

**HB**

**468**

# Alaska State Legislature

## House of Representatives

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**Representative Max F. Gruenberg, Jr.**  
**House District 20**  
**Anchorage (Mountain View, Russian Jack, East Anchorage)**

### Sponsor Statement for House Bill 468

"An Act relating to disclosure of employment information on a medical assistance application and a hospital intake report; and requiring the Department of Health and Social Services to prepare and publicize a report pertaining to employers who do not provide health insurance."

This legislation is modeled after bills introduced in other states to deal with the problems of large, profitable employers who do not provide for their worker's basic health care needs. This results in working Alaskans and their families having to seek public assistance to pay their health care costs, or going without adequate health care entirely.

The purpose of this bill is to identify those employers who are taking advantage of the state's welfare system to subsidize their lack of health benefits for their employees. It would mandate that health care providers report annually to the state the name of the employer of any person, as well as the dependents of that person, needing public assistance to pay for the cost of their needed health care. It would also require that those results be reported on a yearly basis to inform lawmakers and the public.

HB 468 will require the state to collect information on those employers who are not paying adequate health care costs for working Alaskans and their families and are instead maximizing their profits at the public's expense.

**To:** House HESS Committee members  
**From:** Rep. Gruenberg, sponsor  
**Re:** Explanation of changes in the CS for House Bill 468 (HES)

After the last hearing of this bill, Rep. Gruenberg, his staff and staff with Rep. Wilson's office convened a meeting of representatives from the Dept. of H&SS, Dept. of Labor, and the Hospitals.

Together, we have crafted a CS that we are confident will be less expensive, easier to carry out, and still provide valuable information for the legislature and the public to consider how to reduce the state's substantial and rising Medicaid costs.

Comparison between HB 468 G version and CS for HB 468 (HES) version I

HB 468 version G	CS for HB 468 (HES)
Title: Relates to medical assistance applications and hospital intake reports.	Title: Requires DHSS to prepare a report pertaining to certain employers of recipients of medical assistance
Sec. 1: Hospital intake form naming employers of uninsured persons and their beneficiaries would be filled out and reported annually.	Deleted.
Sec. 2 (Sec. 47.07.061): DHSS shall collect "employers of uninsured" data on medical assistance application.	Deleted.
Sec. 2 (Sec. 47.07.062): DHSS shall prepare and publicized a report, by January 20 <sup>th</sup> of each year, to the legislature and the public showing which employers have employees or their beneficiaries applying for the state Medicaid program and/or listed by the hospitals as uninsured.	Sec. 1: A one-time report shall be prepared by January 16, 2007, using DHSS/DOL data from 2005, showing which employers had employees or their beneficiaries who received state Medicaid benefits.
"Employer" is defined as having more than 25 employees.	"Employer" is defined as having had an average monthly employment in 2005 of more than 25 persons.
	Effective immediately
Fiscal Note: \$130,000 annually	Fiscal Note: Zero to \$7,500 one time

Prepared by Michael Bucy, staff to Rep. Gruenberg  
465-2840

# FISCAL NOTE

**STATE OF ALASKA**  
**2006 LEGISLATIVE SESSION**

Fiscal Note Number: \_\_\_\_\_  
 Bill Version: \_\_\_\_\_  
 ( ) Publish Date: HB468-DHSS-FMS-03-28-06  
 Dept. Affected: Health & Social Services

Revision Date/Time (Note if correction): \_\_\_\_\_

Title RELATING TO THE EMPLOYMENT OF PERSONS RECEIVING MEDICAL ASSISTANCE RDU Departmental Support Services  
 Component Information Technology Services

Sponsor GRUENBERG

Requester HOUSE (HES)

Component No. 2754

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below

OPERATING EXPENDITURES	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Personal Services	25.0					
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>25.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES (0)</b>						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts	12.5					
1003 GF Match	12.5					
1004 GF						
1037 GF/Mental Health						
Other(Specify Type-do not abbreviate)						
Other(Specify Type-do not abbreviate)						
<b>TOTAL</b>	<b>25.0</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 (FY2006) cost: \_\_\_\_\_

Mark this box (X) if funding for this bill is included in the Governor's FY 2007 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

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

This bill would require the department to compile and report to the Legislature (and make public), by January 20 each year, the names and addresses of employers - taken from hospital intake reports and medical assistance applications - with the total number of employees from each business who were uninsured hospital patients, and also the total number of employees (or employee dependents) who applied for or received medical assistance.

The Division of Public Assistance (DPA) collects, however, does not electronically store employer name and address information in its Eligibility Information System (EIS).

The department estimates \$25,000 will be needed to make the necessary programming changes to its EIS to allow DPA staff to record employer name and address information, and to generate reports so the information can be compiled with the hospital intake reports to meet the proposed reporting requirement.

Prepared by: Janet Clarke, Assistant Commissioner  
 Division: Finance and Management Services  
 Approved by: Karleen Jackson, Commissioner  
 Agency: Department of Health and Social Services

Phone 465-1630  
 Date/Time 03/23/2006  
 Date 03/28/2006

# FISCAL NOTE

**STATE OF ALASKA**  
**2006 LEGISLATIVE SESSION**

Fiscal Note Number: \_\_\_\_\_  
 Bill Version: \_\_\_\_\_  
 ( ) Publish Date: HB468-DHSS-DPA1-03-28-06  
 Dept. Affected: Health & Social Services

Revision Date/Time (Note if correction): \_\_\_\_\_

Title RELATING TO THE EMPLOYMENT OF PERSONS RECEIVING MEDICAL ASSISTANCE RDU Public Assistance  
 Component Public Assistance Field Svcs

Sponsor GRUENBERG

Requester HOUSE (HES)

Component No. 236

**Expenditures/Revenues** (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Personal Services	130.0	130.0	130.0	130.0	130.0	130.0
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>130.0</b>	<b>130.0</b>	<b>130.0</b>	<b>130.0</b>	<b>130.0</b>	<b>130.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES (0)</b>						
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**FUND SOURCE** (Thousands of Dollars)

FUND SOURCE	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
1002 Federal Receipts	65.0	65.0	65.0	65.0	65.0	65.0
1003 GF Match	65.0	65.0	65.0	65.0	65.0	65.0
1004 GF						
1037 GF/Mental Health						
Other(Specify Type-do not abbreviate)						
Other(Specify Type-do not abbreviate)						
<b>TOTAL</b>	<b>130.0</b>	<b>130.0</b>	<b>130.0</b>	<b>130.0</b>	<b>130.0</b>	<b>130.0</b>

Estimate of any current year (FY2006) cost: \_\_\_\_\_

Mark this box (X) if funding for this bill is included in the Governor's FY 2007 budget proposal:

**POSITIONS**

POSITIONS	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Full-time	2	2	2	2	2	2
Part-time						
Temporary						

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

This bill requires hospitals to collect the name and address of a patient's employer on the hospital intake report (or, if the patient is a dependent, the name and address of the employer of the person responsible for the dependent), and to report to the department by July 1 of each year the total number of employees for each business who were uninsured hospital patients.

This bill would also require the department to compile and report to the Legislature (and make public), by January 20 of each year, the names and addresses of employers - taken from hospital intake reports and medical assistance applications - with the total number of employees from each business who were uninsured hospital patients, and also the total number of employees (or employee dependents) from each business who applied for or received medical assistance.

Prepared by: Katherine Farnham, Director

Phone 465-5835

Division: Public Assistance

Date/Time 03/23/2006

Approved by: Karleen Jackson, Commissioner

Date 03/28/2006

Agency: Department of Health and Social Services

FISCAL NOTE  
FN #

STATE OF ALASKA  
2006 LEGISLATIVE SESSION

ANALYSIS CONTINUATION

The Division of Public Assistance (DPA) currently collects employment-related information, such as earnings and health insurance coverage information, for persons applying for or receiving Medicaid. DPA does not, however, electronically store employer name and address information in its Eligibility Information System (EIS).

The department estimates two full time eligibility staff will be needed to record employer name and address information in EIS for Medicaid applicants and recipients. This data can then be extracted from EIS, and compiled with the hospital report, to meet the proposed reporting requirement.

Personal Services

Assumptions Made:      20,000 cases per year with employer information  
                                  10 minutes per year per case with employer information  
                                  200,000 minutes per year or 3,333 hours per year  
                                  162 hours worked per position per month = 1,944 hours  
                                  3,333 hours per year/1,944 hours per tech position = 1.7 workers

Average salary for an Eligibility Tech II \$64,944 salary and benefits

This fiscal note does not include any administrative or data collection costs associated with hospital's meeting this reporting requirement.