

SB

2017

FISCAL NOTE

**STATE OF ALASKA
2000 LEGISLATIVE SESSION**

BILL NO. SB 207

Revision Date/Time (Note if correction) _____ Dept. Affected _____ Revenue _____
 Title Medical Support Orders for Children BRU Child Support Enforcement
 Component Child Support Enforcement
 Sponsor Rules
 Requester Senate Health, Education and Social Services Component No. 111

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2000) cost: _____

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

The main feature of this legislation would allow the Child Support Enforcement Division to issue a medical support order without it having to be in conjunction with an order for financial support. Under existing statutes, an order for medical support can only be established in conjunction with a financial support order. This bill changes the law so that a medical support order may be established on its own.

Prepared by: Barbara Miklos, Director Phone _____
 Division Child Support Enforcement Division Date/Time 2/7/00 9:06 AM
 Approved by: Wilson Condon, Commissioner Date _____
 Agency Department of Revenue

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

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SENATE COMMITTEE REPORT First Committee of Referral

DATE: 1/20/00

FURTHER: Judiciary
Finance

Date of 5-Day Notice: 3/16/00
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: 3.22.00

Health, Education and Social Services Committee considered

SENATE BILL NO. 207

"An Act relating to the establishment and enforcement of medical support orders for children; and providing for an effective date."

and recommends:

be replaced with _____ CS _____ (_____)

adopt previous _____ CS _____ (_____)

attached amendment(s)

adopt Letter of Intent by _____ Committee

further referral to the _____ Committee

Senate Bill:

same title

new title

House Bill:

same title

technical title

new: SCR# _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS?	NR	DNP	AM
<i>[Signature]</i>	<input checked="" type="checkbox"/>	<i>Pete Kelly</i>	<input checked="" type="checkbox"/>		
		<i>Greg White</i>	<input checked="" type="checkbox"/>		
CHAIR: <i>Mike Miller</i>	<input checked="" type="checkbox"/>	CHAIR:			

NEW FISCAL NOTE(S):

Department Date Zero Fiscal

Department	Date	Zero	Fiscal

PREVIOUS FISCAL NOTE(S):*

Department Date Zero Fiscal

Department	Date	Zero	Fiscal
<i>Revenue</i>	<i>12/99</i>	<input checked="" type="checkbox"/>	

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

TONY KNOWLES

STATE OF ALASKA

Office of the Attorney General
JUNEAU

January 19, 2000

The Honorable Drue Pearce
President of the Senate
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Dear President Pearce:

Thanks to the inception of Denali Kid Care in March 1999, 12,000 more Alaska children and pregnant women have basic medical care. The success of this program will have far-reaching and long-term effects on the health and well-being of Alaskans.

The vast success of Denali Kid Care has brought more into focus, however, an ongoing problem with Medicaid benefits and its effect on Alaska's child support system. This bill corrects the problem by clarifying that a child support order need not be automatically established when a custodial parent receives medical benefits through Medicaid.

The Child Support Enforcement Division (CSED) must, under federal law, issue a medical support order whenever a custodial parent receives medical benefits through Medicaid. The support order requires either parent to provide health care coverage for the child if it is available at a reasonable cost. Currently, the CSED cannot establish a medical support order only; it must be in conjunction with a child support order that seeks monthly support payments. The custodial parent, however, may not want to pursue child support for various reasons. The current requirement to do so, then, becomes a disincentive to seek valuable medical benefits through Denali Kid Care. To allow more flexibility in such cases, this bill gives parents the option of requesting a medical support order only, without an accompanying child support order.

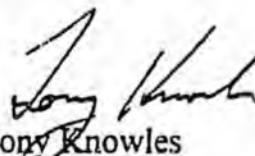
This bill also amends the medical support statutes to provide that either parent, not simply the obligor parent, may be required to provide health care coverage if coverage is available to the parent at a reasonable cost. By making this change, the bill assures that

The Honorable Drue Pearce
January 19, 2000
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the statutory requirements for medical support orders are consistent with the requirements of Alaska Civil Rules and related federal law. This bill also makes it clear that a medical support order can be issued regardless of whether health care coverage is currently available to either parent. This makes medical support a continuing obligation on the part of either parent to provide health care coverage for the child whenever it is available at a reasonable cost.

In the interest of the health of Alaska's children, I urge your prompt and favorable action on this bill.

Sincerely,



Tony Knowles
Governor

Sectional Analysis Senate Bill 207

“An Act relating to the establishment and enforcement of medical support orders for children and providing for an effective date.”

This bill makes three changes to child support statutes. First, under existing statutes, an order for medical support can only be established in conjunction with a financial support order. This bill changes the law so that a medical support order may be established on its own. Second, this bill amends the medical support statutes to provide that either parent, not simply the obligor parent, may be required to provide health care coverage. Third, this bill amends the law to require that a medical support order be issued regardless of whether health care coverage is currently available to either parent.

Since so many statutes address child support, changes must be made to many different sections.

Section 1 removes the requirement in AS 25.27.020(a) (9) that a medical support order be issued only as part of a child support order. It also amends the statutes to provide that either parent, not simply the obligor parent, may be required to provide health care coverage.

Section 2 accomplishes the same as Section 1. However, this section amends AS 25.27.060(c), which addresses court orders.

Section 3 amends AS 25.27.063(a) so that either parent may be ordered to provide medical support, not just the obligor. It also adds language clarifying that the parent must provide health insurance only if the health insurance is available at a reasonable cost. This makes this section consistent with other statutes.

Section 4 amends AS 25.27.063(b) so that either parent may be ordered to provide medical support, not just the obligor.

Section 5 amends AS 25.27.140(a) to allow CSED to establish a medical support order as part of a duty of support.

Section 6 amends AS 25.27.140(c) so that it is clear that CSED will not send out an income withholding order with a medical support order only.

Section 7 amends AS 25.27.160 to include the establishment of medical support orders in the same procedures used to establish child support orders. The section

clarifies that CSED must serve the obligor with a notice and finding of financial responsibility to establish a medical support order only. However, it exempts medical support orders from certain requirements, including the requirement that the notice set a periodic payment amount and that the notice inform the obligor of the possibility that the obligor's property and assets will be subject to execution.

Section 8 adds a new section to AS 25.27.160 that delineates the requirements for a notice and finding of financial responsibility for a medical support order.

Sections 9 and 10 amend AS 25.27.170(d) and 25.27.170(f) so that hearing officers of the Department of Revenue have clear direction when holding hearings for medical support orders only. In Section 9, when the hearing relates to medical support only, the hearing officer is not required to determine the amount of periodic payments. In Section 10, when the hearing relates to medical support only, the obligor's property and income is not subject to immediate execution if the obligor fails to appear at the hearing.

Section 11 describes what must happen in a hearing for a medical support order only. The hearing officer shall determine whether either parent is required to provide health care coverage, taking into consideration whether coverage is available to either parent at a reasonable cost and whether adequate health care is available through Indian Health Service or other insurance coverage.

Section 12 adds the requirement that a decision issued by a hearing officer include a medical support order. It removes the requirement that the hearing officer determine the amount of periodic payments if a medical support order only is being established.

Section 13 adds the duty to provide health care coverage to the definition of duty to support.

Section 14 specifies that the legislation takes effect immediately.

Medical Support Order Survey

CSED asked all states whether the child support agency could establish separate medical orders. Twenty-four responded.

Total responses: 24. "Yes" responses 16 and "No" responses 3. Five states responded that all orders are done by the court.

"Yes" Answers:

Arizona	Arkansas	California
Colorado	Hawaii	Idaho
Iowa	Kentucky	Maine
Nebraska	North Dakota	Oregon
South Carolina	Texas	Washington

Connecticut-can take voluntary agreements and file with court or they can petition the court for medical only orders.

"No" Answers:

Montana-may only be established as part of an action or proceeding to establish a support order; no medical support order process.

South Dakota-does not have authority to establish medical support only orders.

Utah-does not establish without financial awards. In Medicaid only cases in which the obligee has declined financial child support services and there is no child or medical support order, they first establish an order with both provisions. If there is already an order, and if the Medicaid only obligee has declined financial child support collection and enforcement services, will we then enforce only the medical obligation.

Orders Established By Court Only:

DC	Louisiana	Maryland
Massachusetts	Virginia	

3/20/00