

**SB**

**231**

**SFIN**

**FILE**

# SENATE FINANCE COMMITTEE REPORT

DATE: 3/31/94

FURTHER: \_\_\_\_\_

DATE TURNED INTO OFFICE: \_\_\_\_\_

The Finance Committee considered SENATE BILL NO. 231

"An Act providing coverage under Medicaid for the services of physician assistants, and reordering the priorities for Medicaid services."

*Died in SFC 1994*

and recommends:

- replace with \_\_\_\_\_ CS \_\_\_\_\_ (FINANCE)  
or  adopt previous \_\_\_\_\_ CS \_\_\_\_\_ )  
 attaches amendment(s)

- same title  
 new title  
 technical title change (HB only)

adopts \_\_\_\_\_ Letter of Intent

further referral to the \_\_\_\_\_

do pass

do not pass

no recommendation

individual recommendations

### NEW FISCAL NOTES

Department	Date	Zero	Fiscal

### PREVIOUS FISCAL NOTES

Department	Date	Zero	Fiscal

Appropriation No Fiscal Note

DO PASS.

\_\_\_\_\_  
\_\_\_\_\_  
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\_\_\_\_\_  
\_\_\_\_\_

OTHER RECOMMENDATIONS:

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\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

1. \_\_\_\_\_  
Co-Chair: Signature/Recommendation

2. \_\_\_\_\_  
Co-Chair: Signature/Recommendation

**SENATE COMMITTEE REPORT**  
FIRST COMMITTEE OF REFERRAL

DATE: 1/10/94

FURTHER: Finance

Date of 5-Day Notice: 3/24/94  
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 3/31/94

HES Committee considered SENATE BILL NO. 231

"~~An Act~~ providing coverage under Medicaid for the services of physician assistants, and reordering the priorities for Medicaid services."

and recommends: **and recommends it be replaced with**

replace with \_\_\_\_\_ CS SB 231 (HES)

- same title
- new title
- technical title change (HB only)

attaches amendment(s)

*1 msg of Cmte rpt  
ph w/ no rec*

adopts \_\_\_\_\_ Letter of Intent

further referral to the \_\_\_\_\_

do pass

do not pass

no recommendation

individual recommendations

**FISCAL NOTE INFORMATION**

Department	Date	Zero	Fiscal
HSS	2/14/94		999.6
HSS	2/14/94		99.0

Department	Date	Zero	Fiscal

Appropriation No Fiscal Note

Governor's Bill with Previous Fiscal Notes (enter information above)

**DO PASS.**

**OTHER RECOMMENDATIONS:**

*Phyllis Ellis*  
*Wren & Flavin No Rec*  
*Medicaid & Sals No Rec*  
*Mike Miller No Rec*  
*[Signature]*  
*[Signature] No Recommendation*  
 Chair: Signature and Recommendation

ALASKA STATE LEGISLATURE  
SENATE BILL NO. 231

HISTORY IN THE SENATE

1994  
1/10  
3/31

Read first time and referred to:  
HES, FIN

h RPT(  ) CS 1 DP 4 NR 4 DNP AM  
 \_\_\_ New Title \_\_\_ Same Title \_\_\_ Previous FN  
 \_\_\_ FN \_\_\_ OFN To \_\_\_

h RPT( \_\_\_ ) CS \_\_\_ DP \_\_\_ NR \_\_\_ DNP \_\_\_ AM  
h New Title \_\_\_ Same Title \_\_\_ Previous FN  
h FN \_\_\_ OFN To h

\_\_\_ RPT( \_\_\_ ) CS \_\_\_ DP \_\_\_ NR \_\_\_ DNP \_\_\_ AM  
 \_\_\_ New Title \_\_\_ Same Title \_\_\_ Previous FN  
 \_\_\_ FN \_\_\_ OFN To \_\_\_

\_\_\_ Rules Calendar( \_\_\_ ) CS \_\_\_ AM \_\_\_ Other  
 \_\_\_ New Title \_\_\_ Same Title \_\_\_ Previous FN  
 \_\_\_ FN \_\_\_ OFN

Read second time

\_\_\_ CS Adopted ( \_\_\_ ) \_\_\_ New Title  
 \_\_\_ Amended \_\_\_ Advanced

Read third time

\_\_\_ Letter of Intent adopted  
 \_\_\_ Return to second for specific amendment

PASSED EFD Same \_\_\_ or  
 Yeas Yeas  
 Nays Nays  
 Excused Excused  
 Absent Absent

Reconsideration  
 Reconsideration not taken up

PASSED EFD Same \_\_\_ or  
 Yeas Yeas  
 Nays Nays  
 Excused Excused  
 Absent Absent

Reported correctly engrossed  
 Signed by President, to House

\_\_\_\_\_  
 Secretary of the Senate

HISTORY IN THE HOUSE

19

Read first time and referred to:

\_\_\_ RPT CS( \_\_\_ ) \_\_\_ New Title  
 \_\_\_ DP \_\_\_ DNP \_\_\_ NR \_\_\_ AM  
 \_\_\_ FN \_\_\_ OFN \_\_\_ Previous FN

\_\_\_ RPT CS( \_\_\_ ) \_\_\_ New Title  
 \_\_\_ DP \_\_\_ DNP \_\_\_ NR \_\_\_ AM  
 \_\_\_ FN \_\_\_ OFN \_\_\_ Previous FN

\_\_\_ RPT CS( \_\_\_ ) \_\_\_ New Title  
 \_\_\_ DP \_\_\_ DNP \_\_\_ NR \_\_\_ AM  
 \_\_\_ FN \_\_\_ OFN \_\_\_ Previous FN

Read second time  
 CS( \_\_\_ ) Adopted

Amended

Advanced

Read third time

Return to second for specific amendment

PASSED EFD Same \_\_\_ or  
 Yeas Yeas  
 Nays Nays  
 Excused Excused  
 Absent Absent

\_\_\_ Intent adopted

Reconsideration  
 Reconsideration not taken up

PASSED ON RECON. EFD Same \_\_\_ or  
 Yeas Yeas  
 Nays Nays  
 Excused Excused  
 Absent Absent

\_\_\_ Intent adopted

Reported correctly engrossed, signed by the Speaker  
 and returned to the Senate

\_\_\_\_\_  
 Chief Clerk of the House

SENATE-HOUSE HISTORY Continued

19

Received from the House  
Version: \_\_\_\_\_

Concur in House amendment  
Y \_\_\_ N \_\_\_ E \_\_\_ A \_\_\_  
\_\_\_\_\_ Efd same or Y \_\_\_ N \_\_\_ E \_\_\_ A \_\_\_

Failed to concur in House amendment, ask House recede  
Y \_\_\_ N \_\_\_ E \_\_\_ A \_\_\_

House failed to / receded from amendment  
Y \_\_\_ N \_\_\_ E \_\_\_ A \_\_\_

CC appointed by Senate \_\_\_\_\_ Chair  
\_\_\_\_\_

CC appointed by House \_\_\_\_\_ Chair  
\_\_\_\_\_

(S) Granted Limited Powers of Free Conference

(H) Granted Limited Powers of Free Conference

19

(S) Adopted CC Rpt \_\_\_\_\_  
Y \_\_\_ N \_\_\_ E \_\_\_ A \_\_\_  
\_\_\_\_\_ Efd same or Y \_\_\_ N \_\_\_ E \_\_\_ A \_\_\_

(H) Adopted CC Rpt \_\_\_\_\_  
Y \_\_\_ N \_\_\_ E \_\_\_ A \_\_\_  
\_\_\_\_\_ Efd same or Y \_\_\_ N \_\_\_ E \_\_\_ A \_\_\_

To enrolling  
Received from enrolling  
Sent to Governor

\_\_\_\_\_ By Governor

Chapter Number \_\_\_\_\_

Filed with Lieutenant Governor

**CS FOR SENATE BILL NO. 231(HES)**

**IN THE LEGISLATURE OF THE STATE OF ALASKA**

**EIGHTEENTH LEGISLATURE - SECOND SESSION**

**BY THE SENATE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE**

**Offered: 3/31/94**  
**Referred: Finance**

**Sponsor(s): SENATORS KERTTULA, Ellis, Little**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to physician assistants; providing coverage under Medicaid for**  
 2 **the services of physician assistants; and reordering the priorities for Medicaid**  
 3 **services."**

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 **\* Section 1. AS 21.36.090(d) is amended to read:**

6 (d) Except to the extent necessary to comply with AS 21.42.365 and AS 21.56,  
 7 a person may not practice or permit unfair discrimination against a person who  
 8 provides a service covered under a group disability policy that extends coverage on an  
 9 expense incurred basis, or under a group service or indemnity type contract issued by  
 10 a nonprofit corporation, if the service is within the scope of the provider's occupational  
 11 license. In this subsection, "provider" means a state licensed physician, physician  
 12 assistant, dentist, osteopath, optometrist, chiropractor, nurse midwife, advanced nurse  
 13 practitioner, naturopath, physical therapist, occupational therapist, psychologist,  
 14 psychological associate, [OR.] licensed clinical social worker, or certified direct-entry

1 midwife.

2 \* Sec. 2. AS 23.30.265(24) is amended to read:

3 (24) "physician" includes doctors of medicine, surgeons, physician  
4 assistants, chiropractors, osteopaths, dentists, and optometrists;

5 \* Sec. 3. AS 47.07.030(b) is amended to read:

6 (b) In addition to the mandatory services specified in (a) of this section, the  
7 department may offer only the following optional services: case management and  
8 nutrition services for pregnant women; personal care services in a recipient's home;  
9 emergency hospital services; long-term care noninstitutional services; medical supplies  
10 and equipment; advanced nurse practitioner services; physician assistant services;  
11 clinic services; rehabilitative services for substance abusers and emotionally disturbed  
12 or chronically mentally ill adults; targeted case management services for substance  
13 abusers, chronically mentally ill adults, and severely emotionally disturbed persons  
14 under the age of 21; inpatient psychiatric facility services for individuals age 65 or  
15 older and individuals under age 21; psychologists' services; clinical social workers'  
16 services; midwife services; prescribed drugs; physical therapy; occupational therapy;  
17 chiropractic services; low-dose mammography screening, as defined in  
18 AS 21.42.375(e); hospice care; treatment of speech, hearing, and language disorders;  
19 adult dental services; prosthetic devices and eyeglasses; optometrists' services;  
20 intermediate care facility services, including intermediate care facility services for the  
21 mentally retarded; skilled nursing facility services for individuals under age 21; and  
22 reasonable transportation to and from the point of medical care.

23 \* Sec. 4. AS 47.07.035 is amended to read:

24 Sec. 47.07.035. PRIORITY OF MEDICAL ASSISTANCE. If the department  
25 finds that the cost of medical assistance for all persons eligible under this chapter will  
26 exceed the amount allocated in the state budget for that assistance for the fiscal year,  
27 the department shall eliminate coverage for optional medical services and optionally  
28 eligible groups of individuals in the following order:

- 29 (1) midwife services;  
30 (2) clinical social workers' services;  
31 (3) psychologists' services;

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- (4) chiropractic services;
- (5) physician assistant services;
- (6) advanced nurse practitioner services;
- (7) adult dental services;
- (8) [(7)] emergency hospital services;
- (9) [(8)] treatment of speech, hearing, and language disorders;
- (10) [(9)] optometrists' services and eyeglasses;
- (11) [(10)] occupational therapy;
- (12) [(11)] mammography screening;
- (13) [(12)] prosthetic devices;
- (14) [(13)] medical supplies and equipment;
- (15) [(14)] targeted case management services;
- (16) [(15)] rehabilitative services for substance abusers and emotionally  
disturbed or chronically mentally ill adults;
- (17) [(16)] clinic services;
- (18) [(17)] physical therapy;
- (19) [(18)] personal care services in a recipient's home;
- (20) [(19)] prescribed drugs;
- (21) [(20)] hospice care;
- (22) [(21)] long-term care noninstitutional services;
- (23) [(22)] inpatient psychiatric facility services;
- (24) [(23)] intermediate care facility services for the mentally retarded;
- (25) [(24)] intermediate care facility services;
- (26) [(25)] individuals described in AS 47.07.020(b)(11);
- (27) [(26)] individuals under age 21 who are not eligible for benefits  
under the federal aid to families with dependent children program because they are not  
deprived of one or more of their natural or adoptive parents;
- (28) [(27)] skilled nursing facility services for persons under age 21;
- (29) [(28)] aged, blind, and disabled individuals who, because they do  
not meet the income requirements, do not receive supplemental security income under  
Title XVI of the Social Security Act, but who are eligible, or would be eligible if they

1 were not in a skilled nursing facility or intermediate care facility, to receive an  
2 optional state supplementary payment;

3 (30) [(29)] individuals in a hospital, skilled nursing facility, or  
4 intermediate care facility whose income while in the facility does not exceed 300  
5 percent of the supplemental security income benefit rate under Title XVI of the Social  
6 Security Act, but who, because of income, are not eligible for the optional state  
7 supplementary payment;

8 (31) [(30)] individuals under age 21 under supervision of the  
9 department [,] for whom maintenance is being paid in whole or in part from public  
10 money and who are in foster homes or private child-care institutions;

11 (32) [(31)] individuals under age 21 who the department has determined  
12 cannot be placed for adoption without medical assistance because of a special need for  
13 medical or rehabilitative care and who the department has determined are hard-to-place  
14 children eligible for subsidy under AS 25.23.190 - 25.23.220.

15 \* Sec. 5. AS 47.07.900 is amended by adding a new paragraph to read:

16 (20) "physician assistant services" means services furnished by a person  
17 who is registered as a physician assistant under AS 08.64.107 that are within the scope  
18 of the person's registered authority.

SENATE BILL NO. 231

IN THE LEGISLATURE OF THE STATE OF ALASKA

EIGHTEENTH LEGISLATURE - SECOND SESSION

BY SENATORS KERTTULA, Ellis, Little

Introduced: 1/10/94  
Referred: HES, FIN

A BILL

FOR AN ACT ENTITLED

1 "An Act providing coverage under Medicaid for the services of physician  
2 assistants; and reordering the priorities for Medicaid services."

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

4 \* Section 1. AS 47.07.030(b) is amended to read:

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6 department may offer only the following optional services: case management and  
7 nutrition services for pregnant women; personal care services in a recipient's home;  
8 emergency hospital services; long-term care noninstitutional services; medical supplies  
9 and equipment; advanced nurse practitioner services; physician assistant services;  
10 clinic services; rehabilitative services for substance abusers and emotionally disturbed  
11 or chronically mentally ill adults; targeted case management services for substance  
12 abusers, chronically mentally ill adults, and severely emotionally disturbed persons  
13 under the age of 21; inpatient psychiatric facility services for individuals age 65 or  
14 older and individuals under age 21; psychologists' services; clinical social workers'

1 services; midwife services; prescribed drugs; physical therapy; occupational therapy;  
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3 AS 21.42.375(e); hospice care; treatment of speech, hearing, and language disorders;  
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6 mentally retarded; skilled nursing facility services for individuals under age 21; and  
7 reasonable transportation to and from the point of medical care.

8 \* Sec. 2. AS 47.07.035 is amended to read:

9 Sec. 47.07.035. PRIORITY OF MEDICAL ASSISTANCE. If the department  
10 finds that the cost of medical assistance for all persons eligible under this chapter will  
11 exceed the amount allocated in the state budget for that assistance for the fiscal year,  
12 the department shall eliminate coverage for optional medical services and optionally  
13 eligible groups of individuals in the following order:

- 14 (1) midwife services;
- 15 (2) clinical social workers' services;
- 16 (3) psychologists' services;
- 17 (4) chiropractic services;
- 18 (5) physician assistant services;
- 19 (6) advanced nurse practitioner services;
- 20 (7) adult dental services;
- 21 (8) [(7)] emergency hospital services;
- 22 (9) [(8)] treatment of speech, hearing, and language disorders;
- 23 (10) [(9)] optometrists' services and eyeglasses;
- 24 (11) [(10)] occupational therapy;
- 25 (12) [(11)] mammography screening;
- 26 (13) [(12)] prosthetic devices;
- 27 (14) [(13)] medical supplies and equipment;
- 28 (15) [(14)] targeted case management services;
- 29 (16) [(15)] rehabilitative services for substance abusers and emotionally  
30 disturbed or chronically mentally ill adults;
- 31 (17) [(16)] clinic services;

- 1                    (18) [(17)] physical therapy;
- 2                    (19) [(18)] personal care services in a recipient's home;
- 3                    (20) [(19)] prescribed drugs;
- 4                    (21) [(20)] hospice care;
- 5                    (22) [(21)] long-term care noninstitutional services;
- 6                    (23) [(22)] inpatient psychiatric facility services;
- 7                    (24) [(23)] intermediate care facility services for the mentally retarded;
- 8                    (25) [(24)] intermediate care facility services;
- 9                    (26) [(25)] individuals described in AS 47.07.020(b)(11);
- 10                   (27) [(26)] individuals under age 21 who are not eligible for benefits
- 11 under the federal aid to families with dependent children program because they are not
- 12 deprived of one or more of their natural or adoptive parents;
- 13                    (28) [(27)] skilled nursing facility services for persons under age 21;
- 14                    (29) [(28)] aged, blind, and disabled individuals who, because they do
- 15 not meet the income requirements, do not receive supplemental security income under
- 16 Title XVI of the Social Security Act, but who are eligible, or would be eligible if they
- 17 were not in a skilled nursing facility or intermediate care facility, to receive an
- 18 optional state supplementary payment;
- 19                    (30) [(29)] individuals in a hospital, skilled nursing facility, or
- 20 intermediate care facility whose income while in the facility does not exceed 300
- 21 percent of the supplemental security income benefit rate under Title XVI of the Social
- 22 Security Act, but who, because of income, are not eligible for the optional state
- 23 supplementary payment;
- 24                    (31) [(30)] individuals under age 21 under supervision of the
- 25 department [,] for whom maintenance is being paid in whole or in part from public
- 26 money and who are in foster homes or private child-care institutions;
- 27                    (32) [(31)] individuals under age 21 who the department has determined
- 28 cannot be placed for adoption without medical assistance because of a special need for
- 29 medical or rehabilitative care and who the department has determined are hard-to-place
- 30 children eligible for subsidy under AS 25.23.190 - 25.23.220.

31 \* Sec. 3. AS 47.07.900 is amended by adding a new paragraph to read:

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(20) "physician assistant services" means services furnished by a person who is registered as a physician assistant under AS 08.64.107 that are within the scope of the person's registered authority.

# FISCAL NOTE

STATE OF ALASKA  
1994 LEGISLATIVE SESSION

Bill Version: SB 231

(S) Publish Date: 3-31-94

Revision Date: 2/10/94  
Title: An Act Providing coverage under Medicaid for Services of Physicians' Assistants  
Sponsor: KERTULLA, ELLIS, LITTLE  
Requestor: \_\_\_\_\_

Dept. Affected Health and Social Services  
BRU: Medicaid  
Component: Medicaid Non-facility  
COMPONENT SERIAL NO. 229

**Expenditures/Revenues:**

(Thousands of Dollars)

OPERATING	FY95	FY96	FY97	FY98	FY99	FY00
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	0.0	0.0	0.0	0.0	0.0	0.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	999.6	2,780.8	3,131.2	3,525.8	3,970.0	4,470.4
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL OPERATING</b>	<b>999.6</b>	<b>2,780.8</b>	<b>3,131.2</b>	<b>3,525.8</b>	<b>3,970.0</b>	<b>4,470.4</b>

<b>CAPITAL EXPENDITURES</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
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<b>CHANGES IN REVENUES</b>	<b>499.8</b>	<b>1,390.4</b>	<b>1,565.6</b>	<b>1,762.9</b>	<b>1,985.0</b>	<b>2,235.2</b>
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**FUND SOURCE**

(Thousands of Dollars)

1002 Federal Receipts	499.8	1,390.4	1,565.6	1,762.9	1,985.0	2,235.2
1003 GF Match	499.8	1,390.4	1,565.6	1,762.9	1,985.0	2,235.2
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1006 GF/MHTIA	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL</b>	<b>999.6</b>	<b>2,780.8</b>	<b>3,131.2</b>	<b>3,525.8</b>	<b>3,970.0</b>	<b>4,470.4</b>

Estimate of current year (FY94) impact: 0.0

**POSITIONS:**

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

**ANALYSIS** (attach a separate page in necessary)

The bill adds physician's assistants as an enrolled provider of services. It is estimated that 25% of the 168 licensed and active physician's assistants will enroll as Medicaid providers, beginning with a 10% enrollment in the first year. Enrollment would begin in July of 1995. Charges by a physician assistant are assumed to be 70% of the amount that has been charged through a physician's office for services performed by a physician's assistant. Physician assist are counted as working 5 days per week, 48 weeks per year and having an average of 3.5 Medicaid visits per day. Growth and inflation combined are assumed to be 12.6% per year.

Prepared by: Dave W. Williams  
Division: Medical Assistance  
Approved by: Margaret R. Lowe  
Commissioner: Margaret R. Lowe, M.Ed., Ed.S.  
Agency: Department of Health and Social Services

Phone: 465-3355  
Date: 2/10/94  
Date: 2-14-94

**PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE**  
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Changes in 25518231 (HES)  
 reflect NO FISCAL CHANGE from the original  
 fiscal note. This fiscal note is appropriate.  
 date 3/31/94  
 Carrie Aide (initial) CAH

**ASSUMPTIONS PERTAINING TO FISCAL ANALYSIS OF SB231 AND HB341**

There are 194 licensed PAs in Ak; 168 are said to be in active status.

25% will enroll if the bill passes, which is 42 PAs of the active status.

35% of their practice will be Medicaid

The average charge will be \$70 per visit; reflective of 70% of the charges by PAs presently billing through physicians.

There will be 10 visits per day, 3.5 of those billed to Medicaid.

PAs will work 5 days per week, 48 weeks per year.

Assume regulations effective July 1, 1995

Growth and inflation combined are assumed to be 12.6%

**Claims**

17.0 PAs enrolled first year

42.0 PAs enrolled 2nd year

\$70 average expenditure claimed per visit

3.5 Medicaid visits per day

5.0 days worked per week

48.0 weeks worked per year

0.001 factor to change figures to thousands

\$999.6 total claims expenditure 1st year; 17 PAs

12.0 factor to get to monthly

12.0 factor to get to paid part of fiscal year

\$999.6 claims expenditures for paid part of first fiscal year

\$2,469.6 claims expenditures for second year w/o growth and inflation

**Contractual**

\$6.23 processing cost per claim

14280 total number of claims by PAs 1st year

35280 total number of claims by PAs 2nd year

0.001 factor to change figures to thousands

\$89.0 cost for claims processing 1st year

\$219.8 cost for claims 2nd and following years

\$10.0 cost to modify MMIS for PA enrollment and claims processing

\$99.0 total contractual for 1st year (MMIS plus claims processing)

**Inflation and growth**

1.126 factor for yearly increases

**Federal participation**

0.50 factor for Federal Financial Participation

0.0 factor for cells with \$0.0

Component	Combined Fiscal Note Totals					
	FY95	FY96	FY97	FY98	FY99	FY00
Med non-facility	229 999.6	2780.8	3131.2	3525.8	3970.0	4470.4
Claims process	243 99.0	247.6	278.8	314.0	353.6	398.2
Total	1098.6	3028.4	3410.0	3839.8	4323.6	4868.6

FISCAL NOTE

10. 2

STATE OF ALASKA  
1994 LEGISLATIVE SESSION

Bill Version: SB 231

(S) Publish Date: 3-31-94

Revision Date: 2/10/94  
Title: An Act Providing coverage under Medicaid for Services of Physicians' Assistants  
Sponsor: KERTULLA, ELLIS, LITTLE  
Requestor: \_\_\_\_\_

Dept. Affected Health and Social Services  
BRU: Medicaid  
Component: Claims Processing  
COMPONENT SERIAL NO. 243

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY95	FY96	FY97	FY98	FY99	FY00
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	\$0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	\$0.0
CONTRACTUAL	99.0	247.6	278.8	314.0	353.6	\$398.2
SUPPLIES	0.0	0.0	0.0	0.0	0.0	\$0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	\$0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	\$0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	\$0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	\$0.0
<b>TOTAL OPERATING</b>	<b>\$99.0</b>	<b>\$247.6</b>	<b>\$278.8</b>	<b>\$314.0</b>	<b>\$353.6</b>	<b>\$398.2</b>

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGES IN REVENUES	49.5	123.8	139.4	157.0	176.8	199.1
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FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts	49.5	123.8	139.4	157.0	176.8	199.1
1003 GF Match	49.5	123.8	139.4	157.0	176.8	199.1
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1006 GF/MHTIA	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL</b>	<b>99.0</b>	<b>247.6</b>	<b>278.8</b>	<b>314.0</b>	<b>353.6</b>	<b>398.2</b>

Estimate of current year (FY94) impact: 0.0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS (attach a separate page in necessary)

Contractual costs include claims processing at \$6.23 per claim with a one-time, first year cost of \$10.0 for system changes to add to the new provider type. Federal participation is available at 50% of costs. Growth and inflation combined are assumed to be 12.6% per year.

Prepared by: Dave W. Williams  
Division: Medical Assistance  
Approved by: Margaret R. Lowe  
Commissioner: Margaret R. Lowe, M.Ed., Ed.S.  
Agency: Department of Health and Social Services

Phone: 465-3355  
Date: 2/10/94  
Date: 2-14-94

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Changes in SB 231 (HES) reflect NO FISCAL CHANGE from the original fiscal note. This fiscal note is appropriate. date 3/31/94 Corrie Aida (initial)

**ASSUMPTIONS PERTAINING TO FISCAL ANALYSIS OF SB231 AND HB341**

There are 194 licensed PAs in Ak; 168 are said to be in active status.

25% will enroll if the bill passes, which is 42 PAs of the active status.

35% of their practice will be Medicaid

The average charge will be \$70 per visit; reflective of 70% of the charges by PAs presently billing through physicians.

There will be 10 visits per day, 3.5 of those billed to Medicaid.

PAs will work 5 days per week, 48 weeks per year.

Assume regulations effective July 1, 1995

Growth and inflation combined are assumed to be 12.6%

**Claims**

17.0 PAs enrolled first year

42.0 PAs enrolled 2nd year

\$70 average expenditure claimed per visit

3.5 Medicaid visits per day

5.0 days worked per week

48.0 weeks worked per year

0.001 factor to change figures to thousands

\$999.6 total claims expenditure 1st year; 17 PAs

12.0 factor to get to monthly

12.0 factor to get to paid part of fiscal year

\$999.6 claims expenditures for paid part of first fiscal year

\$2,469.6 claims expenditures for second year w/o growth and inflation

**Contractual**

\$6.23 processing cost per claim

14280 total number of claims by PAs 1st year

35280 total number of claims by PAs 2nd year

0.001 factor to change figures to thousands

\$89.0 cost for claims processing 1st year

\$219.8 cost for claims 2nd and following years

\$10.0 cost to modify MMIS for PA enrollment and claims processing

\$99.0 total contractual for 1st year (MMIS plus claims processing)

**inflation and growth**

1.126 factor for yearly increases

**Federal participation**

0.50 factor for Federal Financial Participation

0.0 factor for cells with \$0.0

**Combined Fiscal Note Totals**

Component	FY95	FY96	FY97	FY98	FY99	FY00
Med non-facility	229 999.6	2780.8	3131.2	3525.8	3970.0	4470.4
Claims process	243 99.0	247.6	278.8	314.0	353.6	398.2
Total	1098.6	3028.4	3410.0	3839.8	4323.6	4868.6

# FISCAL NOTE

**STATE OF ALASKA**  
**1994 LEGISLATIVE SESSION**

**BILL NO. CSSB 231(HES)**

Revision Date: 4/7/94  
 Title: An Act relating to physician assistants;...

Department: Commerce and Economic Dev.  
 BRU: Occupational Licensing  
 Component: Operations

Sponsor: Senators Kerrettula, Ellis, Little  
 Requestor: Senator Kerrettula COMPONENT SERIAL NO. 1844

Expenditures/Revenues		(Thousands of Dollars)					
OPERATING EXPENDITURES	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00	
PERSONAL SERVICES							
TRAVEL							
CONTRACTUAL							
SUPPLIES							
EQUIPMENT							
LAND & STRUCTURES							
GRANTS, CLAIMS							
MISCELLANEOUS							
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	

CAPITAL EXPENDITURES	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
<b>CHANGE IN REVENUES</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

FUND SOURCE		(Thousands of Dollars)					
1002 Federal Receipts							
1003 GF Match							
100 General Fund							
1005 GF/Program Receipts							
1006 GF/MHTIA							
Other							
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	

Estimate of any current year (FY 94) cost: \$ None

POSITIONS		FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
FULL-TIME		0.0	0.0	0.0	0.0	0.0	0.0
PART-TIME		0.0	0.0	0.0	0.0	0.0	0.0
TEMPORARY		0.0	0.0	0.0	0.0	0.0	0.0

**ANALYSIS:** (Attach a separate page if necessary)  
 The provisions of CSSB 231(HES) amends several statutes to include physician assistant services, however, the amendments do not affect the licensing statutes for physician assistants and therefore, funding is not required.

Prepared by: Jennifer Strickler, Administrative Officer  
 Division: Occupational Licensing  
 Approved by Commissioner: Paul Fuhs  
 Agency: Commerce and Economic Development

Phone: 465-2144  
 Date: 4/7/94  
 Date: 4/7/94

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# FISCAL NOTE

STATE OF ALASKA  
1994 LEGISLATIVE SESSION

BILL NO : CSSB 231 (HES)

Revision Date: \_\_\_\_\_

Department Affected: Labor

Title: Pay Physician Assts Under Medicaid

BRU: Workers' Compensation

Component: Workers' Compensation

Sponsor: Senator Kerttula

Requestor: Senate Finance

COMPONENT SERIAL NO. 344

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

CAPITAL						
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REVENUE FUND SOURCE:						
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FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipt						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY94) impact: \$ None

ANALYSIS: (Attach a separate page if necessary)

Prepared by: Pau B. Arnolat, Director Phone: 465-2790

Division: Workers' Compensation Date: 4/6/94

Approved by Commissioner: Charles W. Mahlen

Agency: Department of Labor Date: 4/6/94

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**FISCAL NOTE**

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**STATE OF ALASKA  
1994 LEGISLATIVE SESSION**

**BILL NO. SB231**

Revision Date: \_\_\_\_\_ Dept. Affected: Health and Social Services  
 Title: An Act Providing coverage under Medicaid for BRU: Medicaid  
services of physician assistant's Component: Medicaid Non-Facility;  
 Sponsor: KERTULLA, ELLIS, LITTLE  
 Requestor: \_\_\_\_\_ COMPONENT SERIAL NO. 229

**Expenditures/Revenues:**

(Thousands of Dollars)

OPERATING	FY95	FY96	FY97	FY98	FY99	FY00
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	0.0	247.5	278.7	313.8	353.3	397.8
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	999.6	2,780.8	3,131.1	3,525.7	3,969.9	4,470.1
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL OPERATING</b>	<b>1,098.6</b>	<b>3,028.3</b>	<b>3,409.8</b>	<b>3,839.5</b>	<b>4,323.2</b>	<b>4,868.0</b>

<b>CAPITAL EXPENDITURES</b>	0.0					
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<b>CHANGES IN REVENUES</b>	549.3	1514.1	1704.9	1919.7	2161.6	2434.0
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**FUND SOURCE**

(Thousands of Dollars)

1002 Federal Receipts	549.3	1,514.1	1,704.9	1,919.7	2,161.6	2,434.0
1003 GF Match	549.3	1,514.1	1,704.9	1,919.7	2,161.6	2,434.0
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1006 GF/MHTIA	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL</b>	<b>1,098.6</b>	<b>3,028.3</b>	<b>3,409.8</b>	<b>3,839.5</b>	<b>4,323.2</b>	<b>4,868.0</b>

**POSITIONS:**

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of current year (FY94) impact: 0.0

**ANALYSIS:** (Attach a separate page if necessary)

The bill adds physician's assistants as an enrolled provider of services. It is estimated that 25% of the 168 licensed and active physician's assistants will enroll, beginning with a 10% enrollment in the first year. Enrollment would begin in July of 1995. Charges by physician assistants are assumed to be 70% of the amount that has been charged through a physician's office for services performed by a physician's assistant. Contractual costs include claims processing at \$6.23 per claim with a one-time, first year cost of \$10.0 for system changes to add the new provider type. Federal participation is available at 50% of costs.

Prepared by: Dave W. Williams  
 Division: Medical Assistance

Phone: 465-3355  
 Date: 02/08/94

Approved by Commissioner: Margaret R. Lowe  
Margaret R. Lowe, M.Ed., Ed.S  
 Agency: Department of Health & Social Services

Date: 2/9/94

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SB 231