are based on
29 relative costs of living in the state;

1 (3) "benefit equivalence" means that the benefits provided
2 in an individual health insurance plan and certified to the commis-
3 sioner under AS 18.27.020(d) are equivalent to benefits provided under
4 the state comprehensive health plan;

5 (4) "commissioner" means the commissioner of administration;

6 (5) "copayment" means the portion of covered expenses pay-
7 able by the resident after the deductible has been met;

8 (6) "insurance" means prepaid plans or indemnity plans.

9 * Sec. 2. The commissioner of administration shall report by the 30th
10 day of the Second Session of the Twelfth Legislature on

11 (1) proposed minimum benefit standards and estimated actuarial
12 costs of the state comprehensive health plan (AS 18.27);

13 (2) the anticipated number and characteristics of participants in
14 the state health insurance cost sharing program (AS 18.27.020) and the
15 projected cost to the state;

16 (3) a proposed plan for

17 (A) implementation of AS 18.27;

18 (B) eligibility determinations under AS 18.27;

19 (C) payment of the state share of premium costs and copay-
20 ment and deductibles incurred under AS 18.27; and

21 (D) informing the public of benefits under AS 18.27;

22 (4) recommendations for amendments to AS 18.27.

23 * Sec. 3. Coverage under the state comprehensive health plan (AS 18.27.-
24 010) and the state health insurance cost sharing program under AS 18.27.020
25 begins on July 1, 1982.

26 * Sec. 4. AS 21.54.060 is amended by adding a new paragraph to read:

27 (7) under a policy issued to the state to insure residents
28 of the state under AS 18.27.

29 * Sec. 5. AS 39.30.090(1) is amended to read:

1 (1) A group insurance policy shall provide one or more of
2 the following benefits: life insurance, accidental death and dismem-
3 berment insurance, weekly indemnity insurance, hospital expense insur-
4 ance, surgical expense insurance, dental expense insurance, audio-
5 visual insurance, alcoholism and drug dependency insurance, or other
6 medical care insurance.

7 * Sec. 6. AS 39.30 is amended by adding a new section to read:

8 Sec. 39.30.092. COVERAGE FOR ALCOHOLISM AND DRUG DEPENDENCE. (a)

9 The group insurance policy under AS 39.30.090(1)

10 (1) shall provide coverage for alcoholism and drug depen-
11 dence to include

12 (A) inpatient detoxification benefits for not less than
13 14 days of benefit each calendar year in a state-approved treat-
14 ment facility or licensed hospital; payment of institutional and
15 professional benefits shall be equal to and payable as any other
16 covered condition, except a covered condition which, by the terms
17 of the policy, has an internal restriction;

18 (B) inpatient treatment coverage benefits for not less
19 than 30 days of benefit each calendar year in a state-approved
20 treatment program; payment of institutional and professional bene-
21 fits shall be at the same level as any other covered condition,
22 except a covered condition which, by the terms of the policy, has
23 an internal restriction; and

24 (C) outpatient treatment coverage benefits of not less
25 than 30 visits each calendar year if treatment is provided by a
26 licensed physician, state-approved treatment program, or state-
27 certified professional substance abuse counselor; coverage shall
28 include individual, family or group therapy; benefits shall be
29 paid at not less than 75 percent of the usual, customary and

1 reasonable charge for a medical procedure, treatment or service in
2 the geographic area;

3 (2) may not exclude dependents otherwise covered and may not
4 limit coverage for alcoholism or drug dependence because of age, sex or
5 state of illness;

6 (3) may not apply preexisting or named condition exclusions
7 to deny coverage for alcoholism or drug dependence; and

8 (4) may require a physician's certification of necessity as
9 a condition of payment for alcoholism or drug dependence treatment.

10 (b) The provisions of this section apply to group health insur-
11 ance contracts and group service or indemnity type contracts issued to
12 provide coverage for employees of the state and may apply to contracts
13 for the benefit of employees of other participating governmental units
14 only if the governing body of the governmental unit elects to have the
15 provisions apply.

16 (c) In (a) of this section,

17 (1) "alcoholism" means an illness or condition characterized
18 by the habitual lack of self control in the use of alcoholic beverages,
19 or use of alcoholic beverages to the extent that health is substantial-
20 ly impaired or endangered, or social or economic function is substan-
21 tially disrupted;

22 (2) "drug dependence" means the condition of being physi-
23 cally or psychologically addicted to an opiate, opiate derivative,
24 tranquilizer, amphetamine, barbiturate, or similar substance, but
25 excluding nicotine, caffeine and alcohol;

26 (3) "state" means any state in the United States and in-
27 cludes the District of Columbia.

28 * Sec. 7. AS 39.30.100 is amended to read:

29 Sec. 39.30.100. DEFINITIONS. In AS 39.30.090 - 39.30.100 [AS 39.-

1 30.090]

2 (1) "eligible employee" means

3 (A) an employee who has served in permanent full-time
4 or part-time employment with the same governmental unit for 30
5 days or more, except an emergency or temporary employee, and

6 (B) an elected or appointed official of a governmental
7 unit, effective upon taking the oath of office;

8 (2) "governmental unit" means the state, a borough, municipi-
9 pal corporation, or other political subdivision of the state, and the
10 North Pacific Fishery Management Council;

11 (3) "insurance", "insurance carrier" and "insurance policy"
12 include health care services, health care service contractors and con-
13 tracts.

14 * Sec. 8. The provisions of secs. 5 - 7 of this Act apply to group poli-
15 cies or contracts which provide coverage under AS 39.30.090 - 39.30.100 and
16 which are delivered, issued for delivery, or renewed in this state after the
17 effective date of this Act. A policy or contract providing coverage for
18 eligible employees in this state under AS 39.30.090 - 39.30.100 delivered,
19 issued for delivery, or renewed after the effective date of this Act provides
20 the minimum coverage required by this Act even if the language of the policy
21 or contract does not specifically so provide.

22 * Sec. 9. AS 47.05 is amended by adding new sections to read:

23 Sec. 47.05.070. MEDICAL ASSISTANCE BY INSURANCE OR SERVICE CON-
24 TRACTS. (a) The commissioner shall use medical assistance funds to
25 purchase and pay premiums on policies of insurance or pay the expenses
26 on health care service contracts that provide one or more of the ser-
27 vices available under state medical assistance programs.

28 (b) The policy of insurance or the contract financed under this
29 section must guarantee to

1 (1) provide services and supplies under policies of insur-
2 ance or contracts under AS 21;

3 (2) provide the statistical data, records, and reports
4 relating to the provision, administration, and costs of providing
5 services and supplies as required by the commissioner.

6 Sec. 47.05.080. IMPLEMENTATION. The commissioner shall implement
7 the provisions of AS 47.05.070 when he determines that comparable
8 benefits are available at equal or less cost than direct payments by
9 the department to the providers of services and supplies.

10 Sec. 47.05.090. INTERIM PAYMENT. If the commissioner determines
11 under regulations adopted by him that a provider of medical services is
12 expected to serve a large volume of medical assistance clients, he may
13 make an interim payment before receipt of billing for services to the
14 provider.

15 Sec. 47.05.100. INTEREST ON LATE PAYMENTS. When presented by a
16 provider of medical services with a clean claim, the commissioner shall
17 pay

18 (1) interest at the rate of one percent per month when
19 payment is delayed more than 45 days after presentation of the clean
20 claim;

21 (2) interest at the rate of two percent per month when
22 payment is delayed more than 90 days after presentation of the clean
23 claim; and

24 (3) the interest for a full month if the overdue clean claim
25 is not paid by the 15th day of a calendar month.

26 Sec. 47.05.110. DEFINITIONS. In AS 47.05.070 - 47.05.110

27 (1) "clean claim" means a claim for payment which can be
28 processed without obtaining additional information from the provider of
29 the service or from a third party; it includes a claim with errors

1 originating in the department's claims processing system, but does not
2 include claims from a provider who is under investigation for fraud or
3 abuse, or a claim under review for medical necessity;

4 (2) "commissioner" means the commissioner of health and
5 social services;

6 (3) "health care service contract" means a contract with a
7 nonprofit corporation which accepts prepayment for health care services
8 and is sponsored by or associated with a group of physicians or a group
9 of hospitals or both or by a health maintenance organization recognized
10 under federal law;

11 (4) "medical assistance" means Medicaid (AS 47.07), general
12 relief medical (AS 47.25.120), catastrophic illness (AS 47.08), and
13 crippled children's and maternal and child health programs (AS 18.05.-
14 010).

15 * Sec. 10. AS 47.07.020(b) is repealed and reenacted to read:

16 (b) A resident of the state for whom the provisions of the Social
17 Security Act in effect on March 1, 1981, allow optional medical cover-
18 age qualifying for federal financial participation is eligible for
19 medical assistance. A resident of the state qualifying as medically
20 needy is not eligible for medical assistance.

21 * Sec. 11. AS 47.07.030 is repealed and reenacted to read:

22 Sec. 47.07.030. MEDICAL SERVICES TO BE PROVIDED. Medical ser-
23 vices to be offered to eligible persons include those services eligible
24 for federal financial participation under the provisions of Title XIX
25 of the federal Social Security Act in effect on March 1, 1981.

26 * Sec. 12. AS 47.07.080 is amended by adding new paragraphs to read:

27 (5) "medically needy" means a person who meets the categori-
28 cal requirements of eligibility for medical assistance but whose income

29 (A) exceeds the income standard for categorical assist-

1 ance; and

2 (B) is less than the medically needy income standard
3 after the deduction of allowable medical expenses;

4 (6) "categorical requirements of eligibility" means the
5 standards established under 42 C.F.R., secs. 435.500 - 435.541;

6 (7) "medically needy income standard" means the standards
7 established under 42 C.F.R., secs. 435.800 - 435.816.

8 * Sec. 13. (a) By the 30th day of the Second Session of the Twelfth
9 Legislature the Legislative Council shall study and make recommendations to
10 the legislature

11 (1) for federal improvements in the Indian Health Service
12 delivery system;

13 (2) on the alternatives available to the state to complement the
14 funding of the Indian Health Service;

15 (3) on the alternatives available to the state to complement
16 services available to the senior citizens of the state under Medicare.

17 (b) The Legislative Council shall seek participation in the study by

18 (1) the Health, Education, and Social Services Committees of the
19 legislature;

20 (2) the Alaska Native Health Board;

21 (3) regional health organizations;

22 (4) other providers and consumers of health care;

23 (5) the Department of Health and Social Services;

24 (6) the Alaska Area Native Health Service, United States Public
25 Health Service.

26 * Sec. 14. AS 47.07.020(d) is repealed.

Offered: 4/19/82
Referred: Finance

Original sponsors: Buchholdt, Cato,
Gardiner, et al

1 IN THE HOUSE

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

2 SENATE CS FOR CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 41 (HESS)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act establishing a state health insurance program."

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

8 * Section 1. AS 18 is amended by adding a new chapter to read:

9 CHAPTER 27. STATE HEALTH INSURANCE PROGRAM.

10 Sec. 18.27.010. STATE HEALTH INSURANCE PROGRAM. (a) The com-
11 missioner shall establish a state health insurance program for resi-
12 dents.

13 (b) The commissioner shall by regulation specify the professional
14 and institutional benefits to be provided by the program.

15 (c) The commissioner shall contract for the underwriting of the
16 program and may contract for the administration of the program. A
17 contract entered into under this subsection shall be based on competi-
18 tive proposals.

19 (d) The program shall provide for copayments and deductibles, and
20 shall provide for an annual deductible for each enrolled resident and
21 for each enrolled family.

22 (e) The program shall provide a limit on the amount of reim-
23 bursable charges to be paid by an enrolled resident for institutional
24 and professional services received by the enrolled resident or depen-
25 dents of the resident who are enrolled in the program.

26 (f) The program may provide to enrolled residents a choice of
27 benefit options.

28 Sec. 18.27.020. STATE PAYMENT OF INSURANCE PREMIUMS. (a) The
29 commissioner shall pay the insurance premium for a resident who is

1 enrolled in the program and who qualifies under the following formula:

2 (1) if the total adjusted gross income of the resident and
3 dependents of the resident who are enrolled in the program is at or
4 below 75 percent of the base income, 100 percent of the premium cost of
5 the program;

6 (2) if the total adjusted gross income of the resident and
7 dependents of the resident who are enrolled in the program is between
8 75 percent and 125 percent of the base income, a graduated percentage
9 of the premium cost of the program between 100 percent and zero percent.

10 (b) The commissioner may not pay the insurance premium for a
11 resident and the dependents of the resident if, and to the extent that,
12 subsidized medical care or subsidized health insurance (other than
13 insurance under the program) is, or would be, available to the resident
14 upon application.

15 Sec. 18.27.030. DEFINITIONS. In this chapter

16 (1) "adjusted gross income" means the adjusted gross income
17 of the resident determined under the regulations of the commissioner;

18 (2) "base income" means

19 (A) family median income for Alaska determined by the
20 United States Bureau of the Census; and

21 (B) regional adjustments established by the commis-
22 sioner to the family median income for Alaska determined by the
23 United States Bureau of the Census, that are based on relative
24 costs of living in the state;

25 (3) "commissioner" means the commissioner of administration;

26 (4) "copayment" means the portion of covered expenses pay-
27 able by the resident after the deductible has been met;

28 (5) "deductible" means a clause in a health insurance policy
29 stating that the insurer shall pay the portion of a claim remaining

1 after a stipulated amount, to be paid by the insured party, is deducted;

2 (6) "dependent" means a dependent under 26 U.S.C. sec. 152;

3 (7) "insurance" means prepaid health plans or health indem-
4 nity plans;

5 (8) "program" means the state health insurance program
6 established under this chapter;

7 (9) "resident" means a person who maintains a permanent
8 place of abode in the state and a voting residence in the state and who
9 has maintained both for 12 consecutive months immediately preceding
10 enrollment in the state health insurance program under this chapter;

11 (10) "subsidized health insurance" means health insurance
12 all or part of the premiums of which are paid by an employer or trade
13 union of the insured;

14 (11) "subsidized medical care" means medical care provided
15 at reduced charge or no charge to a resident or a dependent of the
16 resident.

17 * Sec. 2. AS 21.54.060 is amended by adding a new paragraph to read:

18 (7) under a policy issued to the state to insure residents
19 of the state under AS 18.27.

20 * Sec. 3. The commissioner of administration shall establish the state
21 health insurance program and provide for state health insurance cost sharing
22 by July 1, 1983.

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POSITION PAPER

WORK DRAFT OF SENATE COMMITTEE SUBSTITUTE FOR
COMMITTEE SUBSTITUTE FOR SPONSOR SUBSTITUTE FOR
HOUSE BILL NO. 41 (HESS)

I. BACKGROUND

The work draft for Senate HESS committee substitute for House Bill No. 41 would create a state-sponsored health insurance program. Previous versions of HB 41 have included proposals to make changes in the Medicaid and General Relief Medical (GRM) programs, create an employer-based health insurance subsidy program, and create a high-risk health insurance program. While the HB 41 work draft would establish the health insurance program in the Department of Administration, the subject matter of the bill does involve the Department of Health and Social Services. During the last eighteen months, the Battelle Institute has been studying health care financing in Alaska under a contract with the Department of Health and Social Services, and the results of that study are now available.

Several factors emerge from that study which bear mentioning as they relate to legislation proposing to establish a state-sponsored health insurance program:

1. There are approximately 30,000 Alaskans who have no public or private health insurance or health care coverage and:
 - a. almost all are civilian non-Natives under age 65;
 - b. approximately 12,000 are dependent children;
 - c. of the approximately 18,000 adults in this group, 14,500 are employed at least part of the year;
 - d. approximately 6000 of the 18,000 adults are childless single individuals or couples.
2. The Medicaid program could be expanded to provide coverage to many of the individuals who would be eligible for the state-sponsored health insurance program and thereby result in federal funds being used rather than state funds.
3. The scope of benefits under a state-sponsored health insurance program, the extent of state subsidy, the extent of crossover from existing employee plans, and the amount of the deductible will have a major impact on the cost of the program.

II. EFFECT OF THE HB 41 WORK DRAFT

Battelle Institute has estimated that the cost of implementing a state-sponsored health insurance program of the type proposed by the HB 41 work draft would cost the State of Alaska between \$23 and \$52

million for benefits and between \$1.5 and \$3.6 million for program administration. In addition, program administration will involve between 60 and 90 employees.

Given the present fiscal problems experienced by the State of Alaska due to the decline in the world price of oil, the development of a state-sponsored health insurance program could take place only if new state revenues were found or if funds were diverted from presently funded programs or projects. While this does not appear likely to happen this year, it is still important to discuss some concerns that the Department has about the HB 41 work draft.

1. The HB 41 work draft does not specify what categories of service would be covered under the state-sponsored health insurance plan, leaving this responsibility to the Commissioner of the Department of Administration. The nature, cost, and desirability of the program will vary greatly depending on the services covered.

2. No mention is made of coverage for preventive health care. Under Medicaid, the Early and Periodic Screening, Diagnosis and Treatment program provides preventive health screening and treatment services for all Medicaid-eligible children, including routine dental care. Without preventive coverage, the state-sponsored program will merely be providing illness insurance.

3. Since the HB 41 work draft lacks detail on what the program would entail, there is no information as to what the period of eligibility will be for state subsidy of premiums and deductibles. Under Medicaid and GRM, individuals must report as frequently as monthly or lose eligibility. If longer periods of time are used for the state subsidy, will there be adjustments for seasonal variations in income. Also, no mention is made of how personal assets will be considered in determining eligibility. Under the Catastrophic Illness program, a percentage of personal assets above a maximum level are considered available to meet the applicant's medical needs.

4. Expansion of the Medicaid program could provide the same type of health insurance coverage as would be created under the state-sponsored health insurance program for those individuals who will likely receive full state subsidies. The primary difference is that by expanding the Medicaid program, the State of Alaska would be able to take advantage of federal funds to make up 48% of the benefit and administrative costs.

5. Nothing in the HB 41 work draft indicates the basis upon which payment will be made to health care providers. Some of the alternatives are: usual and customary charges; usual, customary, and reasonable; schedule of maximum allowances; percentage of charges; lower of costs or charges; flat rate; interim rates with retrospective cost settlement; per capita payments. Whatever the payment method used, several studies have shown that fee-for-service health insurance programs are not the most cost-effective method of providing health care coverage. A state-sponsored health insurance program may be more efficiently administered through the development of health maintenance organizations or other prepaid health plans that operate on a per capita basis rather than a fee-for-service basis.

6. A major factor in the delivery of health care in Alaska is access to health care providers. The availability of health insurance is of little value if an individual does not have access to services. Under the Medicaid program, necessary, medically-related transportation is a program benefit. Consideration should be given to assuring that necessary medically-related transportation is included in a state-sponsored health insurance program.

7. The HB 41 work draft would preclude state subsidy for individuals who already receive government subsidized health insurance or health care services. However, such an exclusion should apply only when the individual's other subsidized program provides equal or better coverage than available under the state-sponsored health insurance program.

8. Federally-operated health care facilities providing services at no cost to beneficiaries are not eligible to receive payment for them under almost all health insurance programs. Whether or not this will be the case under a state-sponsored health insurance program depends partly on the willingness of federally-operated facilities to provide health care to non-beneficiaries, and the cost-effectiveness of providing transportation to private health care providers more distant from their homes than federally-operated facilities.

III. POSITION OF THE DEPARTMENT

Given a more promising financial picture for the State of Alaska, we believe that a state-sponsored health insurance program that has taken into consideration the factors raised in part II could be a worthwhile expenditure of state revenues and contribute to the overall productive of the people of the state of Alaska. However, in the present fiscal reality, we believe that the creation of a state-sponsored health insurance program would require a major redirection of state spending priorities which the Department believes cannot be undertaken at this late date in the 1982 legislative session. As an alternative, the Department would like to suggest that the contents of CSSB 817 be considered as a Senate HESS committee substitute for HB 41. CSSB 817 would transfer funus between the GRM and Medicaid programs to take advantage of federal Medicaid funds that are available without increasing the state budget. Under CSSB 817, the Department would provide health care coverage, including preventive health care services, to over 4000 children not presently eligible for Medicaid, and provide prenatal care to almost 400 pregnant women not currently eligible for Medicaid. Passage of CSSB 817 would not cost the state any money, but would provide health care services to a portion of the population targeted for coverage under the state-sponsored health insurance program in the HB 41 work draft.

Approved by:


Helen D. Beirne, Commissioner

Dated:

4-7-82

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SCS CSSSHB 41 (work draft)
 Title An Act establishing a state health insurance program
 Requested by Senate HESS Committee Date 3/30/82

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services
 Program Category Affected None
 BRU, Program, Or Subprogram(s) Affected None
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	0	0	0	0	0	0

FUNDING (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

FULL TIME	0	0	0	0	0	0
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

The HB 41 work draft proposes to create a state-sponsored health insurance program in the Department of Administration and would therefore have no effect on the Department of Health and Social Services.

IV. DATE 4/7/82 PREPARED BY David M Davidson
 AGENCY Division of Public Assistance
 Original: Legislative Finance . PHONE 455-3347
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)
 33-001 (Rev. 12/81)

JCC

POSITION PAPER
COMMITTEE SUBSTITUTE FOR
CS FOR SPONSOR SUBSTITUTE
HOUSE BILL NO. 41 (FINANCE) *(afd failed)*

"An Act relating to the health of residents of the state; and providing for an effective date."

I. DEPARTMENTAL OVERVIEW OF CS FOR SPONSOR SUBSTITUTE HOUSE BILL NO. 41 (FINANCE)

Committee Substitute for CS for Sponsor Substitute to House Bill No. 41 (Finance) is composed primarily of four parts:

- a. Sections 1, 2, 3 and 4 provide for a state comprehensive health plan available to all residents of the State will pay all or a part of the coverage for low income persons.
- b. Sections 5, 6, 7 and 8 expand the insurance statutes to require that certain Group insurance plans include coverage for alcoholism and drug dependence.
- c. Section 9 directs the Commissioner of Health and Social Services to contract for medical services through insurance companies or health care services organizations for beneficiaries of the Department's medical programs once contracting is determined cost competitive. (Medicaid, General Relief Medical, Catastrophic Illness, Crippled Children's, and Maternal and Child Health Programs).
- d. Sections 10 and 11 expand the Medicaid program by adding new beneficiaries and services respectively.
- e. Section 12 is a definition section
- f. Section 13 mandates that the Legislative Council shall study and make recommendations to improve coverage of Medicare and Indian Health Service.

II. GENERAL DEPARTMENTAL COMMENTS/RECOMMENDATIONS

The major portions of this bill pertain to the provisions and development of a state comprehensive health plan. The Governor has, as prescribed and funded by the 1980 Legislature, embarked upon a "Comprehensive Health Care and Financing Study" for the development of a comprehensive health care and cost distribution plan for Alaska. That study is now at mid-point. The study is examining the present health care delivery and financing systems in Alaska, identifying existing and potential funding

sources, examining improvements to the present systems and a discussion of alternative methods of providing for health care and cost distribution in Alaska, and designing legislative and administrative proposals for the implementation of potential new systems or methods.

At present the Governor's study is to be completed by December 15, 1981. This presents tight timing for the Department of Administration to consider the information in the Governor's study and report by the 30th day of the 1982 legislative session.

Since the Reagan Administration and Congress are reviewing alternative approaches to funding and administration of the Medicaid program, it is not advisable for Alaska to immediately to adopt all eligible groups, except for medically needy, and all 16 outstanding optional services at this time. Absent a clearer picture of the financial and administrative ramifications involved, the potential long term consequence could be funding of this program expansion with all state general funds.

As early as January, 1982, the Department and the Alaska Legislature will have a clearer picture of the effects of the various proposals in Congress concerning Medicaid and will have the benefit of the information included in the "Comprehensive Health Care Study".

For the above reasons, therefore, the Department of Health and Social Services cannot support CSSSHB-41 at this time.

The Department of Health and Social Services will primarily reserve its comments to Sections 5 through 11 of the bill as the earlier sections are concerning insurance, and it is our understanding that the Department of Administration and Department of Commerce and Economic Development will address that aspect of the bill. The Department's general comments regarding Sections 5 through 11 are as follows:

1. Sections 5 - 8, we support the requirement of alcohol and drug abuse treatment coverage under health insurance benefit package for state employees with an optional provision available to employees of other governmental units.

We believe such benefits have the potential to be cost-saving for the state, in such areas as sick leave utilization, absenteeism, lost production time and other factors.

2. Section 9. We support the concept of purchasing health care services for our medical assistance beneficiaries through health insurance policies or other contracts when judged by the Commissioner of the Department of Health and Social Services to be cost effective.
3. Section 10 as written would require DHSS to provide Medicaid coverage to all optional groups, except medically needy, not just those that have been added piecemeal to the state statutes. We would prefer that such major changes be delayed until we have a clearer picture of the federal budget impacts and the benefit of the results of the comprehensive health study. If the legislature wishes to pursue this, we would recommend phasing additional eligible groups into the program rather than adding all remaining groups at a single time.
4. Section 11 would require DHSS to provide Medicaid coverage for all services permitted under federal law rather than limit the program to those services presently listed in state statutes. We would prefer that such major changes be delayed until we have a clearer picture of the federal budget impacts and the benefit of the results of the comprehensive health study. Again, we would recommend phasing additional services into the program rather than adding all 16 outstanding optional services at a single time.

III. SPECIFIC DEPARTMENTAL DISCUSSIONS OF SECTIONS (5 - 8) -
ALCOHOL AND DRUG ABUSE TREATMENT

Insurance Coverage for State Employees:

Sections 5 - 8 of the bill mandate additional coverage for alcoholism and drug dependence under the state employees health benefits package and make such coverage optional to employees of other governmental units. Its intent is to consider the treatment of alcohol and drug dependence as similar to other medical conditions and is consistent with legislation that has recently been enacted in twenty-nine other states.

We believe that such coverage would be beneficial in that it would encourage people to avail themselves of needed alcoholism and drug abuse treatment services. To the extent that they do so, lost production, absenteeism, sick leave utilization, disability benefit payments and hospitalization for accidental injury and related diseases should diminish. Evidence from public and private organi-

zations around the country (Kennecott Copper, Kemper Insurance, State of California, as examples) indicate that utilization of these benefits actually cuts costs to individuals and firms for acute medical care for accidental injury and numerous illnesses.

Additionally, the provision of these benefits is an encouragement for hospitals in Alaska to begin to provide structured Alcoholism/Drug Abuse Treatment services, and for physicians to begin to state diagnosis of alcoholism and/or prescription drug addiction on their claims to insurance companies, instead of utilizing inappropriate euphemistic diagnoses for claiming benefits, as they now admittedly do in apparently somewhat massive numbers.

The effect of proper physician diagnosis and structured treatment will be to upgrade both the quality and appropriateness of care throughout the State.

IV. SPECIFIC DEPARTMENTAL CONCERNS IN SECTIONS 9, 10 and 11.
(MEDICAL ASSISTANCE)

Section 9 - Line 22 on Page 7 Through Line 14 on Page 9:

AS 47.05.070 - Directs the Commissioner of DHSS to select either the option of purchasing and paying premiums on policies of insurance, or paying the expenses of health care service contracts when judged cost-effective by the Commissioner. The Department supports this concept so long as this determination of cost-effectiveness is accomplished looking at the entire program rather than on a service-by-service basis. It should be pointed out that the Department already has the ability to purchase insurance or health care service contracts under existing federal law. This change would simply make it mandatory for the Department to do so.

AS 47.05.100 - We support the general public policy intended by this portion of the bill, however, we would like to offer an amendment as follows:

INTEREST ON LATE PAYMENTS. When presented by a provider of medical services with a clean claim, the state shall pay:

- (1) interest: at the rate of one percent per penalty month when payment is delayed more than 45 days after pre-

resentation of the clean claim. A "penalty month" starts on the 46th day and consists of 30 day increments thereafter until the claim is paid.

- (2) . no change
- (3) the interest for a full month if the overdue claim is not paid by the 15th day of any penalty (calendar) month.

Section 10 - Line 15 on Page 9 Through Line 20 on Page 9:

AS 47.07.020 - This Section would amend state law to provide coverage for all optional groups not currently entitled to Medicaid benefits, except the medically needy. This includes the unborn child group, the unemployed parent group, caretaker relatives and certain individuals under 21.

As stated earlier the Department would recommend phasing additional eligible groups into the programs instead of adding all remaining groups simultaneously. We would suggest that categorical groups be added in the following timeframes:

- (1) July 1982: Unborn Child Group
Caretaker Relatives
Individuals Under 21
- (2) July 1983: Unemployed Father Group

By staging the categorical groups in this manner a number of benefits would result:

- (1) The Department will have received official notice of how President Reagan's administration is going to change the methods of distributing federal funds for Medicaid programs.
- (2) The Department's permanent medical claims payment system will be implemented and the added bill processing burden will be eased.
- (3) The Department would be prepared in advance with regulations and staff to handle the new coverage groups representing approximately 2,000 additional families.

Section 11 - Lines 21 Through 25 on Page 9:

AS 47.07.030 - This section as amended would change state law to dramatically expand medical services offered under

the Medicaid program. We would prefer that such major changes be delayed until we have a clearer picture of the federal budget impacts and the benefit of the results of the comprehensive health study. If the legislature wishes to pursue this, we would recommend phasing additional services into the program rather than adding all 16 outstanding optional services at this time. It is suggested the following services be specifically listed in CSSSHB41 (Finance) rather than the current blanket provision adding all services:

- (1) Physical Therapy
- (2) Occupational Therapy
- (3) Prescribed Drugs
- (4) Prosthetic Devices and Medical Supplies
- (5) Other Practitioner Services
 - a. private psychologist
 - b. nurse practitioners
 - c. physician assistants
- (6) All Clinic Services
- (7) Other Diagnostic, Screening, Preventative and Rehabilitative Services
- (8) Personal Care Services
- (9) Dentures and Routine Dental Services

This change would add some new areas of coverage and would permit DHSS to claim federal funds for other services that are currently being provided to Medicaid beneficiaries using state-only funds from the GRM program.

Creation of a comprehensive health plan as contained in Section 1 would permit the transfer of major portions of the GRM program to the comprehensive health plan. GRM would remain to provide coverage for long term care services, residential care, and emergency coverage for those individuals not enrolled in the comprehensive health plan. The coordination of benefits under the comprehensive health plan and the residual coverage under GRM needs to be clarified. One method of doing this would be to limit GRM coverage to one episode during any 12 month period. Finally, the relationship between the comprehensive health plan under CSSSHB 41 (Finance) and the present catastrophic illness program should be clarified. Most payments made under the catastrophic illness program are for major medical types of coverage that may also be covered under the comprehensive health plan.

Recommended by:

Rod Betit
Rod Betit, Director
Division of Public
Assistance

Date:

May 5, 1981

RLC by George Mendell
Robert Cole, Coordinator
Office of Alcoholism and
Drug Abuse

Date:

May 5, 1981

Approved by:

Helen D. Beirne
Helen D. Beirne
Commissioner

Date:

5-11-81

MEDICAID SERVICES

Currently Covered Services

Hospital - Inpatient & Outpatient
Skilled Nursing Facility (SNF)
Intermediate Care Facility (SNF)
Intermediate Care Facility for Mentally Retarded persons and persons with related conditions (ICF/MR)
Laboratory and X-Ray Services
Physician Services
Visual Care Services, dispensing and ophthalmic materials
Medical Transportation
Psychiatric Facility Services
Home Health Care Services
Early Periodic Screening, Diagnosis, and Treatment of Individuals under 21 years of age (EPSDT)
 a. dental services
 b. prosthetic devices and medical supplies
 c. physical therapy
Community Mental Health Clinics
Family Planning Services
Outpatient Surgical Care Centers
Rural Health Clinics

Services Added by CSSSHB-41(Finance)

Podiatrist services
Chiropractic Services
Private Duty Nursing
Personal Care Services
* Physical Therapy
* Occupational Therapy
* Prescribed Drugs
Dentures and Routine Dental Services
* Prosthetic Devices and Medical Supplies
Other Diagnostic, Screening Preventative & Rehabilitative Services
Services to Individuals Over 65 Years of Age in Institutions for Mental Diseases
Services to Individuals Over 65 Years of Age in Institutions for Tuberculosis
Other Practitioner Services
 a. private psychologist
 b. nurse practitioner
 c. Physician assistant
Clinic Services - other than Community Mental Health Clinics
Services by Christian Science News
Services by Christian Science Sanatoria

* Currently accessible through General Relief Medical

BACKGROUND INFORMATION FOR FISCAL NOTES
 ON SPONSOR SUBSTITUTE FOR CSSSHB41 (FINANCE)

MEICAID

Component/New Service Groups	FY 82 Request	New Categorically	Total with Categorically Needy
Hospital	11,826.7	2,614.9	14,441.6
Physician	6,415.2	1,418.4	7,833.6
Other Services	1,759.6	389.1	2,148.7
PSDT	3,455.5	2,315.2	5,770.7
Nursing Homes	21,521.0		21,521.0
Subtotal	44,978.0	6,737.6	51,715.6
Indian Health	7,239.1	4,850.2	12,089.3
Subtotal	52,217.1	11,587.8	63,804.9
Other Serv.		2,323.0	2,323.0
Dental Serv.		1,843.6	1,843.6
Drug Serv.		2,138.6	2,138.6
Total	52,217.1	17,893.0	70,110.1

BACKGROUND INFORMATION FOR FISCAL NOTES
ON SPONSOR SUBSTITUTE FOR CSSSHB41 (FINANCE)

GENERAL RELIEF MEDICAL

<u>Component</u>	<u>FY 82 Request</u>	<u>Fiscal Note</u>	<u>Total Remaining</u>
Hospital	7,102.7	(2,343.9)	4,758.8
Physician	2,954.6	(975.0)	1,979.6
Other Services	2,600.4	(1,300.2)	1,300.2
Nursing Homes	305.9		305.9
Catastrophic	980.2		980.2
Residential	189.7		189.7
Total	14,133.5	(4,619.1)	9,514.4

CASELOAD ESTIMATES FOR FISCAL NOTES
ON SPONSOR SUBSTITUTE FOR CSSH41 (FINANCE)

Program Category	Current Caseload	GRM Reduction	Categorically Needy	Total with Categorically Needy
AFDC	6665		3752	10,417
OAA	2421			2,421
AB/AD	2398			2,398
GRM	4664	(1607)		2,857
Total	15,948	(1607)	3752	18,093

SUMMARY OF BUDGET FOR CSSSHB41 (FINANCE)

	<u>TOTAL</u>	<u>FEDERAL</u>	<u>STATE</u>	<u>POSITIONS</u>
(1) ADDITION OF MEDICAID SERVICES & NEW OPTIONAL CATEGORICAL GROUPS	18,413.4	11,631.8	6781.6	12
(2) DECREASE OF GRM DUE TO TRANSFER OF SERVICES & ELIGIBLES TO MEDICAID	(4,619.1)	-	(4619.1)	-
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL	13,794.3	11,631.8	2162.5	12

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CSSSHB 41 (Finance)

Title An ACT Relating to the Health of Residents of the State

Requested by Senate HESS Committee

Date May 5, 1981

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services

Program Category Affected Health

BRU, Program, or Subprogram(s) Affected General Relief Medical

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.		(4,619.1)	(5311.9)	(6108.6)	(7024.9)	(8078.7)
TOTAL		(4,619.1)	(5311.9)	(6108.6)	(7024.9)	(8078.7)

FUNDING (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
GENERAL FUND		(4,619.1)	(5311.9)	(6108.6)	(7024.9)	(8078.7)
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Decrease in General Relief Medical program expenditures due to the transfer of coverage for certain service categories from state funding to coverage under the Medicaid program, and the addition of certain groups under Medicaid that are currently covered by General Relief Medical.

IV. DATE May 5, 1981

PREPARED BY David M. Davidson

AGENCY Public Assistance

PHONE 465--3347

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

M&B Approval [Signature]

Date May 5, 1981

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. CSSSHB 41 (Finance)
 Title An ACT Relating to the Health and Residents of the State
 Requested by Senate HESS Date May 5, 1981

II. FISCAL DETAIL
 Agency Affected Department of Health and Social Services
 Program Category Affected Health/Social and Economic Assistance
 BRU, Program, or Subprogram(s) Affected Medicaid/Eligibility Deter./Public Assist. Admin.
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)
EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES		353.9	389.3	428.2	471.0	518.1
200 TRAVEL		12.9	14.2	15.6	17.2	18.9
300 CONTRACTUAL		133.8	147.2	161.9	178.1	195.9
400 COMMODITIES		6.5	7.2	7.9	8.7	9.5
500 EQUIPMENT		13.3	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES		-0-	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS, ETC.		17893.0	20576.9	23663.5	27213.0	31295.0
TOTAL		18413.4	21135.4	24277.1	27888.0	32037.0

FUNDING (Thousands of Dollars)

GENERAL FUND		6781.6	7782.0	8938.8	10268.4	11796.0
FEDERAL FUNDS		11631.8	13353.4	15338.3	17619.6	20241.0
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME		12	12	12	12	12
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)
 Medical benefits would be provided to approximately 2145 new cases under the Medicaid program. Administration of program benefits would require 11 field staff positions and 1 central office position, office space, and additional computer time to be divided between the Eligibility Determination and Public Assistance Administration BRUs. Funding is 50% federal except for the Indian Health Care Program which is funded at 100% federal funds.

IV. DATE May 5, 1981 PREPARED BY David M. Davidson
 AGENCY Division of Public Assistance
 PHONE 465-3347
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named) M&B Approval Date May 5, 1981

I. REQUEST

Bill/Resolution No. CS SS House Bill 41 (Finance) (Sections 5-9)

Title Insurance for Alcoholism and Drug Dependence

Requested by House Finance

Date

II. FISCAL DETAIL

Agency Affected Administration - Division of Retirement & Benefits

Program Category Affected Labor Services

BRU, Program, or Subprogram(s) Affected 02-96-8-01-02-00 (OTHER BENEFITS)

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 STATE TRS MATCHING						
100 BENEFITS		180.0	414.0	476.1	547.5	629.6
TOTAL		180.0	414.0	476.1	547.5	629.6

FUNDING (Thousands of Dollars)

GENERAL FUND	147.4	339.1	389.9	448.4	515.6
FEDERAL FUNDS	8.3	19.0	21.9	25.2	29.0
VETERAN'S FUND	0.4	.8	1.0	1.1	1.3
FISH & GAME FUND	1.1	2.5	2.9	3.3	3.8
HIGHWAY FUND	2.3	5.4	6.2	7.1	8.2
AIRPORT FUND	5.2	12.0	13.8	15.9	18.2
CAPITAL FUND	15.3	35.2	40.4	46.5	53.5
PERS					
TRS					

POSITIONS

FULL TIME					
PART TIME					
TEMPORARY					

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

- Approximately 10,275 State employees are currently covered under the State Group Health Plan.
- The cost to implement provisions of this bill will be \$2.92 per employee per month.
- Estimate that the cost to provide continued coverage will increase 15% each year for the immediate future. However, an effective Alcoholism/Drug dependency program should help to reduce overall health care claim experience in the future.

IV. DATE April 10, 1981

PREPARED BY
AGENCY

Ken Humphreys, Deputy Director
DIVISION OF RETIREMENT & BENEFITS

4-10-81

- FISCAL NOTE

I. REQUEST

Bill/Resolution No. CS SS HB 41 (Finance) (partial)
 Title State Comprehensive Health Plan
 Requested by House Finance Date _____

II. FISCAL DETAIL

Agency Affected Administration - Division of Retirement & Benefits
 Program Category Affected General Government
 BRU, Program, or Subprogram(s) Affected Retirement & Benefits and Administrative Services
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES		329.7	965.5	1051.1	1156.2	1271.8
200 TRAVEL		6.0	6.0	6.6	7.3	8.0
300 CONTRACTUAL		1001.0	572.6	629.9	692.8	762.1
400 COMMODITIES		3.5	9.5	10.5	11.5	12.5
500 EQUIPMENT		86.0	10.0	5.0	5.5	6.1
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		1426.4	1563.6	1703.1	1873.3	2060.6

FUNDING (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
GENERAL FUND		1426.4	1563.6	1703.1	1873.3	2060.6
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
FULL TIME		25	29	29	29	29
PART TIME						
TEMPORARY			4			

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Assumption:

1. 35 thousand accounts first year with 85,000 covered individuals.
2. Field offices in Anchorage, Fairbanks, Nome and Juneau.
3. Staff costs increase by 10% after FY83.
4. Does not include benefit costs under the cost sharing program or the cost under Sections 5-8.
5. Eligibility for resident status and co-payments determined by Division of Retirement & Benefits.

This fiscal note addresses only the estimated administrative costs to the state for the comprehensive health plan and state health insurance cost sharing program and producing the report called for in Sec. 2 of the bill.

IV. DATE _____ PREPARED BY Ken Humphreys, Deputy Director
 AGENCY Division of Retirement & Benefits
 PHONE 465-4462

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CS SS HB 41 (Finance) (partial)

Title State Comprehensive Plan

Requested by House Finance

Date _____

II. FISCAL DETAIL

Agency Affected Administration - Division of Retirement and Benefits

Program Category Affected General Government

BRU, Program, or Subprogram(s) Affected Retirement and Benefits and Administrative Services

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES		329.7	965.5	1051.1	1156.2	1271.8
200 TRAVEL		6.0	6.0	6.6	7.3	8.0
300 CONTRACTUAL		1001.0	574.5	631.9	695.1	764.6
400 COMMODITIES		3.5	10.7	11.8	13.0	14.3
500 EQUIPMENT		36.0	10.0	5.0	5.5	6.1
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		1426.2	1566.7	1706.4	1877.1	2064.8

FUNDING (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
GENERAL FUND		1426.2	1566.7	1706.4	1877.1	2064.8
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
FULL TIME		25	29	29	29	29
PART TIME						
TEMPORARY			4			

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Assumption:

- 35 thousand accounts first year with 85,000 covered individuals.
- Field offices in Anchorage, Fairbanks, Nome and Juneau.
- Staff costs increase by 10% after FY 83.
- Does not include benefit costs under the cost sharing program or the cost under Sections 5-8.
- Eligibility for resident status and co-payments determined by Division of Retirement and Benefits.
- The Dept. of Revenue will incur significant costs under AS 18.27.010(e).

NOTE This fiscal note addresses only the estimated administrative costs to the DOA for the comprehensive health plan and state health insurance cost sharing program and producing the report called for in Section 2 of the bill.

IV. DATE April 22, 1981

PREPARED BY Ken Humphreys, Deputy Director

AGENCY Division of Retirement and Benefits

PHONE 465-4462

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named) Representative Buchholdt
Office of the Governor Keith Specking

1	POSITION TITLE Retirement & Benefits Specialist IV	RANGE/STEP R 20A	BARG. UNIT. Supr.	LOCATION Juneau	GOV	APPROV.	DISAPP.
2	TYPE OF POSITION PFT	STAFF MONTHS 12	RP No.	PCN No.	PRIORITY 1	FORM 12	PAGE/LINE

3	TYPE OF EXPENDITURE	AMOUNT
	1	2
4	PERSONAL SERVICES: SALARY	37,140
5	BENEFITS	5,864
6	FICA	2,277
7	HEALTH INS.	1,560
8	TOTAL PERSONAL SERVICES 01	46,841
9	TRAVEL 02	2,000
10	CONTRACTUAL 03	3,700
11	COMMODITIES 04	300
12	EQUIPMENT 05	2,000
13	OTHER	
14	TOTAL COST	54,841

JUSTIFICATION:

Supervisor - State Comprehensive Health Plan.

Lease Space Costs = \$2,700
Telephone = 1,000

	CODE	FUNDING SOURCE
15		FED RCPTS. 1002
16		GF MATCH. 1003
17		GEN. FUND 1004
18		I--A RCPTS. 1005
19		PGM RCPTS 1028
20		OTHER

21	CONTINUATION	
22	ADDITION	54,841

FOR B&M USE ONLY

4A KEY NUMBER _____ COLUMN NO. _____

AGENCY Administration PROGRAM General Government

BRU Retirement & Benefits

COMPONENT New

13 REQUEST FOR NEW POSITION.

FY 82

1	POSITION TITLE Systems Analyst I			RANGE/STEP 18A	BARG. UNIT. GGU	LOCATION Juneau	GOV.	APPROV.	DISAPP.					
2	TYPE OF POSITION PFT	STAFF MONTH 4	RP No.	PCN No.	PRIORITY 2	FORM 12 PAGE/LINE	LEG.							
3	TYPE OF EXPENDITURE			AMOUNT		JUSTIFICATION:								
	1	2	3											
4	PERSONAL SERVICES:				Data Processing lead person - State Comprehensive Comprehensive Health Plan.									
	SALARY		10,560											
5	BENEFITS		1,667											
6	FICA		648											
7	HEALTH INS.		520											
8	TOTAL PERSONAL SERVICES		01	13,395										
9	TRAVEL		02	-0-										
10	CONTRACTUAL		03	1,200										
11	COMMODITIES		04	100										
12	EQUIPMENT		05	2,000										
13	OTHER													
14	TOTAL COST			16,695										
	CODE	FUNDING SOURCE												
15		FED RCPTS. 1002												
16		GF MATCH. 1003												
17		GEN. FUND 1004		16,695										
18		I-A RCPTS. 1005												
19		PGM RCPTS 1008												
20		OTHER												
21	CONTINUATION													
22	ADDITION		16,695	FOR B&M USE ONLY										
4A KEY NUMBER _____ COLUMN NO. _____														

Lease space costs = \$900

AGENCY Administration PROGRAM General Government

BRU Retirement and Benefits

COMPONENT New

13 REQUEST FOR NEW
POSITION

Page 2 of 25

REVISED
DATE _____

FY 82

1	POSITION TITLE Accountant II				RANGE/STEP 16/A	BARG. UNIT. GGU	LOCATION Juneau	GOV.	APPROV.	DISAPP.						
2	TYPE OF POSITION PFT	STAFF MONTHS 4	RP No.	PCN No.	PRIORITY 3	FORM 12	PAGE/LINE	LEG.								
3	TYPE OF EXPENDITURE				JUSTIFICATION:											
	1	2	3													
4	PERSONAL SERVICES:				Lead Accountant for State Comprehensive Health Plan.											
	SALARY		9,164													
5	BENEFITS		1,447													
6	FICA		562													
7	HEALTH INS.		520													
8	TOTAL PERSONAL SERVICES		01	11,693												
9	TRAVEL		02	-0-												
10	CONTRACTUAL		03	1,200												
11	COMMODITIES		04	100												
12	EQUIPMENT		05	2,000												
13	OTHER															
14	TOTAL COST			14,993												
	CODE	FUNDING SOURCE														
15		FED RCPTS. 1002														
16		GF MATCH. 1003														
17		GEN. FUND 1004			14,993											
18		I-A RCPTS. 1005														
19		PGM RCPTS 1028														
20		OTHER														
21	CONTINUATION				FOR B&M USE ONLY											
22	ADDITION		14,993													
4A KEY NUMBER _____ COLUMN NO. _____																

Lease space cost = \$900

AGENCY Administration PROGRAM General Government

BRU Retirement & Benefits

COMPONENT New

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REVISED DATE _____

13 REQUEST FOR NEW POSITION.

FY 82

1	POSITION TITLE Retirement & Benefits Specialist III			RANGE/STEP 18/A	BARG. UNIT. GGU	LOCATION Anchorage	GOV.	APPROV.	LEASE
2	TYPE OF POSITION PFT	STAFF MONTHS 6	RP No.	PCN No.	PRIORITY 4	FORM 12	PAGE/LINE	LEG.	
3	TYPE OF EXPENDITURE			AMOUNT		JUSTIFICATION: Lead Field Person - State Comprehensive Health Plan. Anchorage Field Office.			
	1	2	3						
4	PERSONAL SERVICES:								
	SALARY		15,840						
5	BENEFITS		2,501						
6	FICA		971						
7	HEALTH INS.		780						
8	TOTAL PERSONAL SERVICES		01	20,092					
9	TRAVEL		02	1,000					
10	CONTRACTUAL		03	2,000					
11	COMMODITIES		04	300					
12	EQUIPMENT		05	2,000					
13	OTHER								
14	TOTAL COST			25,392					
	CODE	FUNDING SOURCE							
15		FED RCPTS. 1002							
16		GF MATCH. 1003							
17		GEN. FUND 1004		25,392					
18		I-A RCPTS. 1005							
19		PGM RCPTS 1028							
20		OTHER							
21	CONTINUATION								
22	ADDITION	25,392	FOR B&M USE ONLY						
3A KEY NUMBER		COLUMN NO.							

Lease Space = \$1,350
Telephone = \$650

AGENCY Administration PROGRAM General Government

BRU Retirement & Benefits

COMPONENT New

13 REQUEST FOR NEW
POSITION.

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REVISED
DATE _____

FY 82

1	POSITION TITLE Retirement & Benefits Specialist III				RANGE/STEP 18/A	BARG. UNIT. GGU	LOCATION Fairbanks	GOV.	APPROV.	DISAPP.
2	TYPE OF POSITION PFT	STAFF MONTHS 6	RP No.	PCN No.	PRIORITY 5	FORM 12	PAGE/LINE	REG.		

3	TYPE OF EXPENDITURE		AMOUNT
	1	2	3
4	PERSONAL SERVICES:		
	SALARY		18,234
5	BENEFITS		2,879
6	FICA		1,118
7	HEALTH INS.		780
8	TOTAL PERSONAL SERVICES	01	23,011
9	TRAVEL	02	1,000
10	CONTRACTUAL	03	2,216
11	COMMODITIES	04	300
12	EQUIPMENT	05	2,000
13	OTHER		
14	TOTAL COST		28,527

JUSTIFICATION:

Lead field office person - State Comprehensive Health Plan.

Lease Space Costs = \$1,566
Telephone = 650

	CODE	FUNDING SOURCE	
15		FED RCPTS. 1002	
16		GF MATCH. 1003	
17		GEN. FUND 1004	28,527
18		I-A RCPTS. 1005	
19		PGM RCPTS 1008	
20		OTHER	
21	CONTINUATION		
22	ADDITION	28,527	FOR B&M USE ONLY

AA KEY NUMBER _____ COLUMN NO. _____

AGENCY Administration PROGRAM General Government

BRU Retirement & Benefits

COMPONENT New

13 REQUEST FOR NEW POSITION.

FY 82

1	POSITION TITLE Retirement and Benefits Specialist III			RANGE/STEP 18A	BARG. UNIT. GGU	LOCATION Nome	GOV.	APPROV.	DISAPP.					
2	TYPE OF POSITION PFT	STAFF MONTHS 6	RP No.	PCN No.	PRIORITY 6	FORM 12	PAGE/LINE	LEG.						
3	TYPE OF EXPENDITURE			AMOUNT		JUSTIFICATION:								
	1	2	3											
4	PERSONAL SERVICES:				Lead Field office person - State Comprehensive Health Plan									
	SALARY		20,964											
5	BENEFITS		3,310											
6	FICA		1,285											
7	HEALTH INS.		780											
8	TOTAL PERSONAL SERVICES		01	26,339										
9	TRAVEL		02	1,000										
10	CONTRACTUAL		03	2,612										
11	COMMODITIES		04	300										
12	EQUIPMENT		05	2,000										
13	OTHER													
14	TOTAL COST			32,251										
	CODE	FUNDING SOURCE												
15		FED RCPTS. 1002												
16		GF MATCH. 1003												
17		GEN. FUND 1004			32,251									
18		I-A RCPTS. 1005												
19		PGM RCPTS 1028												
20		OTHER												
21	CONTINUATION													
22	ADDITION		32,251	FOR B&M USE ONLY										
4A KEY NUMBER _____ COLUMN NO. _____														

Lease space costs = \$1,962
Telephone = 650

AGENCY Administration PROGRAM General Government

BRU Retirement and Benefits

COMPONENT New

13 REQUEST FOR NEW POSITION.

FY 82

1	POSITION TITLE: Retirement and Benefits Specialist III			RANGE/STEP 18/A	BARG. UNIT. GGU	LOCATION Juneau	GOV	APPROV	DISAPP						
2	TYPE OF POSITION PFT	STAFF MONTHS 6	RP No.	PCN No.	PRIORITY 7	FORM 12 PAGE/LINE	LEG								
3	TYPE OF EXPENDITURE			JUSTIFICATION:											
	1	2	3												
4	PERSONAL SERVICES: SALARY		15,840	Lead field person - State Comprehensive Health Plan.											
5	BENEFITS		2,501												
6	FICA		971												
7	HEALTH INS.		780												
8	TOTAL PERSONAL SERVICES		01 20,092												
9	TRAVEL		02 1,000												
10	CONTRACTUAL		03 2,000												
11	COMMODITIES		04 300												
12	EQUIPMENT		05 2,000												
13	OTHER														
14	TOTAL COST		25,392												
	CODE	FUNDING SOURCE													
15		FED RCPTS. 1002													
16		GF MATCH. 1003													
17		GEN. FUND 1004		25,392											
18		I-A RCPTS. 1005													
19		PGM RCPTS 1028													
20		OTHER													
21	CONTINUATION														
22	ADDITION	25,392	FOR B&M USE ONLY												
AA KEY NUMBER _____ COLUMN NO. _____															

Lease space costs = \$1,350
Telephone = 650

AGENCY Administration PROGRAM General Government

BRU Retirement and Benefits

COMPONENT New

13 REQUEST FOR NEW POSITION.

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REVISED DATE _____

FY 82

1	POSITION TITLE Clerk IV				RANGE/STEP 9/A	BARG. UNIT. GGU	LOCATION Anchorage	GOV.	APPROV.	DISAPP.						
2	TYPE OF POSITION PFT	STAFF MONTHS 4	RP No.	PCN No.	PRIORITY 8		FORM 12 PAGE/LINE	LEG.								
3	TYPE OF EXPENDITURE			AMOUNT		JUSTIFICATION:										
	1	2	3													
4	PERSONAL SERVICES:				Clerical Support - State Comprehensive Health Plan - Anchorage Field Office											
	SALARY		5,900													
5	BENEFITS		931													
6	FICA		362													
7	HEALTH INS.		520													
8	TOTAL PERSONAL SERVICES		01	7,713												
9	TRAVEL		02													
10	CONTRACTUAL		03	1,200												
11	COMMODITIES		04	100												
12	EQUIPMENT		05	2,000												
13	OTHER															
14	TOTAL COST			11,013												
	CODE	FUNDING SOURCE														
15		FED RCPTS. 1002														
16		GF MATCH. 1003														
17		GEN. FUND 1004		11,013												
18		I-A RCPTS. 1005														
19		PGM RCPTS 1028														
20		OTHER		11,013												
21	CONTINUATION															
22	ADDITION		11,013		FOR B&M USE ONLY											

Lease Space = \$900

AGENCY Administration PROGRAM General Government

BRU Retirement & Benefits

COMPONENT New

13 REQUEST FOR NEW POSITION.

Page 8 of 25

REVISED DATE _____

FY 82

1	POSITION TITLE Clerk IV				RANGE/STEP 9/A	BARG. UNIT. GGU	LOCATION Fairbanks	GOV	APPROV	DISAPP
2	TYPE OF POSITION PFT	STAFF MONTHS 4	RP No.	PCN No.	PRIORITY 9	FORM 12	PAGE/LINE	LEG		

3	TYPE OF EXPENDITURE	AMOUNT
	1	2
4	PERSONAL SERVICES: SALARY	6,648
5	BENEFITS	1,050
6	FICA	408
7	HEALTH INS.	520
8	TOTAL PERSONAL SERVICES 01	8,626
9	TRAVEL 02	
10	CONTRACTUAL 03	1,344
11	COM. DDITIES 04	100
12	EQUIPMENT 05	2,000
13	OTHER	
14	TOTAL COST	12,070

JUSTIFICATION:

Clerical support - Fairbanks field office - State Comprehensive Health Plan.

	CODE	FUNDING SOURCE
15		FED RCPTS. 1002
16		GF MATCH. 1003
17		GEN. FUND 1004
18		I-A RCPTS. 1005
19		PGM RCPTS 1028
20		OTHER

21	CONTINUATION		FOR B&M USE ONLY
22	ADDITION	12,070	

4A KEY NUMBER _____ COLUMN NO. _____

Lease Space Costs = \$1,044

AGENCY Administration PROGRAM General Government

BRU Retirement & Benefits

COMPONENT New

13 REQUEST FOR NEW POSITION

REVISED DATE _____

FY 82

1	POSITION TITLE Clerk IV				RANGE/STEP 9/A	BARG. UNIT. GGU	LOCATION Nome	APPROV. GOV.	DISAPP.
2	TYPE OF POSITION PFT	STAFF MONTHS 4	RP No.	PCN No.	PRIORITY 10	FORM 12	PAGE/LINE	LEG.	

3	TYPE OF EXPENDITURE		AMOUNT
	1	2	3
4	PERSONAL SERVICES:		
	SALARY		7,568
5	BENEFITS		1,195
6	FICA		464
7	HEALTH INS.		520
8	TOTAL PERSONAL SERVICES	01	9,747
9	TRAVEL	02	-0-
10	CONTRACTUAL	03	1,508
11	COMMODITIES	04	100
12	EQUIPMENT	05	2,000
13	OTHER		
14	TOTAL COST		13,355

JUSTIFICATION:

Clerical Support - Nome field office -
State Comprehensive Health Plan

	CODE	FUNDING SOURCE	
15		FED RCPTS. 1002	
16		GF MATCH. 1003	
17		GEN. FUND 1004	13,355
18		I-A RCPTS. 1005	
19		PGM RCPTS 1028	
20		OTHER	

21	CONTINUATION		
22	ADDITION	13,355	FOR B&M USE ONLY

4A. KEY NUMBER _____ COLUMN NO. _____

Lease Space = 1308

AGENCY Administration PROGRAM General Government

BRU Retirement & Benefits

COMPONENT New

13 REQUEST FOR NEW POSITION.

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REVISED DATE _____

FY 82

1	POSITION TITLE Clerk IV			RANGE/STEP 9/A	BARG. UNIT. GGU	LOCATION Juneau	GOV	APPROV	DISAPP.
2	TYPE OF POSITION PFT	STAFF MONTHS 4	RP No.	PCN No.	PRIORITY 11	FORM 12 PAGE/LINE	LEG		
3	TYPE OF EXPENDITURE			AMOUNT					
	1	2	3						
4	PERSONAL SERVICES: SALARY		5,900						
5	BENEFITS		931						
6	FICA		362						
7	HEALTH INS.		520						
8	TOTAL PERSONAL SERVICES		01	7,713					
9	TRAVEL		02	-0-					
10	CONTRACTUAL		03	1,200					
11	COMMODITIES		04	100					
12	EQUIPMENT		05	2,000					
13	OTHER								
14	TOTAL COST			11,013					
	CODE	FUNDING SOURCE							
15		FED RCPTS. 1002							
16		GF MATCH. 1003							
17		GEN. FUND 1004			11,013				
18		I-A RCPTS. 1005							
19		PGM RCPTS 1028							
20		OTHER			11,013				
21	CONTINUATION								
22	ADDITION		11,013	FOR B&M USE ONLY					
4A KEY NUMBER				COLUMN NO.					

JUSTIFICATION:

Clerical Support-State Comprehensive Health Plan.

Lease Space = \$900

AGENCY Administration PROGRAM General Government

BRU Retirement & Benefits

COMPONENT New

13 REQUEST FOR NEW POSITION

FY 82

1	POSITION TITLE Correspondence Secretary II			RANGE/STEP 10/A	BARG. UNIT. GGU	LOCATION Juneau	GOV	APPROV	DISAPP.
2	TYPE OF POSITION PFT	STAFF MONTHS 4	RP No.	PCN No.	PRIORITY 12	FORM 12 PAGE/LINE	LHC		
3	TYPE OF EXPENDITURE		AMOUNT		JUSTIFICATION: Clerical Support - Headquarters Office - State Comprehensive Health Plan.				
	1	2	3						
4	PERSONAL SERVICES: SALARY		6,256						
5	BENEFITS		988						
6	FICA		384						
7	HEALTH INS.		520						
8	TOTAL PERSONAL SERVICES		01	8,148					
9	TRAVEL		02						
10	CONTRACTUAL		03	900					
11	COMMODITIES		04	100					
12	EQUIPMENT		05	11,000					
13	OTHER								
14	TOTAL COST			20,148					
	CODE	FUNDING SOURCE							
15		FED RCPTS. 1002							
16		GF MATCH. 1003							
17		GEN. FUND 1004		20,148					
18		I-A RCPTS. 1005							
19		PGM RCPTS 1029							
20		OTHER							
21	CONTINUATION		FOR B&M USE ONLY						
22	ADDITION	20,148							
4A KEY NUMBER				COLUMN NO.	Lease Space = \$900				

AGENCY Administration PROGRAM General Government

BRU Retirement & Benefits

COMPONENT New

13 REQUEST FOR NEW POSITION

REVIS'D DATE

FY 82

1	POSITION TITLE Retirement & Benefits Technician				RANGE/STEP 12/A	BARG. UNIT. GGU	LOCATION Jupreau	GOV.	APPROV.	DISAPP.						
2	TYPE OF POSITION PFT	STAFF MONTHS 4	RP No.	PCN No.	PRIORITY	FORM 12	PAGE/LINE	LIK								
3	TYPE OF EXPENDITURE				JUSTIFICATION:											
	1	2	3		Eligibility determination & Enrollment											
4	PERSONAL SERVICES:															
	SALARY	JCI	7,045													
5	BENEFITS		1,112													
6	FICA		432													
7	HEALTH INS.		520													
8	TOTAL PERSONAL SERVICES		01	9,109												
9	TRAVEL		02													
10	CONTRACTUAL		03	1,200												
11	COMMODITIES		04	100												
12	EQUIPMENT		05	2,000												
13	OTHER															
14	TOTAL COST			12,409												
	CODE	FUN		NG SOURCE												
15		FED RCPTS.		1002												
16		GF MATCH.		1003												
17		GEN. FUND		1004	12,409											
18		I-A RCPTS.		1005												
19		PGM RCPTS		1028												
20		OTHER														
21	CONTINUATION															
22	ADDITION		12,409	FOR B&M USE ONLY												
4A- KEY NUMBER					COLUMN NO.											

Telephone & Mail = \$300
Lease Space = 900

AGENCY Administration PROGRAM General Government

BRU Retirement & Benefits

COMPONENT New

13 REQUEST FOR NEW POSITION.

FY 82

1	POSITION TITLE Retirement & Benefits Technician			RANGE/STEP 12/A	BARG. UNIT. GGII	LOCATION Juneau	GOV.	ADP/GOV	DISAPP.
2	TYPE OF POSITION PFT	STAFF MONTHS 4	RP No.	PCN No.	PRIORITY	FORM 12 PAGE/LINE	LEG.		

3	TYPE OF EXPENDITURE		AMOUNT
	1	2	3
4	PERSONAL SERVICES:		
	SALARY		7,045
5	BENEFITS		1,112
6	FICA		432
7	HEALTH INS.		520
8	TOTAL PERSONAL SERVICES	01	9,109
9	TRAVEL	02	
10	CONTRACTUAL	03	1,200
11	COMMODITIES	04	100
12	EQUIPMENT	05	2,000
13	OTHER		
14	TOTAL COST		12,409

JUSTIFICATION:

Eligibility determinatio.. & Enrollment Claims processing.

	CODE	FUNDING SOURCE	
15		FED RCPTS. 1002	
16		GF MATCH. 1003	
17		GEN. FUND 1004	12,409
18		I-A RCPTS. 1005	
19		PGM RCPTS 1028	
20		OTHER	

21	CONTINUATION		FOR B&M USE ONLY
22	ADDITION	12,409	

Telephone & Mail = \$300
Lease Space = 900

4A KEY NUMBER: _____ COLUMN NO. _____

AGENCY Administration PROGRAM General Government

BRU Retirement & Benefits

COMPONENT New

13 REQUEST FOR NEW POSITION.

FY 82

1	POSITION TITLE Correspondence Secretary II			RANGE/STEP 10/A	BARG. UNIT. GGU	LOCATION Juneau	GOV	APPROV	DISAPP					
2	TYPE OF POSITION PFT	STAFF MONTHS 4	RP No.	PCN No.	PRIORITY	FORM 12	PAGE/LINE	LEG						
3	TYPE OF EXPENDITURE			AMOUNT		JUSTIFICATION:								
	1	2	3											
4	PERSONAL SERVICES:				Clerical Support - Field office									
	SALARY		6,256											
5	BENEFITS		988											
6	FICA		384											
7	HEALTH INS.		520											
8	TOTAL PERSONAL SERVICES		01	8,148										
9	TRAVEL		02	-0-										
10	CONTRACTUAL		03	900										
11	COMMODITIES		04	100										
12	EQUIPMENT		05	2,000										
13	OTHER													
14	TOTAL COST			11,148										
	CODE	FUNDING SOURCE												
15		FED RCPTS. 1002												
16		GF MATCH. 1003												
17		GEN. FUND 1004		11,148										
18		I-A RCPTS. 1005												
19		PGM RCPTS 1028												
20		OTHER												
21	CONTINUATION				FOR B&M USE ONLY									
22	ADDITION	11,148												
4A KEY NUMBER				COLUMN NO.		Lease Space = \$900								

AGENCY Administration PROGRAM General Government

BRU Retirement & Benefits

COMPONENT New

13 REQUEST FOR NEW POSITION

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FY 82

1	POSITION TITLE Retirement & Benefits Technician			RANGE/STEP 12/A	BARG. UNIT. GGU	LOCATION Anchorage	GOV.	APPROV.	DISAPP.
2	TYPE OF POSITION PFT	STAFF MONTHS 4	RP No.	PCN No.	PRIORITY	FORM 12	PAGE/LINE	LEG.	
3	TYPE OF EXPENDITURE			AMOUNT		JUSTIFICATION: Eligibility determination and Enrollment claims processing.			
	1	2	3						
4	PERSONAL SERVICES:								
	SALARY		7,045						
5	BENEFITS		1,112						
6	FICA		432						
7	HEALTH INS.		520						
8	TOTAL PERSONAL SERVICES		01	9,109					
9	TRAVEL		02	-0-					
10	CONTRACTUAL		03	1,200					
11	COMMODITIES		04	100					
12	EQUIPMENT		05	2,000					
13	OTHER								
14	TOTAL COST			12,409					
	CODE	FUNDING SOURCE							
15		FED RCPTS. 1002							
16		GF MATCH. 1003							
17		GEN. FUND 1004		12,409					
18		I-A RCPTS. 1005							
19		PGM RCPTS 1028							
20		OTHER							
21	CONTINUATION								
22	ADDITION	12,409	FOR B&M USE ONLY						
AA KEY NUMBER		COLUMN NO.							

Telephone & Mail = \$300
Lease Space = 900

AGENCY Administration PROGRAM General Government

BRU Retirement & Benefits

COMPONENT New

13 REQUEST FOR NEW
POSITION

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FY 82

1	POSITION TITLE Retirement & Benefits Technician			RANGE/STEP 12/A	BARG. UNIT. GGU	LOCATION Anchorage	GOV.	APPROV.	DISAPP.
2	TYPE OF POSITION PFT	STAFF MONTHS 4	RP No.	PCN No.	PRIORITY	FORM 12 PAGE/LINE	LEG.		
3	TYPE OF EXPENDITURE			AMOUNT		JUSTIFICATION: Eligibility determination and Enrollment claims processing.			
	1	2	3						
4	PERSONAL SERVICES:								
	SALARY		7,045						
5	BENEFITS		1,112						
6	FICA		432						
7	HEALTH INS.		520						
8	TOTAL PERSONAL SERVICES		01	9,109					
9	TRAVEL		02	-0-					
10	CONTRACTUAL		03	1,200					
11	COMMODITIES		04	100					
12	EQUIPMENT		05	2,000					
13	OTHER								
14	TOTAL COST			12,409					
	CODE	FUNDING SOURCE							
15		FED RCPTS. 1002							
16		GF MATCH. 1003							
17		GEN. FUND 1004		12,409					
18		I-A RCPTS. 1005							
19		PGM RCPTS 1028							
20		OTHER							
21	CONTINUATION								
22	ADDITION	12,409	FOR B&M USE ONLY						
7A KEY NUMBER		COLUMB NO.							

Telephone & Mail = \$300
Lease Space = 900

AGENCY Administration PROGRAM General Government

BRU Retirement & Benefits

COMPONENT New

13 REQUEST FOR NEW POSITION.

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FY 82

1	POSITION TITLE Correspondence Secretary II	RANGE/STEP 10/A	BARG. UNIT. GGU	LOCATION Anchorage	GOV.	APPROV.	DISAPP.
2	TYPE OF POSITION DFT	STAFF MONTHS 4	RP No.	PCN No.	PRIORITY	FORM 12	PAGE/LINE

3	TYPE OF EXPENDITURE	AMOUNT
	1	2
4	PERSONAL SERVICES: SALARY	6,256
5	BENEFITS	988
6	FICA	384
7	HEALTH INS.	520
8	TOTAL PERSONAL SERVICES 01	8,148
9	TRAVEL 02	
10	CONTRACTUAL 03	900
11	COMMODITIES 04	100
12	EQUIPMENT 05	11,000
13	OTHER	
14	TOTAL COST	20,148

JUSTIFICATION:

Clerical Support - Field Office

Lease Space = \$900

	CODE	FUNDING SOURCE
15		FED RCPTS. 1002
16		GF MATCH. 1003
17		GEN. FUND 1004
18		I-A RCPTS. 1005
19		PGM RCPTS 1028
20		OTHER
21	CONTINUATION	
22	ADDITION	20,148

FOR B&M USE ONLY

4A. KEY NUMBER _____ COLUMN NO. _____

AGENCY Administration PROGRAM General Government

BRU Retirement & Benefits

COMPONENT New

13 REQUEST FOR NEW POSITION.

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1	POSITION TITLE Retirement & Benefits Technician				RANGE/STEP 12/A	BARG. UNIT. GGU	LOCATION Fairbanks	GOV.	APPROV.	DISAP.						
2	TYPE OF POSITION PFT	STAFF MONTHS 4	RP No.	PCN No.	PRIORITY		FORM 12 PAGE/LINE	LEG.								
3	TYPE OF EXPENDITURE				AMOUNT		JUSTIFICATION:									
	1	2	3													
4	PERSONAL SERVICES:				Eligibility determination and Enrollment Claims processing.											
	SALARY	7,980														
5	BENEFITS	1,269														
6	FICA	489														
7	HEALTH INS.	520														
8	TOTAL PERSONAL SERVICES	01	10,258													
9	TRAVEL	02														
10	CONTRACTUAL	03	1,344													
11	COMMODITIES	04	100													
12	EQUIPMENT	05	2,000													
13	OTHER															
14	TOTAL COST		13,702													
	CODE	FUNDING SOURCE														
15		FED RCPTS. 1002														
16		GF MATCH. 1003														
17		GEN. FUND 1004		13,702												
18		I-A RCPTS. 1005														
19		PGM RCPTS 1028														
20		OTHER														
21	CONTINUATION			FOR B&M USE ONLY												
22	ADDITION	13,702														
AA KEY NUMBER				COLUMN NO.												

Telephone & Mail = \$300
Lease Space = \$1,044

AGENCY Administration PROGRAM General Government

BRU Retirement & Benefits

COMPONENT New

13 REQUEST FOR NEW POSITION.

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FY 82

1	POSITION TITLE Retirement & Benefits Technician			RANGE/STEP 12/A	BARG. UNIT. GGU	LOCATION Fairbanks	GOV.	ADPHOV	DISAPP
2	TYPE OF POSITION PFT	STAFF MONTHS 4	RP No.	PCN No.	PRIORITY	FORM 12	PAGE/LINE	LEG	

3	TYPE OF EXPENDITURE	AMOUNT	
	1	2	3
4	PERSONAL SERVICES: SALARY		7,980
5	BENEFITS		1,269
6	FICA		489
7	HEALTH INS.		520
8	TOTAL PERSONAL SERVICES	01	10,258
9	TRAVEL	02	
10	CONTRACTUAL	03	1,344
11	COMMODITIES	04	100
12	EQUIPMENT	05	2,000
13	OTHER		
14	TOTAL COST		13,702

JUSTIFICATION:

Eligibility determination and Enrollment Claims processing.

	CODE	FUNDING SOURCE	
15		FED RCPTS. 1002	
16		GF MATCH. 1003	
17		GEN. FUND 1004	13,702
18		I-A RCPTS. 1005	
19		PGM RCPTS 1028	
20		OTHER	

21	CONTINUATION		FOR B&M USE ONLY
22	ADDITION	13,702	

Telephone & Mail = \$300
Lease Space = \$1,044

AGENCY Administration PROGRAM General Government

13 REQUEST FOR NEW POSITION.

BRU Retirement & Benefits

COMPONENT New

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FY 82

1	POSITION TITLE Correspondence Secretary II				RANGE/STEP 10/A	BARG. UNIT. GGU	LOCATION Fairbanks	GOV.	APPROV.	DISAPP.
2	TYPE OF POSITION PFT	STAFF MONTHS 4	RP No.	PCN No.	PRIORITY		FORM 12 PAGE/LINE	LEG.		
3	TYPE OF EXPENDITURE			AMOUNT		JUSTIFICATION: Clerical Support - field office				
	1	2	3							
4	PERSONAL SERVICES: SALARY		7,045							
5	BENEFITS		1,112							
6	FICA		432							
7	HEALTH INS.		520							
8	TOTAL PERSONAL SERVICES		01	9,109						
9	TRAVEL		02							
10	CONTRACTUAL		03	1,344						
11	COMMODITIES		04	100						
12	EQUIPMENT		05	11,000						
13	OTHER									
14	TOTAL COST			21,253						
	CODE	FUNDING SOURCE								
16		FED RCPTS. 1002								
16		GF MATCH. 1003								
17		GEN. FUND 1004		21,253						
18		I-A F RCPTS. 1005								
19		PGM RCPTS 1028								
20		OTHER								
21	CONTINUATION									
22	ADDITION	21,253	FOR B&M USE ONLY							
4A KEY NUMBER				COLUMN NO.						

Lease Space = 1,044

AGENCY Administration PROGRAM General Government

BRU Retirement & Benefits

COMPONENT New

13 REQUEST FOR NEW POSITION.

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FY 82

1	POSITION TITLE Retirement and Benefits Technician				RANGE/STEP 12/A	BARG. UNIT.	LOCATION Nome	GOV.	APPROV.	DISAPP.
2	TYPE OF POSITION PFT	STAFF MONTHS 4	RP No.	PCN No.	PRIORITY		FORM 12 PAGE/LINE	LEG.		
3	TYPE OF EXPENDITURE				AMOUNT		JUSTIFICATION:			
	1	2	3							
4	PERSONAL SERVICES: SALARY		9,164							
5	BENEFITS		1,447							
6	FICA		562							
7	HEALTH INS.		520							
8	TOTAL PERSONAL SERVICES		01	11,693						
9	TRAVEL		02	-0-						
10	CONTRACTUAL		03	1,608						
11	COMMODITIES		04	100						
12	EQUIPMENT		05	2,000						
13	OTHER									
14	TOTAL COST			15,401						
	CODE	FUNDING SOURCE								
15		FED RCPTS. 1002								
16		GF MATCH. 1003								
17		GEN. FUND 1004		15,401						
18		I-A RCPTS. 1005								
19		PGM RCPTS 1008								
20		OTHER								
21	CONTINUATION									
22	ADDITION	15,401	FOR B&M USE ONLY							
AA KEY NUMBER		COLUMN NO.								

Eligibility determination and Enrollment claims processing.

Telephone & Mail = \$ 300
Lease Space = 1,308

AGENCY Administration PROGRAM General Government

BRU Retirement & Benefits

COMPONENT New

13 REQUEST FOR NEW POSITION.

FY 82

1	POSITION TITLE Retirement and Benefits Technician			RANGE/STEP 12/A	BARG. UNIT.	LOCATION None	GOV.	ADP/NOV.	DISAPP.
2	TYPE OF POSITION PFT	STAFF MONTHS 4	RP No.	PCN No.	PRIORITY	FORM 12 PAGE/LINE	REG.		
3	TYPE OF EXPENDITURE			AMOUNT		JUSTIFICATION:			
	1	2	3						
4	PERSONAL SERVICES: SALARY		9,164						
5	BENEFITS		1,447						
6	FICA		562						
7	HEALTH INS.		520						
8	TOTAL PERSONAL SERVICES		01	11,693					
9	TRAVEL		02	-0-					
10	CONTRACTUAL		03	1,608					
11	COMMODITIES		04	100					
12	EQUIPMENT		05	2,000					
13	OTHER								
14	TOTAL COST			15,401					
	CODE	FUNDING SOURCE							
15		FED RCPTS. 1002							
16		GF MATCH. 1003							
17		GEN. FUND 1004		15,401					
18		I--A RCPTS 1005							
19		PGM RCPTS 1028							
20		OTHER							
21	CONTINUATION		FOR B&M USE ONLY						
22	ADDITION	15,401							
AA KEY NUMBER				COLUMN NO.					

Eligibility determination and Enrollment claims processing.

Telephone & Mail = \$ 300
Lease Space = 1,308

AGENCY Administration PROGRAM General Government

BRIU Retirement & Benefits

COMPONENT New

13 REQUEST FOR NEW POSITION.

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FY 82

1	POSITION TITLE Correspondence Secretary II				RANGE/STEP 10/A	BARG. UNIT. GGU	LOCATION None	GOV.	APPROV.	DISAP.
2	TYPE OF POSITION PFT	STAFF MONTHS 4	RP No.	PCN No.	PRIORITY	FORM 12	PAGE/LINE	LEG.		
3	TYPE OF EXPENDITURE			AMOUNT	JUSTIFICATION: Clerical Support - Field Office					
	1	2	3							
4	PERSONAL SERVICES:									
	SALARY		8,044							
5	BENEFITS		1,270							
6	FICA		493							
7	HEALTH INS.		520							
8	TOTAL PERSONAL SERVICES		01	10,327						
9	TRAVEL		02							
10	CONTRACTUAL		03	1,308						
11	COMMODITIES		04	100						
12	EQUIPMENT		05	11,000						
13	OTHER									
14	TOTAL COST			22,735						
	CODE	FUNDING SOURCE								
15		FED RCPTS. 1002								
16		GF MATCH. 1003								
17		GEN. FUND 1004		22,735						
18		I-A RCPTS. 1005								
19		PGM RCPTS 1028								
20		OTHER								
21	CONTINUATION									
22	ADDITION	22,735	FOR B&M USE ONLY							
4A KEY NUMBER				COLUMN NO.						

Lease Space = \$1,308

AGENCY Administration PROGRAM General Government

BRU Retirement & Benefits

13 REQUEST FOR NEW POSITION

COMPONENT New

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FY 82

1	POSITION TITLE Accounting Technician II			RANGE/STEP 14/A	BARG. UNIT. GGU	LOCATION Juneau	GOV	APPROV.	DISAPP.
2	TYPE OF POSITION PFT	STAFF MONTHS 4	RP No.	PCN No.	PRIORITY	FORM 12 PAGE/LINE	LEG.		
3	TYPE OF EXPENDITURE			AMOUNT		JUSTIFICATION: Administrative Support. Position to be assigned to Division of Administrative Services and will be required to provide accounting support for the Comprehensive Insurance Program. This large program will greatly increase the amount of travel claims processed, bills received and paid, personnel records established and maintained, and payroll written. The offices located in areas throughout the state also impacts more than the creation of new positions in Juneau. Telephone = \$300 Lease Space = 900			
	1	2	3						
4	PERSONAL SERVICES:								
	SALARY		7980						
5	BENEFITS		1260						
6	FICA		489						
7	HEALTH INS.		520						
8	TOTAL PERSONAL SERVICES		01	10,249					
9	TRAVEL		07						
10	CONTRACTUAL		03	1,200					
11	COMMODITIES		04	100					
12	EQUIPMENT		05	2,000					
13	OTHER								
14	TOTAL COST			13,549					
	CODE	FUNDING SOURCE							
15		FED RCPTS. 1002							
16		GF MATCH. 1003							
17		GEN. FUND 1004		13,549					
18		I-A RCPTS. 1005							
19		PGM RCPTS 1028							
20		OTHER							
21	CONTINUATION								
22	ADDITION	13,549	FOR B&M USE ONLY						
4A KEY NUMBER _____				COLUMN NO. _____					

AGENCY Administration PROGRAM General Government

BRU Administrative Services

COMPONENT Fiscal/ Personnel

13 REQUEST FOR NEW POSITION.

REVISED DATE _____

FY 82

1	POSITION TITLE Data Control Clerk				RANGE/STEP 11/A	BARG. UNIT. GGII	LOCATION Juneau	GOV.	ADVIS.	DISAP.
2	TYPE OF POSITION PFT	STAFF MONTHS 12	RP No.	PCN No.	PRIORITY	FORM 12	PAGE/LINE	REG.		

3	TYPE OF EXPENDITURE	1	2	3	AMOUNT
4	PERSONAL SERVICES:				
	SALARY				18,768
5	BENEFITS				2,963
6	FICA				1,150
7	HEALTH INS.				1,560
8	TOTAL PERSONAL SERVICES	01			24,441
9	TRAVEL	02			-0-
10	CONTRACTUAL	03			3,000
11	COMMODITIES	04			300
12	EQUIPMENT	05			2,000
13	OTHER				
14	TOTAL COST				29,741

JUSTIFICATION:

Data Processing System - Headquarters Office

Telephone = \$ 300
Lease Space = 2,700

	CODE	FUNDING SOURCE	
15		FED RCPTS. 1002	
16		GF MATCH. 1003	
17		GEN. FUND 1004	29,741
18		I--A RCPTS. 1005	
19		PGM RCPTS 1028	
20		OTHER	

21	CONTINUATION		FOR B&M USE ONLY
22	ADDITION	29,741	

AGENCY Administration PROGRAM General Government

BRU Retirement & Benefits

COMPONENT New

13 REQUEST FOR NEW POSITION.

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1	POSITION TITLE Retirement & Benefits Technician			RANGE/STEP 12/A	DARG. UNIT. GGU	LOCATION Anchorage	GOV.	APPROV.	DISAPP.
2	TYPE OF POSITION PFT	STAFF MONTHS 12	PR No.	PCN No.	PRIORITY	FORM 12 PAGE/LINE	GOV.	APPROV.	DISAPP.

3	TYPE OF EXPENDITURE		AMOUNT
	1	2	3
4	PERSONAL SERVICES: SALARY		21,132
5	BENEFITS		3,337
6	FICA		1,296
7	HEALTH INS.		1,560
8	TOTAL PERSONAL SERVICES	01	27,325
9	TRAVEL	02	
10	CONTRACTUAL	03	3,000
11	COMMODITIES	04	300
12	EQUIPMENT	05	2,000
13	OTHER		
14	TOTAL COST		32,625

JUSTIFICATION:

Claims Processing; Eligibility determination; enrollment.

	CODE	FUNDING SOURCE	
15		FED RCPTS. 1002	
16		GF MATCH. 1003	
17		GEN. FUND 1004	32,625
18		I--A RCPTS. 1005	
19		PGM RCPTS 1028	
20		OTHER	

21	CONTINUATION		
22	ADDITION	32,625	FOR B&M USE ONLY

Telephone = \$300
Lease Space = \$2,700

KEY NUMBER _____ COLUMN NO. _____

AGENCY Administration PROGRAM General Government

BRU Retirement & Benefits

COMPONENT New

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13 REQUEST FOR NEW POSITION.

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1	POSITION TITLE Retirement & Benefits Technician			RANGE/STEP 12/A	BARG. UNIT. GGU	LOCATION Fairbanks	GOV.	APPROV.	DISAPP.
2	TYPE OF POSITION PFT	STAFF MONTHS 12	RP No.	PCN No.	PRIORITY	FORM 12	PAGE/LINE	LEG.	

3	TYPE OF EXPENDITURE	AMOUNT
	1	2
4	PERSONAL SERVICES:	
5	SALARY	23,940
6	BENEFITS	3,780
7	FICA	1,468
8	HEALTH INS.	1,560
9	TOTAL PERSONAL SERVICES	30,748
10	TRAVEL	
11	CONTRACTUAL	3,432
12	COMMODITIES	300
13	EQUIPMENT	2,000
14	OTHER	
15	TOTAL COST	36,480

JUSTIFICATION:

Claims Processing; eligibility determination; enrollment

	CODE	FUNDING SOURCE
15		FED RCPTS. 1002
16		GF MATCH. 1003
17		GEN. FUND 1004
18		I--A RCPTS. 1005
19		PGM RCPTS 1028
20		OTHER

21	CONTINUATION	
22	ADDITION	36,480

FOR B&M USE ONLY

4A KEY NUMBER

COLUMN NO.

Telephone and Mail = \$300
Lease Space = \$3132

AGENCY Administration PROGRAM General Government

BRU Retirement & Benefits

COMPONENT New

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13 REQUEST FOR NEW POSITION.

FY 83

1	POSITION TITLE Retirement & Benefits Technician			RANGE/STEP 12/A	BARG. UNIT. GGU	LOCATION Juneau	GOV.	APPROV.	DISAPP.
2	TYPE OF POSITION N/P	STAFF MONTHS 6	RP No.	PCN No.	PRIORITY	FORM 12 PAGE/LINE	LIQ		

3	TYPE OF EXPENDITURE		AMOUNT
	1	2	3
4	PERSONAL SERVICES:		
	SALARY		10,566
6	BENEFITS		880
6	FICA		648
7	HEALTH INS.		-0-
8	TOTAL PERSONAL SERVICES	01	12,094
9	TRAVEL	02	-0-
10	CONTRACTUAL	03	600
11	COMMODITIES	04	200
12	EQUIPMENT	05	500
13	OTHER		
14	TOTAL COST		13,394

JUSTIFICATION:

Enrollment & Eligibility determination

Mail & Telephone = \$600

	CODE	FUNDING SOURCE	
15		FED RCPTS. 1002	
16		GF MATCH. 1003	
17		GEN. FUND 1004	13,394
18		I--A RCPTS. 1005	
19		PGM RCPTS 1028	
20		OTHER	

21	CONTINUATION		
22	ADDITION	13,394	FOR B&M USE ONLY

4A KEY NUMBER _____ COLUMN NO. _____

AGENCY Administration PROGRAM General Government

BRU Retirement & Benefits

COMPONENT New

Page 5 of 8

REVISED DATE _____

13 REQUEST FOR NEW POSITION.

FY 83

1	POSITION TITLE Retirement & Benefits Technician			RANGE/STEP 12/A	BARG. UNIT. GGU	LOCATION Anchorage	GOV	APPROV	DISAPP
2	TYPE OF POSITION N/P	STAFF MONTHS 6	RP No.	PCN No.	PRIORITY	FORM 12	PAGE/LINE	LEG	
3	TYPE OF EXPENDITURE			AMOUNT		JUSTIFICATION:			
	1	2	3						
4	PERSONAL SERVICES: SALARY		10,566	Enrollment & Eligibility determination					
5	BENEFITS		880						
6	FICA		648						
7	HEALTH INS.								
8	TOTAL PERSONAL SERVICES		01	12,094					
9	TRAVEL		02	-0-					
10	CONTRACTUAL		03	600					
11	COMMODITIES		04	200					
12	EQUIPMENT		05	500					
13	OTHER								
14	TOTAL COST			13,394					
	CODE	FUNDING SOURCE							
15		FED RCPTS. 1002							
16		GF MATCH. 1003							
17		GEN. FUND 1004		13,394					
18		I-A RCPTS. 1005							
19		PGM RCPTS 1028							
20		OTHER							
21	CONTINUATION		FOR B&M USE ONLY						
22	ADDITION	13,394							
AA KEY NUMBER _____				COLUMN NO. _____					

Mail & Telephone = 600

AGENCY Administration PROGRAM General Government

BRU Retirement & Benefits

COMPONENT New

13 REQUEST FOR NEW POSITION

Page 6 of 8

REVISED DATE _____

83
FY 82

1	POSITION TITLE Retirement & Benefits Technician			RANGE/STEP 12/A	BARG. UNIT. GGU	LOCATION Fairbanks	GOV	APPROV	DISAPP
2	TYPE OF POSITION Non Pen	STAFF MONTHS 6	RP No.	PCN No.	PRIORITY	FORM 12 PAGE/LINE	GOV	APPROV	DISAPP

3 TYPE OF EXPENDITURE		AMOUNT	
1	2	3	
4	PERSONAL SERVICES: SALARY	11,970	
5	BENEFITS	997	
6	FICA	734	
7	HEALTH INS.		
8	TOTAL PERSONAL SERVICES 01	13,701	
9	TRAVEL 02	-0-	
10	CONTRACTUAL 03	600	
11	COMMODITIES 04	200	
12	EQUIPMENT 05	500	
13	OTHER		
14	TOTAL COST	15,001	

JUSTIFICATION:

Enrollment & Eligibility determination

	CODE	FUNDING SOURCE	
15		FED RCPTS. 1002	
16		GF MATCH. 1003	
17		GEN. FUND 1004	15,001
18		I--A RCPTS. 1005	
19		PGM RCPTS 1028	
20		OTHER	

21	CONTINUATION		
22	ADDITION	15,001	FOR B&M USE ONLY

Telephone & Mail = \$600

AA KEY NUMBER _____ COLUMN NO. _____

AGENCY Administration PROGRAM General Government

13 REQUEST FOR NEW POSITION.

BRU Retirement & Benefits

COMPONENT New

Page 7 of 8

REVISED DATE _____

FY '83

1	POSITION TITLE Retirement & Benefits Technician	RANGE/STEP 12/A	BAFG. UNIT. GGU	LOCATION Nome	GOV	APPROV	DISAPP.
2	TYPE OF POSITION Non-Permanent	STAFF MONTHS 6	RP No.	PCN No.	PRIORITY	FORM 12	PAGE/LINE

3	TYPE OF EXPENDITURE	AMOUNT
	1	2
4	PERSONAL SERVICES: SALARY	13,746
5	BENEFITS	1,145
6	FICA	843
7	HEALTH INS.	
8	TOTAL PERSONAL SERVICES 01	15,734
9	TRAVEL 02	
10	CONTRACTUAL 03	600
11	COMMODITIES 04	200
12	EQUIPMENT 05	500
13	OTHER	
14	TOTAL COST	17,034

JUSTIFICATION:

Eligibility Determination and Enrollment

Telephone and Mail = \$600

	CODE	FUNDING SOURCE
15		FED RCPTS. 1002
18		GF MATCH. 1003
17		GEN. FUND 1004
18		I-A RCPTS. 1005
19		PGM RCPTS 1028
20		OTHER

21	CONTINUATION	
22	ADDITION	17,034

FOR B&M USE ONLY

4A KEY NUMBER _____ COLUMN NO. _____

AGENCY Administration PROGRAM General Government

BRU Retirement & Benefits

COMPONENT New

13 REQUEST FOR NEW POSITION

FY 83

FISCAL SUMMARY FOR CSSSHB 41 (Finance)

	<u>FY '82</u>	<u>FY '83</u>	<u>FY '84</u>	<u>FY '85</u>	<u>FY '86</u>
Federal funds:					
1. Medicaid match	11631.8	13353.4	15338.3	17619.6	20241.0
General fund:					
DHSS					
1. Medicaid	6781.6	7782.0	8938.8	10268.4	11796.0
2. GRM transfer to 50% federal match	(4619.1)	(5311.9)	(6108.6)	(7024.9)	(8078.9)
ADMIN.					
1. Alcoholism	180.0	414.0	476.1	547.5	629.6
2. Benefits/cost sharing	0.0	8800.0	23950.0	51420.0	63107.0
3. Administration ¹	1023.4	955.6	1047.6	1152.2	1267.3
REVENUE					
1. Rogers amendment ²					
<u>TOTAL GENERAL FUND</u>	<u>3365.9</u>	<u>12639.7</u>	<u>28303.9</u>	<u>56363.2</u>	<u>68721.2</u>
Total of g.f. and fed. funds	14997.7	25993.1	43642.2	73982.8	88962.2

¹ These figures will be updated by the Dept. The new FY '82 figure will be about \$400,000 more than indicated here.

² These figures are currently being generated by the Dept. Preliminary indications are that they will not go over \$50,000 for each fiscal year.

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill, Resolution No. Proposed CSSHB 41 (Finance)
Title An ACT Relating to the Health and Residents of the State
Requested by HOUSE FINANCE COMMITTEE Date 4/9/81

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services
Program Category Affected Health/Social and Economic Assistance
BRU, Program, or Subprogram(s) Affected Medicaid/Eligibility Deter./Public Assist. Admin.
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES		353.9	389.3	428.2	471.0	518.1
200 TRAVEL		12.9	14.2	15.6	17.2	18.9
300 CONTRACTUAL		135.8	147.2	161.9	178.1	195.9
400 COMMODITIES		6.5	7.2	7.9	8.7	9.5
500 EQUIPMENT		15.3	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES		0	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS, ETC.		17893.0	20576.9	23663.5	27213.0	31295.0
TOTAL		18415.4	21135.4	24277.1	27888.0	32037.0

FUNDING (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
GENERAL FUND		6781.6	7782.0	8938.8	10268.4	11796.0
FEDERAL FUNDS		11,631.8	13353.4	15338.3	17619.6	20241.0
OTHER (Specify Fund Source)						

POSITIONS

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
FULL TIME		12	12	12	12	12
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Medical benefits would be provided to approximately 2145 new cases under the Medicaid program. Administration of program benefits would require 11 field staff positions and 1 central office position, office space, and additional computer time to be divided between the Eligibility Determination and Public Assistance Administration BRUs. Funding is 50% federal except for the Indian Health Care Program which is funded at 100% federal funds.

IV. DATE 4/9/81 PREPARED BY David M. Davidson
AGENCY Division of Public Assistance
PHONE 465-3317

Approved by: Legislative Finance
and Management

Legislator Name: _____

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill Resolution No. Proposed CSSHB 41 (Finance)

Title An ACT Relating to the Health of Residents of the State

Requested by HOUSE FINANCE COMMITTEE

Date 4/9/81

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services

Program Category Affected Health

BRU, Program, or Subprogram(s) Affected General Relief Medical

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.		(4,619.1)	(5311.9)	(6108.6)	(7024.9)	(8078.7)
TOTAL		(4,619.1)	(5311.9)	(6108.6)	(7024.9)	(8078.7)

FUNDING (Thousands of Dollars)

GENERAL FUND	(4,619.1)	(5311.9)	(6108.6)	(7024.9)	(8078.7)
FEDERAL FUNDS					
OTHER (Specify Fund Source)					

POSITIONS

FULL TIME					
PART TIME					
TEMPORARY					

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Decrease in General Relief Medical program expenditures due to the transfer of coverage for certain service categories from state funding to coverage under the Medicaid program, and the addition of certain groups under Medicaid that are currently covered by General Relief Medical.

IV. DATE 4/9/81

PREPARED BY DAVID M. BENTLEY

AGENCY HOUSE ASSEMBLY

PHONE 333-2331

Address: 1000 West Fourth
Juneau, Alaska 99801

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPT. OF HEALTH AND SOCIAL SERVICES

DIVISION OF PUBLIC ASSISTANCE

POUCH H-07
JUNEAU, ALASKA 99811
PHONE: (907) 465-3355

April 9, 1981

Document# 98-81

The Honorable Samuel Cotten
House of Representatives
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Dear Representative Cotten:

This letter is intended to confirm the Department's estimate of increased Medicaid costs in FY82 based on CSSSHB-41 as amended by Representatives Buchholdt, Adams and Rogers on April 8, 1981.

HB-41 as originally introduced presented \$23,491.1 in additional costs as follows. (See position paper dated 2/27/81).

	<u>TOTAL</u>	<u>FED</u>	<u>STATE</u>	<u>POS.</u>
(1) Addition of all Medicaid Services & New Optional Categorical Groups.	\$18,413.4	11,631.8	6,781.6	12
(2) Decrease of GR Medical	(4,619.1)		(4,619.1)	
(3) Addition of Medically Needy to Medicaid	\$ 9,029.7	5,709.3	3,320.4	5
(4) Interest Payments	<u>667.2</u>	<u> </u>	<u>667.2</u>	<u> </u>
TOTAL	\$23,491.1	17,341.1	6,150.1	17

However, as a result of testimony offered by the Department and others, CSSSHB-41 was modified to delete medically needy coverage (item #3 above) and to resolve the Department's concerns with the interest payments provisions (item #4 above). As a result, only those costs associated with items #1 and #2 above remain at this time, representing an increase of \$13,794.3 as follows. (See position paper dated 4/3/81).

	<u>TOTAL</u>	<u>FED</u>	<u>STATE</u>	<u>POS.</u>
(1) Addition of all Medicaid Services & New Optional Categorical Groups.	\$18,413.4	11,631.8	6,781.6	12
(2) Decrease of GR Medical	<u>(4,619.1)</u>	<u> </u>	<u>(4,619.1)</u>	<u> </u>
TOTAL	\$13,794.3	11,631.8	2,162.5	12

Two final comments are in order:

- * President Reagan's proposed CAP on Medicaid makes it very uncertain whether the State will receive the expected \$11,631.8 in additional federal funds. The State could find itself in the position of paying the entire \$13,794.3 out of the State general fund.
- * These estimates do not include the costs associated with implementation of Sections 1-8 of CSSHB-41. These costs would be in addition to the \$13,794.3 increase in Medicaid.

Please let me know if I may provide any additional information.

Sincerely,



Rod Betit
Director

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Sponsor Substitute House Bill 41 (Sections 5-8)

Title Insurance for Alcoholism and Drug Dependence

Requested by _____ Date _____

II. FISCAL DETAIL

Agency Affected Administration - Division of Retirement & Benefits

Program Category Affected Labor Services

BRU, Program, or Subprogram(s) Affected 02-96-8-01-02-00 (OTHER BENEFITS)

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 STATE TRS MATCHING						
100 BENEFITS		180.0	414.0	476.1	547.5	629.6
TOTAL		180.0	414.0	476.1	547.5	629.6

FUNDING (Thousands of Dollars)

GENERAL FUND		147.4	339.1	389.9	448.4	515.6
FEDERAL FUNDS		8.3	19.0	21.9	25.2	29.0
VETERAN'S FUND		0.4	.8	1.0	1.1	1.3
FISH & GAME FUND		1.1	2.5	2.9	3.3	3.8
HIGHWAY FUND		2.3	5.4	6.2	7.1	8.2
AIRPORT FUND		5.2	12.0	13.8	15.9	18.2
CAPITAL FUND		15.3	35.2	40.4	46.5	53.5
PERS						
TRS						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

1. Approximately 10,275 State employees are currently covered under the State Group Health Plan.
2. The cost to implement provisions of this bill will be \$2.92 per employee per month.
3. Estimate that the cost to provide continued coverage will increase 15% each year for the immediate future. However, an effective Alcoholism/Drug dependency program should help to reduce overall health care claim experience in the future.

IV. DATE February 26, 1981

PREPARED BY

Ken Humphreys, Jr.
Paul B. Arnoldt, Director

AGENCY

DIVISION OF RETIREMENT & BENEFITS

PHONE

455-3350

Original: Legislative Finance
or Budget and Management

Name Sponsor (First Legislator Named)

ESTIMATION OF FISCAL IMPACT FOR STATE
COST-SHARING UNDER CSSSHB 41 (Finance)

44,000	individuals with no health coverage (Battelle study)
25,000	individuals with individual private coverage (est. by Battelle)
<u>+ 31,000</u>	assumed migration from small group plans (fudge factor)
100,000	individuals eligible for cost sharing (round estimate)
<u>/: 3.03</u>	average people per household (1980 est. by state demographer)
33,000	households eligible for cost sharing (round estimate)
<u>x \$1,620</u>	average plan cost per household (\$1,320 premium + \$300 out of pocket)
\$53,465	total plan cost (in thousands)
<u>x .554</u>	average subsidy level (analysis of SIE data)
\$30,179	benefit costs of cost sharing program (FY81 dollars)
<u>x 1.166</u>	two years' inflation factor at 8%
\$35,200	cost of full enrollment, FY83 dollars

$\$35,200 \times .25 = \$ 8,800$	est. FY83 benefit costs (assumes 50% of eligibles enroll by end of FY83-- 25% ann. ave.)
$\$35,200 \times 1.08 \times .63 = \$23,950$	est. FY84 benefit costs (assumes 75% of eligibles enroll by end of FY84)
$\$35,200 \times 1.166 \times .88 = \$51,420$	est. FY85 benefit costs (assumes 100% of eligibles enroll by end of FY85)
$\$35,200 \times 1.793 \times 1.0 = \$63,107$	est. FY86 benefit costs (assumes 100% enrollment all year)

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Sponsor Substitute House Bill 41 (partial)
 Title State Comprehensive Health Plan
 Requested by House HESS Date _____

II. FISCAL DETAIL

Agency Affected Department of Administration, Division of Retirement & Benefits
 Program Category Affected Public Health
 BRU, Program, or Subprogram(s) Affected Retirement & Benefits
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES		144.8	591.1	650.2	715.2	786.7
200 TRAVEL		3.0	3.0	3.3	3.6	4.0
300 CONTRACTUAL		862.6	353.3	388.6	427.5	470.3
400 COMMODITIES		1.0	3.2	3.5	3.9	4.3
500 EQUIPMENT		12.0	5.0	2.0	2.0	2.0
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	1,023.4	955.6	1,047.6	1,152.2	1,267.3

FUNDING (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
GENERAL FUND		1,023.4	955.6	1,047.6	1,152.2	1,267.3
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
FULL TIME		12	16	16	16	16
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Assumption:

1. 30 thousand accounts first year with 75,000 covered individuals.
2. Field offices in Anchorage, Fairbanks, Nome and Juneau.
3. Staff costs increase by 10% after FY 83.
4. Does not include benefit costs under the cost sharing program or the costs under Sections 5-8.

This fiscal note addresses only the estimated costs of administering the state comprehensive health plan and state health insurance cost sharing program and producing the report called for in Sec. 2 of the bill.

IV. DATE February 26, 1981 PREPARED BY Ken Humphreys, Deputy Director
 AGENCY Division of Retirement & Benefits
 PHONE 485-4400

Copy to Legislative Finance
 Budget and Management
 State Speaker, First Legislature, Nominating Committee

Ken Humphreys *JCH*

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

Bill/Resolution No. SCS CS SS HB 41 (HESS) (attached draft)
 Title An Act establishing a state health insurance program
 Requested by Senator Parr Date _____

II. FISCAL DETAIL

Agency Affected Administration
 Program Category Affected Centralized Administrative Services
 BRU, Program, Or Subprogram(s) Affected Retirement and Benefits
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES		280.2	686.3	687.4	756.1	831.7
200 TRAVEL		8.5	16.0	17.6	19.4	21.3
300 CONTRACTUAL		1,045.0	521.6	548.8	603.7	664.0
400 COMMODITIES		3.5	8.3	9.1	10.0	11.0
500 EQUIPMENT		90.7	12.3	5.0	5.5	6.1
600 LAND & STRUCTURES		0	48.6	53.5	58.8	64.7
700 GRANTS, CLAIMS, ETC.		0	0	0	0	0
Benefit Costs		0	30,030.0	33,033.0	36,336.3	39,969.9
TOTAL		1,427.9	31,323.1	34,354.4	37,789.8	41,568.7

FUNDING (Thousands of Dollars)

GENERAL FUND		1,427.9	31,323.1	34,354.4	37,789.8	41,568.7
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

FULL TIME		16	18	18	18	18
PART TIME						
TEMPORARY			4			

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

Assumptions:

- 30,000 accounts first year (FY 84) with 69,000 covered individuals.
- Field offices in Anchorage, Fairbanks, Juneau and Nome.
- Costs to increase by 10% after FY 84.
- Premium will be increased to include approximately \$800.00 per year fees for a third party administrator who will aggregate the premiums and provide the health carrier with eligibility listings.
- Eligibility for resident status and premium subsidies handled by the Division of Retirement and Benefits.

IV. DATE 4/16/82 PREPARED BY Ker. Humphreys, Deputy Director
 AGENCY Division of Retirement and Benefits
 Original: Legislative Finance PHONE 465-4462
 cc: Budget and Management
 Prime Sponsor (First Legislator Named) Buchholdt
 33-001 (Rev. 12/81)

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPT. OF HEALTH AND SOCIAL SERVICES

DIVISION OF PUBLIC ASSISTANCE

POUCH H-07
JUNEAU, ALASKA 99811
PHONE: (907) 465-3355

April 9, 1981

Document# 98-81

The Honorable Samuel Cotten
House of Representatives
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Dear Representative Cotten:

This letter is intended to confirm the Department's estimate of increased Medicaid costs in FY82 based on CSSSHB-41 as amended by Representatives Buchholdt, Adams and Rogers on April 8, 1981.

HB-41 as originally introduced presented \$23,491.1 in additional costs as follows. (See position paper dated 2/27/81).

	<u>TOTAL</u>	<u>FED</u>	<u>STATE</u>	<u>POS.</u>
(1) Addition of all Medicaid Services & New Optional Categorical Groups.	\$18,413.4	11,631.8	6,781.6	12
(2) Decrease of GR Medical	(4,619.1)		(4,619.1)	
(3) Addition of Medically Needy to Medicaid	\$ 9,029.7	5,709.3	3,320.4	5
(4) Interest Payments	<u>667.2</u>	<u> </u>	<u>667.2</u>	<u> </u>
TOTAL	\$23,491.1	17,341.1	6,150.1	17

However, as a result of testimony offered by the Department and others, CSSSHB-41 was modified to delete medically needy coverage (item #3 above) and to resolve the Department's concerns with the interest payments provisions (item #4 above). As a result, only those costs associated with items #1 and #2 above remain at this time, representing an increase of \$13,794.3 as follows. (See position paper dated 4/3/81).

	<u>TOTAL</u>	<u>FED</u>	<u>STATE</u>	<u>POS.</u>
(1) Addition of all Medicaid Services & New Optional Categorical Groups.	\$18,413.4	11,631.8	6,781.6	12
(2) Decrease of GR Medical	<u>(4,619.1)</u>	<u> </u>	<u>(4,619.1)</u>	<u> </u>
TOTAL	\$13,794.3	11,631.8	2,162.5	12

Two final comments are in order:

- * President Reagan's proposed CAP on Medicaid makes it very uncertain whether the State will receive the expected \$11,631.8 in additional federal funds. The State could find itself in the position of paying the entire \$13,794.3 out of the State general fund.
- * These estimates do not include the costs associated with implementation of Sections 1-8 of CSSSHB-41. These costs would be in addition to the \$13,794.3 increase in Medicaid.

Please let me know if I may provide any additional information.

Sincerely,

A handwritten signature in cursive script that reads "Rod Betit". The signature is written in dark ink and is positioned above the printed name and title.

Rod Betit
Director

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Proposed CSSSHB 41 (Finance)
 Title An ACT Relating to the Health and Residents of the State
 Requested by HOUSE FINANCE COMMITTEE Date 4/9/81

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services
 Program Category Affected Health/Social and Economic Assistance
 BRU, Program, or Subprogram(s) Affected Medicaid/Eligibility Deter./Public Assist. Admin.
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES		353.9	389.3	428.2	471.0	518.1
200 TRAVEL		12.9	14.2	15.6	17.2	18.9
300 CONTRACTUAL		133.8	147.2	161.9	178.1	195.9
400 COMMODITIES		6.5	7.2	7.9	8.7	9.5
500 EQUIPMENT		13.3	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES		0	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS, ETC.		17893.0	20576.9	23663.5	27213.0	31295.0
TOTAL		18413.4	21135.4	24277.1	27888.0	32037.0

FUNDING (Thousands of Dollars)

GENERAL FUND		6781.6	7782.0	8938.8	10268.4	11796.0
FEDERAL FUNDS		11,631.8	13353.4	15338.3	17619.6	20241.0
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME		12	12	12	12	12
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Medical benefits would be provided to approximately 2145 new cases under the Medicaid program. Administration of program benefits would require 11 field staff positions and 1 central office position, office space, and additional computer time to be divided between the Eligibility Determination and Public Assistance Administration BRUs. Funding is 50% federal except for the Indian Health Care Program which is funded at 100% federal funds.

IV. DATE 4/9/81 PREPARED BY David M. Davidson
 AGENCY Division of Public Assistance
 PHONE 465-3347

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named) M&B Approval [Signature] Date 4/9/81

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Proposed CSSHB 41 (Finance)
 Title An ACT Relating to the Health of Residents of the State
 Requested by HOUSE FINANCE COMMITTEE Date 4/9/81

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services
 Program Category Affected Health
 BRU, Program, or Subprogram(s) Affected General Relief Medical

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.		(4,619.1)	(5311.9)	(6108.6)	(7024.9)	(8078.7)
TOTAL		(4,619.1)	(5311.9)	(6108.6)	(7024.9)	(8078.7)

FUNDING (Thousands of Dollars)

GENERAL FUND	(4,619.1)	(5311.9)	(6108.6)	(7024.9)	(8078.7)
FEDERAL FUNDS					
OTHER (Specify Fund Source)					

POSITIONS

FULL TIME					
PART TIME					
TEMPORARY					

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Decrease in General Relief Medical program expenditures due to the transfer of coverage for certain service categories from state funding to coverage under the Medicaid program, and the addition of certain groups under Medicaid that are currently covered by General Relief Medical.

IV. DATE 4/9/81 PREPARED BY David M. Davidson

AGENCY Public Assistance

Original: Legislative Finance PHONE 463-3347

cc: Budget and Management

Prime Sponsor (First Legislator Named) M&B Approval David M. Davidson Date 4/9/81