

SB

285

HFIN

FILE

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: SB 285
 (S) Publish Date: 2/11/04
 Dept. Affected: Health & Social Services
 RDU Health Care Services
 Component Medicaid Services

Revision Date/Time (Note If correction):
 Title MEDICAID FOR SCHOOL BASED SERVICES
AND TARGETED CASE MANAGEMENT

Sponsor GREEN
 Requester SENATE (HES)

Component No. 2077
 (Thousands of Dollars)

Expenditures/Revenues

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

| OPERATING EXPENDITURES | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 | FY 2010 |
|------------------------|------------|------------|------------|------------|------------|------------|
| 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 | | | | | | |
|-----------------------------|--|--|--|--|--|--|

| | | | | | | |
|-------------------------------|--|--|--|--|--|--|
| CHANGE IN REVENUES (0) | | | | | | |
|-------------------------------|--|--|--|--|--|--|

FUND SOURCE

(Thousands of Dollars)

| | | | | | | |
|---------------------------------------|------------|------------|------------|------------|------------|------------|
| 1002 Federal Receipts | | | | | | |
| 1003 GF Match | | | | | | |
| 1004 GF | | | | | | |
| 1037 GF/Mental Health | | | | | | |
| Other(Specify Type-do not abbreviate) | | | | | | |
| Other(Specify Type-do not abbreviate) | | | | | | |
| TOTAL | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Estimate of any current year (FY2004) cost: _____

Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

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

ANALYSIS: (Attach a separate page if necessary)

The Department of Health and Social Services anticipates no fiscal impact from this legislation relating to Medicaid payments for rehabilitative services provided by school districts.

This legislation is necessary to clarify the statutory authority of the department to offer school-based rehabilitative services.

Prepared by: Sherry Hill, Social Assistant
 Division: Office of the Commissioner
 Approved by: Joel S. Gilbertson, Commissioner
 Agency: Department of Health and Social Services

Phone 465-1618
 Date/Time 01/28/2004
 Date 01/28/2004

STATE OF ALASKA
2004 LEGISLATIVE SESSION

ANALYSIS CONTINUATION

Initially this option proposes to address funding for tribal partners, but is likely to be utilized with a broader group of services providers in following years. The three largest family preservation service grantees, Kawerak, Maniilaq and Tlingit/Haida, are all tribally affiliated organizations. The Targeted Case Management will first be implemented in the tribal agencies that are currently receiving general funds.

This legislation may result in a savings of \$270.0 in General fund and it is reflected in the FY 2005 Governor's Budget request.

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 2
 Bill Version: S8 285
 (S) Publish Date: 2/11/04
 Dept. Affected: Health & Social Services

Revision Date/Time (Note if correction):

Title MEDICAID FOR SCHOOL BASED SERVICES
AND TARGETED CASE MANAGEMENT

RDU Children's Services

Component Family Preservation

Sponsor GREEN

Requester SENATE (HES)

Component No. 1628

Expenditures/Revenues (Thousands of Dollars)

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

| OPERATING EXPENDITURES | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 | FY 2010 |
|------------------------|------------|------------|------------|------------|------------|------------|
| 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 | | | | | | |
|-----------------------------|--|--|--|--|--|--|

| | | | | | | |
|-------------------------------|--|--|--|--|--|--|
| CHANGE IN REVENUES (0) | | | | | | |
|-------------------------------|--|--|--|--|--|--|

FUND SOURCE (Thousands of Dollars)

| | | | | | | |
|---------------------------------------|------------|------------|------------|------------|------------|------------|
| 1002 Federal Receipts | | | | | | |
| 1003 GF Match | | | | | | |
| 1004 GF | | | | | | |
| 1037 GF/Mental Health | | | | | | |
| Other(Specify Type-do not abbreviate) | | | | | | |
| Other(Specify Type-do not abbreviate) | | | | | | |
| TOTAL | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Estimate of any current year (FY2004) cost: _____

Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

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

ANALYSIS: (Attach a separate page if necessary)

The proposed legislation will expand Medicaid options to fund family preservation services through Targeted Case Management for children who are subject to, or at the risk of abuse and neglect. This offers the best long-term prospects for sustaining or building these services over time. The 2003 Office of Children's Services Federal Review Program Improvement Plan (PIP) submitted by the Office of Children's Services speaks directly to the need for additional support services for families, and this is one avenue for addressing this need.

Prepared by: Sherry Hill, Special Assistant
 Division: Office of the Commissioner
 Approved by: Joel S. Gilbertson, Commissioner
 Agency: Department of Health and Social Services

Phone 465-1618
 Date/Time 01/28/2004
 Date 01/28/2004

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SENATOR LYDA GREEN SENATE DISTRICT G

Sponsor Statement for SB285

"An Act Providing for Medicaid coverage for certain case management services; relating to payment under the Medicaid program for certain rehabilitative services furnished or paid for by a school district for eligible children; and providing for an effective date."

Targeted Case Management

Targeted case management services are those which assist individuals in gaining access to needed medical, social, educational and other services. It allows the state to reach out beyond the bounds of the Medicaid program to coordinate a broad range of activities and services necessary to the optimal functioning of a Medicaid client.

Medicaid allows states the option to cover targeted case management services.

Current Alaska law restricts these targeted groups to substance abusers, chronically mentally ill adults, and severely emotionally disturbed children. The proposed change would let the Alaska Medicaid Program offer targeted case management to various groups of Medicaid recipients, potentially refinancing existing general fund expenditures.

The Department of Health and Social Services would begin by using targeted case management to fund family preservation services for children who are subject to, or at risk of, abuse and neglect. Further expansion of the service would be contingent on successful implementation of family preservation services.

School-Based Rehabilitative Services

In 2002, the Alaska Legislature amended the state Medicaid statute to allow school districts to enroll as Medicaid providers and offer rehabilitative and other services. The Department of Health and Social Services is unable to reimburse school districts for rehabilitative services due to the restrictive definition of rehabilitative services in 47.07.900, which limits providers to community mental health centers and drug and alcohol treatment centers.

By clarifying and making the definition of rehabilitative services as inclusive as the federal definition, this legislation will allow school districts to bill Medicaid for more of the services they provide to children with Individual Education Plans (IEPs).



ALASKA MENTAL HEALTH BOARD

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STATE OF ALASKA

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March 3, 2004

The Honorable Lyda Green
Alaska Senate
State Capitol, Room 516
Juneau, AK 99801-1182

Dear Senator Green:

The Alaska Mental Health Board (AMHB) wishes to convey to you some concerns regarding SB 285. We realize that SB 285 passed the Senate on March 3, 2004. Unfortunately, the AMHB was unable to consider the bill and develop comments until it had already reached the Senate floor. As the bill moves through the House of Representatives and you work with committees of that body, the AMHB offers several issues it believes ought to be considered.

1. For some time, the AMHB has viewed with concern the potential for fragmentation and duplication of services latent in the creation of service delivery mechanisms aimed at specific populations of children or at children served outside the community mental health system, for example in the child welfare system. This is not a concern specific to Alaska, but a national issue as evidenced by the introduction of the Keeping Families Together Act in both the U.S. Senate and House (S 1704 and HR 3243). A key provision of these bills promotes coordinating systems of care to reduce fragmented service delivery by education, mental health, juvenile justice, and child welfare agencies. The AMHB recommends that, as Alaska continues to move toward making services available from a variety of sources, that we pay close attention to ensuring efficient and collaborative use of existing resources.
2. Across Alaska, the depth and scope of collaboration between community providers of mental health services and local school districts varies widely. Some communities offer models of cooperation, while others evidence less optimal collaboration. As the range of school-based Medicaid services allowable under the law expands, the AMHB recommends that consideration be given to promoting collaboration and utilization of existing resources rather than leaving the door open to unintentional fragmentation or duplication of service capacity.
3. Alaska experiences a shortage of qualified, experienced mental health professionals. The AMHB has some concern that, as school-based Medicaid service provision

Senator Green
March 3, 2004
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expands, potential competition for limited professional resources could have a detrimental impact on service capacity in the community at large.

4. Finally, the AMHB wonders whether the discussion has addressed whether access to school-based Medicaid services will reflect differences in the size and sophistication of individual school districts; specifically, will smaller districts lack the capacity to offer such services?

The AMHB strongly supports improved access to appropriate services for children in their schools, communities and homes. In the ideal, services for children and their families should be delivered in as coherent, unified, and efficient a manner as possible. As Alaska makes more services available in more venues, we urge that we not lose sight of this basic principle.

SB 285 addresses critical and complex issues. We would like to meet with you to discuss our concerns. Thank you for considering our comments.

Respectfully,

Jeri Lanier
Chair