

HB

105

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

REPORTED OUT
 MAY 05 2006
 SENATE FINANCE COMMITTEE

DATE: 4/21/06

FURTHER:

DATE TURNED
 IN TO OFFICE: 5 May 2006

Finance Committee considered CS FOR HOUSE BILL NO. 105(FIN)

HB 105 MEDICAID FOR ADULT DENTAL SERVICES

"An Act relating to coverage for adult dental services under Medicaid; and providing for an effective date."

and recommends:

- be replaced with S CS CS HB 105 (FIN)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by House Finance Committee
- further referral to _____ Committee

CS Senate Bill:	
<input type="checkbox"/>	Same Title
<input type="checkbox"/>	New Title
SCS House Bill:	
<input checked="" type="checkbox"/>	Same Title
<input type="checkbox"/>	Technical Title Change
<input type="checkbox"/>	New Title w/ SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Ind.	Zero	FN#
HASS	5/4/06	2633.0			

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Ind.	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
	<input checked="" type="checkbox"/>			
	<input checked="" type="checkbox"/>			
	<input checked="" type="checkbox"/>			
	<input checked="" type="checkbox"/>			
COCHAIR:	<input checked="" type="checkbox"/>			
COCHAIR:	<input checked="" type="checkbox"/>			

FISCAL NOTE

REPORTED OUT
 MAY 05 2006
 SENATE FINANCE COMMITTEE
 HB105SCSCS(FIN)-DHSS-DHCS-05-04-06

STATE OF ALASKA
 2006 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB105SCSCS(FIN)-DHSS-DHCS-05-04-06
 () Publish Date: _____

Revision Date/Time (Note if correction): 05/04/2006
 Title ADULT DENTAL COVERAGE UNDER MEDICAID

Dept. Affected: Health & Social Services
 RDU Adult Preventative Dental Medicaid Services
 Component Adult Preventative Dental Medicaid Svcs

Sponsor (RLS) BY REQUEST OF THE GOVERNOR

Requester _____ Component No. 2839

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						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	2,633.0	10,292.0	10,133.8			
Miscellaneous						
TOTAL OPERATING	2,633.0	10,292.0	10,133.8	0.0	0.0	0.0
CAPITAL EXPENDITURES						
CHANGE IN REVENUES (0)						

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	1,988.3	7,557.8	7,323.8			
1003 GF Match	219.7	1,309.2	1,385.0			
1004 GF						
1037 GF/Mental Health						
1092 MHTAAR	425.0	1,425.0	1,425.0			
Other(Specify Type-do not abbreviate)						
TOTAL	2,633.0	10,292.0	10,133.8	0.0	0.0	0.0

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)

Historically Medicaid Dental Benefits for recipients 21 years or older, have been limited to immediate relief of pain and acute infection. Routine preventive or restorative services have not been covered.

Under this bill, Dental Benefits for Adults would be expanded to include preventive and restorative care up to a cap of \$1,150 per person annually. Examples of services that could be provided at that level are: one exam, 4 bitewing radiographs, cleaning and about 8 restorations or extractions, or: one exam and an upper or lower full denture. (cont. on page 2)

Prepared by: Janet Clarke, Assistant Commissioner Phone 465-1630
 Division Finance & Management Services Date/Time 05/04/2006
 Approved by: Karleen Jackson, Commissioner Date 05/04/2006
 Agency Department of Health and Social Services

FISCAL NOTE
FN #

STATE OF ALASKA
2006 LEGISLATIVE SESSION

ANALYSIS CONTINUATION

This fiscal note is created as a separate budget appropriation for tracking purposes. This bill has a sunset clause in FY2009.

It is estimated that approximately 41,000 individuals would be eligible for the expanded Medicaid Dental Benefits, including adults with disabilities and seniors. Not all eligible individuals will seek dental benefits, and those that do will utilize services at varying rates.

Of the 41,000 eligible persons, about 25% are Alaska Native and 28% are Mental Health Trust clients. Fifty percent of the eligible Alaska Natives would utilize the service from the outset as most are already connected with tribal dental programs and have good access to care. About 35% of the Mental Health Trust clients are expected to access dental care initially given that the Trust and grantee programs serving these clients will advocate for them and assist clients in getting appointments. Participation in the program by non-Native, non-Trust adults will ramp up slowly with 15% of eligible persons utilizing the service in the first year, 25% in the second year, and 35% in the third year. Overall there will be an estimated 12,000 participants in the first year (29% of eligible adults), 14,000 in the second year (34%), and 15,800 in the third year (39%).

Based on the assumptions below on utilization of dental benefits, the weighted average benefit for a full fiscal year is about \$730 per recipient. Of adult recipients that access dental care it is estimated that:

- o 15% will receive up to \$250 in benefits
- o 25% will receive up to \$500 in benefits
- o 25% will receive up to \$750 in benefits
- o 20% will receive up to \$1,000 in benefits
- o 15% will receive the maximum \$1,150 in benefits

These utilization rates are based on provider capacity (the extent of dental access through tribal and community health center dental programs, and the extent of private dental participation in the Medicaid program) Because of the limited number of dentists and available appointments for new clients, some adults will only be able to get in to see the dentist once or twice in a year. Treatment needs also affect utilization rates (not all eligible individuals will seek dental benefits, and those that do will utilize services at varying rates.)

It is anticipated that the program will be operational the last quarter of FY07 so costs in that year are 25% of the full year's costs and adjusted 20% higher to allow for pent up demand. A 3% growth in utilization is included in FY08 & FY09 to reflect possible increases in eligible adults and/or an increased percentage of adults accessing the dental services in the first few years. Adults on the program for several years would eventually have their major treatment needs met and move to a "maintenance" level of care (e.g., routine exam and cleanings but less restorative needs and less dental emergencies).

It is anticipated that this service expansion will reduce dental emergency services; however there will always be adults who avoid the dentist until there is an acute need. Because the service would not be implemented until the 4th quarter of FY07, claims for emergency dental services will likely remain the same in FY07. In the second year emergency dental services would be reduced 25%, or about \$500.0. In the third year emergency dental services would be 50% of current costs, or about \$1,000.0. (cont. on page 3)

FISCAL NOTE
FN #

STATE OF ALASKA
2006 LEGISLATIVE SESSION

ANALYSIS CONTINUATION

Factoring in those individuals who are eligible for 100% federal reimbursement, the federal contribution (through FY 2009) will cover approximately 72-76% of the costs.

FISCAL NOTE

STATE OF ALASKA
2006 LEGISLATIVE SESSION

Fiscal Note Number: 2
 Bill Version: CSHB 105(FIN)
 (H) Publish Date: 4/10/06
 Dept. Affected: Health & Social Services
 RDU Health Care Services
 Component: Medicaid Services

Revision Date/Time (Note if correction):
 Title ADULT DENTAL COVERAGE UNDER MEDICAID

Sponsor (RLS) BY REQUEST OF THE GOVERNOR
 Requester HOUSE (FIN)

Component No. 2077

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
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Contractual						
Supplies						
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Land & Structures						
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Part-time						
Temporary						

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This bill has a sunset clause in FY2009. (cont. on page 2)

Prepared by: Sherry Hill, Special Assistant Phone 465-1618
 Division: Office of the Commissioner Date/Time 04/06/2006
 Approved by: Karleen Jackson, Commissioner Date 04/06/2006
 Agency: Department of Health and Social Services

STATE OF ALASKA
2006 LEGISLATIVE SESSION

ANALYSIS CONTINUATION

It is estimated that approximately 41,000 individuals would be eligible for the expanded Medicaid Dental Benefits, including adults with disabilities and seniors. Not all eligible individuals will seek dental benefits, and those that do will utilize services at varying rates.

Of the 41,000 eligible persons, about 25% are Alaska Native and 28% are Mental Health Trust clients. Fifty percent of the eligible Alaska Natives would utilize the service from the outset as most are already connected with tribal dental programs and have good access to care. About 35% of the Mental Health Trust clients are expected to access dental care initially given that the Trust and grantee programs serving these clients will advocate for them and assist clients in getting appointments. Participation in the program by non-Native, non-Trust adults will ramp up slowly with 15% of eligible persons utilizing the service in the first year, 25% in the second year, and 35% in the third year. Overall there will be an estimated 12,000 participants in the first year (29% of eligible adults), 14,000 in the second year (34%), and 15,800 in the third year (39%).

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Factoring in those individuals who are eligible for 100% federal reimbursement, the federal contribution (through FY 2009) will cover approximately 72-76% of the costs.

SENATE FINANCE COMMITTEE REPORT

REPORTED OUT
 MAY 05 2006
 SENATE FINANCE COMMITTEE

DATE: 4/21/06

FURTHER:

 DATE TURNED
 IN TO OFFICE: 5 May 2006

Finance Committee considered CS FOR HOUSE BILL NO. 105(FIN)

HB 105 MEDICAID FOR ADULT DENTAL SERVICES

"An Act relating to coverage for adult dental services under Medicaid; and providing for an effective date."

and recommends:

- be replaced with S CS CS HB 105 (FIN)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by House Finance Committee
- further referral to _____ Committee

CS Senate Bill:
 Same Title
 New Title

SCS House Bill:
 Same Title
 Technical Title Change
 New Title w/ SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Ind.	Zero	FN#
HASS	5/4/06	2,633.0			

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Ind.	Zero	FN#

 APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>[Signature]</i>	✓			
<i>[Signature]</i>	✓			
<i>[Signature]</i>	✓			
<i>[Signature]</i>	✓			
CCCHAIR: <i>[Signature]</i>	✓			
COCHAIR: <i>[Signature]</i>	✓			

THE
FOLLOWING
DOCUMENT(S)
ARE
POOR
ORIGINAL
COPIES

AMENDMENT

OFFERED IN THE SENATE FINANCE
COMMITTEE
TO: CSHB 105(FIN)

BY Sen. Wilken

1 Page 2, line 5, following "(a)":
2 Delete "The"
3 Insert "Subject to appropriation, the"
4

5 Page 2, following line 13:
6 Insert the following material:
7 "(b) On or before June 30 of each fiscal year, the department shall review
8 appropriations available for the purposes of this section for the following fiscal year, and
9 estimate the scope of services to be used and number of eligible recipients anticipated to
10 be served during the following fiscal year. Notwithstanding the maximum amount of
11 benefits specified in (a)(1) of this section, the department shall reduce, by regulation, that
12 specified maximum amount of benefits for the following fiscal year if the department's
13 estimates under this subsection would exceed appropriations available for that fiscal year.
14 Notwithstanding any contrary provision of AS 44.62.250 and 44.62.260, the department
15 may adopt emergency regulations to implement this subsection."
16

17 Page 2, line 14:
18 Delete "(b)"
19 Insert "(c)"

SENATE CS FOR CS FOR HOUSE BILL NO. 105(FIN)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FOURTH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:
Referred:

Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to coverage for adult dental services under Medicaid; and providing
2 for an effective date."

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

4 * Section 1. The uncodified law of the State of Alaska is amended by adding a new section
5 to read:

6 PURPOSE; INTENT. (a) The purpose of this Act is to increase adult dental care
7 services for an eligible recipient of Medicaid under AS 47.07 to ensure that services critical to
8 a recipient are implemented first, while controlling the overall growth of the costs of the
9 increase in services.

10 (b) It is the intent of the legislature that the Department of Health and Social Services
11 implement the increase in adult dental care services authorized by this Act through the
12 adoption of regulations consistent with the department's obligation to contain the costs of the
13 increased services in order to provide the services within appropriation limits. It is further the
14 intent of the legislature that the Department of Health and Social Services implement

1 mechanisms to contain costs, which may include establishing a maximum amount of benefits
2 for each eligible recipient in a fiscal year for the services and specifying the scope of the
3 services.

4 * Sec. 2. AS 47.07 is amended by adding a new section to read:

5 **Sec. 47.07.067. Payment for adult dental services.** (a) Subject to
6 appropriation, the department shall pay for minimum treatment and for preventative
7 and restorative adult dental services provided under AS 47.07.030(b) and under
8 regulations adopted by the commissioner in conformity with applicable federal
9 requirements and this chapter. Regulations adopted under this section must include the
10 following:

11 (1) a maximum amount of benefits for preventative and restorative
12 adult dental services of \$1,150 for each eligible recipient in a fiscal year; and

13 (2) specification of the scope of coverage for preventative and
14 restorative adult dental services.

15 (b) On or before June 30 of each year, the department shall review
16 appropriations available for the purposes of this section for the following fiscal year,
17 and estimate the scope of services to be used and the number of eligible recipients
18 anticipated to be served during the following fiscal year. Notwithstanding the
19 maximum amount of benefits specified in (a)(1) of this section, the department shall
20 reduce, by regulation, the specified maximum amount of benefits for the following
21 fiscal year if the department's estimates under this subsection would exceed
22 appropriations available for that fiscal year.

23 (c) Notwithstanding any contrary provision of AS 44.62, the department may
24 adopt emergency regulations to implement (b) of this section.

25 (d) As used in this section, "minimum treatment" means the application or
26 prescription of a medication or material deemed necessary by a licensed dentist for the
27 immediate relief of pain or to reduce the spread of infection.

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

29 (20) "adult dental services" means minimum treatment for the
30 immediate relief of pain and acute infection provided by a licensed dentist.

31 * Sec. 4. AS 47.07.900(1) is repealed.

Amendment
#1

1 * Sec. 5. AS 47.07.067, as added in sec. 2 of this Act, is repealed June 30, 2009.

2 * Sec. 6. The uncodified law of the State of Alaska is amended by adding a new section to
3 read:

4 TRANSITION: REGULATIONS. The Department of Health and Social Services may
5 proceed to adopt regulations necessary to implement the changes made by this Act. The
6 regulations take effect under AS 44.62 (Administrative Procedure Act), but not before the
7 effective date of the statutory changes.

8 * Sec. 7. Section 3 of this Act takes effect July 1, 2009.

9 * Sec. 8. Section 6 of this Act takes effect immediately under AS 01.10.070(c).

10 * Sec. 9. Except as provided in secs. 7 and 8 of this Act, this Act takes effect July 1, 2006.



Alaska State Senate

Senate Finance Committee

Official Business

Mail Stop 3100
State Capitol
Juneau, Alaska 99801-1182

FAX COVER SHEET

DATE: 5 May 2006 TIME: 9:20 am

TO: Legal Services

NUMBER OF PAGES, INCLUDING COVER SHEET: 2

FROM: MINDY ROWLAND
SENATE FINANCE COMMITTEE SECRETARY
PHONE: 465-4935
FAX: 465-2187

NOTES: Final Please
SCS CS HB 105 (FIN) 24-GH1081\Y
plus 1 amendment - attached

Thx
Mindy

ALASKA STATE LEGISLATURE HOUSE FINANCE COMMITTEE

Representative Mike Chenault
Co-Chairman
(907) 465-3779
Fax: (907) 465-2833

Representative_Mike_Chenault@legis.state.ak.us

145 Main St Loop #223
Kenai, Alaska 99611

Representative Kevin Meyer
Co-Chairman
(907) 465-4945
Fax: (907) 465-3476

Representative_Kevin_Meyer@legis.state.ak.us

716 W. 4th Avenue
Anchorage, Alaska 99501

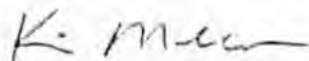
State Capitol, Juneau, Alaska 99801-1182

Letter of Intent
House Finance Committee
CS HB 105 (FIN) Medicaid for Adult Dental
Adopted April 6, 2006

By adopting this bill, it is the intent of the House Finance Committee to increase adult dental care services for an eligible recipient of Medicaid under AS 47.07 to ensure that services critical to a recipient are implemented first, while controlling the overall growth of the costs of the increase in services.

It is the intent of the House Finance Committee that the Department of Health and Social Services implement the increase in adult dental care services authorized by HB 105 by adopting regulations consistent with the department's obligation to contain the costs of increased services in order to provide these services within appropriation limits.

It is also the intent of the House Finance Committee that the department implement measures to contain costs, which may include, but are not limited to, establishing the scope of services that are eligible for payment of preventative and restorative dental care for eligible recipients.



Representative Kevin Meyer
Co-Chairman, House Finance Committee



Representative Mike Chenault
Co-Chairman, House Finance Committee

Adopted by the House
April 20, 2006

COMMITTEE COPY

STATE OF ALASKA

DEPT. OF HEALTH AND SOCIAL SERVICES

OFFICE OF THE COMMISSIONER

FRANK H. MURKOWSKI, GOVERNOR

P.O. BOX 110601
JUNEAU, ALASKA 99811-0601
PHONE: (907) 465-3030
FAX: (907) 465-3068

May 4, 2006

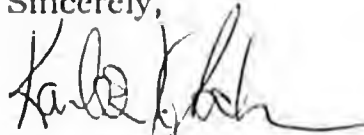
The Honorable Gary Wilken, Co-Chair
The Honorable Lyda Green, Co-Chair
Senate Finance Committee
State Capitol, Room 518, and 516
Juneau, Alaska 99801-1182

Dear Senator Wilken and Green:

This is in response to your inquiry regarding funding levels for HB 105, Adult Dental services under Medicaid. It is the department's plan and intention to manage within the fiscal note that has been developed by the department for HB 105. If the funds identified on the fiscal note are appropriated for Adult Dental Prevention services, the department will manage within the appropriated amount and does not plan to seek supplemental funding.

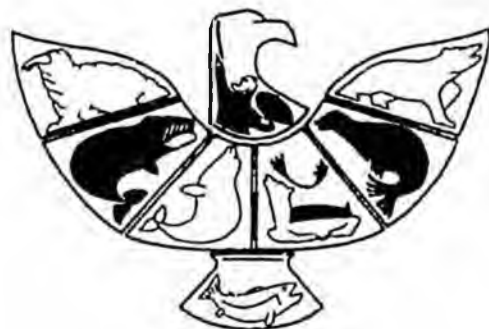
Thank you for your support of this important legislation.

Sincerely,



Karleen K. Jackson, Ph.D.
Commissioner

cc: Senator Fred Dyson, Capitol Building, Room 121
Senator Bert Stedman, Capitol Building, Room 30
Senator Lyman Hoffman, Capitol Building, Room 514
Senator Donald Olson, Capitol Building, Room 510
Bill Hogan, Deputy Commissioner
Sherry Hill, Special Assistant
Janet Clarke, Assistant Commissioner



Alaska Native Health Board

3700 Woodland Drive, Suite 300
Anchorage, Alaska 99517

Phone: (907) 562-6006
FAX: (907) 563-2001

May 2, 2006

Senate Finance Committee Members
c/o Mindy Rowland
Alaska State Senate
State Capitol, Room 516
Juneau, AK 99801
FAX: 907-465-2187

Re: IIB 105 "Medicaid for Adult Dental Services"

Dear Senators:

On behalf of our 23 member tribal health organizations, the Alaska Native Health Board is writing to express support for HB 105 and requests that you pass this bill out the Senate Finance Committee for a full Senate Floor vote.

Alaska Natives suffer disproportionately from dental disease with a rate of dental decay more than two times that of non-Natives. Alaska Natives are also represented among the Medicaid population in disproportionately high numbers. By expanding services to include more preventive forms of care, the state will surely save Medicaid dollars by reducing the need for emergency forms of treatment.

As you may also be aware, every Medicaid dollar spent by the state for services rendered to an Alaska Native at a tribally owned facility is fully reimbursed by the federal government. This bill also saves dollars by restructuring services, controlling costs through a monetary cap, and includes a three-year sunset provision, allowing for an evaluation of its effectiveness at that point in time. For these reasons, this legislation is a win-win opportunity for Alaska Natives and for the State in terms of both improved oral health and fiscal savings.

Considering these points and the legislative support for this bill received so far, I would respectfully request that you vote to pass IIB 105 out of the Senate Finance Committee.

Sincerely,

Trudy Anderson
President/ CEO

ALASKA NATIVE TRIBAL CONSORTIUM
ALEUTIAN PRIBIL OF ISLANDS ASSOCIATION
ARCTIC SLOPE NATIVE ASSOCIATION
BRISTOL BAY AREA HEALTH CORPORATION
CHUGACHMIUT
COUNCIL OF ATHABASCAN TRIBAL GOVERNMENTS
COPPER RIVER NATIVE ASSOCIATION
EASTERN ALUTIAN TRIBES

KODIAK AREA NATIVE ASSOCIATION
MANILAQ ASSOCIATION
METI AKATLA INDIAN COMMUNITY
MT. SANFORD TRIBAL CONSORTIUM
NATIVE VILLAGE OF EKLUTNA
NATIVE VILLAGE OF TYONEK
NINILCHIK TRADITIONAL COUNCIL
NORTH SLOPE BOROUGH

NORTON SOUND HEALTH CORPORATION
SELDOVIA VILLAGE TRIBE
SOUTH CENTRAL FOUNDATION
SOUTHEAST ALASKA REGIONAL HEALTH CONSORTIUM
TANANA CHIEFS CONFERENCE
YUKON-KUSKOKWIM HEALTH CORPORATION
VALDEZ NATIVE TRIBE



April 27, 2006

Mailing Address

P.O. Box 201849
Anchorage, AK 99520

Fairview Center

1217 E. 10th Avenue
(907) 257-4686 appointments
(907) 257-4654 fax

Fairview Dental Clinic

1217 E. 10th Avenue
(907) 257-4661 appointments
(907) 257-4654 fax

Mountain View Health Center

3521 Mountain View Drive
(907) 792-2300 phone
(907) 792-2369 fax

Administrative Office

903 W. Northern Lights, #218
(907) 792-6538 phone
(907) 792-6526 fax

Patient Accounting

903 W. Northern Lights, #218
(907) 792-6500 phone
(907) 792-6546 fax

TO: Senate Finance Committee Members:
Senator Lyda Green – Co-Chair
Senator Gary Wilkins – Co-Chair
Senator Con Bunde – Vice Chair
Senator Fred Dyson
Senator Bert Stedman
Senator Lyman Hoffman
Senator Donnic Olson

FROM: Joan L. Fisher, Executive Director

RE: HB 105

On behalf of the 13,696 Alaskans that are served at the Anchorage Neighborhood Health Center, I would like to express my support for HB 105 and request that this bill be scheduled for a hearing before the Senate Finance Committee.

Oral health care is a huge issue in Alaska. Many Alaskans suffer until the problem becomes so great that they end up in the emergency room. While the ER can reduce infection with antibiotics and provide pain pills, the person must still seek dental attention from a dentist.

The Anchorage Neighborhood Health Center provides dental services for people with serious and sometimes life threatening dental problems who come to us from the Mat-Su Valley to Homer. We provide services on a sliding fee basis based on income. Since we are a Federally Qualified Health Center we are capped at an encounter rate for all Medicaid visits. ANHC is a cost effective provider of services, however, it would help if we could be reimbursed for seeing the growing number of adults in need.

ANHC currently receives \$124,000 in Human Service Matching Grant funds to assist us in keeping the dental center open and operating. These funds are also critical to our providing services to a large uninsured population on a reduced fee basis and I encourage you to continue funding HSMG.

Whether you personally support this bill or not, please consider a scheduled hearing.

Thank you for the tremendous work that you do for Alaskans in Juneau.



*Anchorage Neighborhood Health Center
~Our Care is Centered on You~*

The TRUST

The Alaska Mental Health Trust Authority

April 26, 2006

The Honorable Lyda Green
Alaska State Senate
State Capital, Room 516
Juneau, AK 99801

Re: HB 105 "Medicaid for Adult Dental Services"

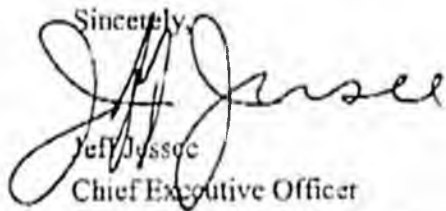
Dear Senator Green:

On behalf of our beneficiaries, the Alaska Mental Health Trust Authority would like to express support for HB 105 "Medicaid for Adult Dental Services" and request that it be heard in the Senate Finance Committee as soon as possible.

While it is true that Medicaid already pays for dental care it does so only under emergency circumstances. This model results in high costs for both the State of Alaska and for the patient. The Medicaid for Adult Dental bill allows the state to restructure the way dental services are provided and move the focus towards the less costly preventive services. As a result, this bill will result in some emergency service cost savings. In addition, it includes both a \$1,150 monetary cap on services and a three year sunset clause to ensure Alaska does not adopt an unsustainable entitlement program.

The Trust believes so strongly in the benefits this bill will secure for those we represent that we are providing over \$3.2 Million in funding over the next three years. Combined with substantial funding from Federal receipts, the leverage of GF funds is approximately eight to one. I.E., for every one dollar in GF funds, over eight dollars is received from Trust or Federal funding.

Regardless of whether or not you personally support HB 105 at this time, please allow it to be scheduled for a hearing before the Senate Finance Committee.

Sincerely,

Jeff Jysoc
Chief Executive Officer
Alaska Mental Health Trust Authority

01010101



April 30, 2006

The Honorable Lyda Green, Co-Chair
Senate Finance Committee
Alaska Capitol, Room 516
Juneau, AK 99801-1182

The Honorable Gary Wilken, Co-Chair
Senate Finance Committee
Alaska Capitol, Room 518
Juneau, AK 99801-1182

RE: HB 105 (Governor Murkowski)—Support

Dear Co-Chairs Green and Wilken:

On behalf of the members of AARP in Alaska, we encourage you and your colleagues on the Senate Finance Committee to support HB 105, introduced by the House Rules Committee at the request of Governor Murkowski.

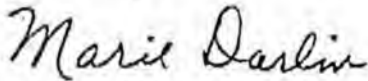
Under Alaska's current Medicaid program, the only dental coverage offered adult beneficiaries is for emergency care. HB 105 would offer funding, albeit annually capped at \$1,150, which would begin to address preventive and restorative care. Currently, for example, an older Alaskan on Medicaid who resides in a long term care facility and needs dentures would not be able to secure them under the program. Older persons who have dental problems, missing teeth, or are in need of dentures often have accompanying nutrition problems. These nutrition problems can exacerbate other health issues and create an overall deterioration in health status. We believe dental care is essential to quality health care. Funding for dental care should be considered sensible prevention with the long term possibility of saving Medicaid funds that would not be need to be spent on more serious health care problems resulting from poor oral health status.

We urge an "AYE" vote on HB 105.

Should you have any questions about our position, please feel free to contact me (586-3637) or Patrick Luby, AARP Advocacy Director (907-762-3314).

Thank you for your consideration.

Sincerely,



Marie Darlin, Coordinator
AARP Capital City Task Force
415 Willoughby Avenue, Apt. 506
Juneau, AK 99801
586-3637 (voice)
463-3580 (fax)

CC: Vice-Chair Con Bunde
Senator Bert Stedman
Senator Fred Dyson
Senator Lyman Hoffman
Senator Donald Olson
Governor Frank Murkowski
Commissioner Karleen Jackson



May 1, 2006

Senator Lyda Green, Finance Co-Chair
Senator Gary Wilken, Finance Co-Chair
Senate Finance Committee
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Re: Comments – CSHB 307 “An Act creating the Knik River Public Use Area”

Dear Honorable Senator Lyda Green:
Dear Honorable Senator Gary Wilken:

Eklutna is concerned about the impact this proposed legislation will have on our Native peoples.

CSHB 307 “An Act creating the Knik River Public Use Area” affects a substantial portion of lands that Eklutna, Inc. (Eklutna) owns. Good public policy dictates the application of regulations and controls to publicly-owned lands as dictated by prudent management with public participation. Likewise, when the subject of application of regulations and controls applies to privately held lands, the input and concerns of the private owners must be heard and taken into consideration.

When examining the proposed legislation, it is difficult to see where any discovery into the cultural, ethnological or historical uses, especially by Native peoples, has ever been undertaken. Identification of Native uses, archeological and ethnographic investigation in conjunction with the National Historic Preservation Act of 1966 (NHPA) indicates that a study might be in order, given the possibility that the historical use of this area by the Native population may indicate certain characteristics that should be preserved.

Eklutna, Inc. (Eklutna) possesses substantial land holdings and other interests in the area of the Knik River being considered in this legislation. Besides being a major landowner, Eklutna has preservation-related interests with respect to the historical, cultural and ethnographic values of the area. The Eklutna Natives have used the Knik River Area, along with other nearby areas, for purposes of gathering traditional foods, hunting, fishing, trapping, subsistence, for residences and camps, both seasonal and semi-permanent and permanent, long predating the influx of non-natives to Alaska. Eklutna

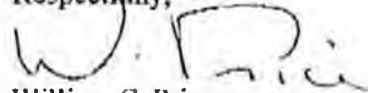
Natives continue to use this area today in observance of their important cultural and historical traditions.

Eklutna has a number concerns about the current proposed legislation. As a major landowner, Eklutna needs to be heard. The possibility that another entity may regulate allowable uses of the area without considering the cultural, historical and traditional uses of the Eklutna-owned lands are objectionable. The proposed language of this legislation does not include any protections or concerns regarding the cultural, traditional, historical, or ethnographical uses of the lands. Eklutna is concerned with issues related to hunting, fishing, trespass, destruction, illegal conduct and activities, destruction of Native cultural and historical artifacts, gravesites, cabins, camps, a general lack of control coupled with safety issues.

Eklutna Natives wish to preserve and protect their cultural and traditional uses of the area. While the idea that some regulation and controls are necessary on the public lands in this area, the far-reaching effect of these new restrictions should not be allowed to infringe upon any Eklutna Native cultural and historical uses of their lands. Furthermore, the question of whether the State can include the Eklutna owned lands into this legislation without their implicit approval may prove to be contentious. Eklutna wishes some control, however, it is Eklutna that wishes to control or guide the control, and not be controlled. To some degree, a management plan instituted by others would negatively indicate a loss of control by Eklutna over the disposition of their lands. Private property rights belong to all citizens, Native or non-native.

Eklutna requests that this matter be postponed until issues identified in this letter are addressed, or in the alternative, remove from consideration those areas not owned by the state. If you have any questions, do not hesitate to contact me.

Respectfully,



William C. Price
General Manager
Eklutna, Inc.

1 May 2006

Jack Van Alstine
1341 P Street
Anchorage, AK 99501

Dear Senator:

My greatest concern right now is identity theft - please get Senate Bill 222 passed this session.



Jack Van Alstine



**Alaska Native
Tribal Health Consortium**

Administration • 4000 Ambassador Drive • Anchorage, Alaska 99508 • Phone: (907) 729-1900 • Fax: (907) 729-1901 • www.anthc.org

Sent this 2nd day of May, 2006 via facsimile to 907-465-3805 & 907-465-4714

Senator Lyda Green, Co-Chair
Senate Finance Committee
Alaska State Senate
State Capitol, Room 516
Juneau, Alaska 99801

and

Senator Gary Wilken, Co-Chair
Senate Finance Committee
Alaska State Senate
State Capitol, Room 518
Juneau, Alaska 99801

RE: HB-105 "MEDICAID FOR ADULT DENTAL SERVICES"

Dear Senators:

On behalf of the Alaska Native Tribal Health Consortium, I am writing to express support for HB-105, requesting that this bill be passed out the Senate Finance Committee for a full Senate Floor vote.

Alaska Natives suffer disproportionately from dental disease with a rate of dental decay more than two times that of non-Natives. Alaska Natives are also represented among the Medicaid population in disproportionately high numbers. By expanding services to include more preventive forms of care, the state will surely save Medicaid dollars by reducing the need for emergency forms of treatment.

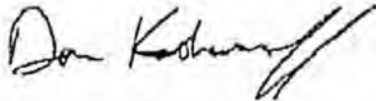
As you may also be aware, every Medicaid dollar spent by the state for services rendered to an Alaska Native at a tribally owned facility is fully reimbursed by the federal government. This bill also saves dollars by restructuring services, controlling costs through a monetary cap, and includes a three-year sunset provision, allowing for an evaluation of its effectiveness at that point in time. For these reasons, this legislation is a win-win opportunity for Alaska Natives and for the State in terms of both improved oral health and fiscal savings.

Letter to Senator L. da Green & Senator Gary Wilken
May 2, 2006
Page 2 of 2

Considering these points and the legislative support for this bill received so far, I would respectfully request that you vote to pass HB-105 out of the Senate Finance Committee.

Sincerely,

ALASKA NATIVE TRIBAL HEALTH CONSORTIUM



Don Kashevaroff
Chairman and President

CC: Senator Con Bunde, Vice-Chair, Senate Finance Committee
Senator Fred Dyson, Member, Senate Finance Committee
Senator Bert Stedman, Member, Senate Finance Committee
Senator Lyman Hoffman, Member, Senate Finance Committee
Senator Donny Olson, Member, Senate Finance Committee
Paul Sherry, Chief Executive Officer, Alaska Native Tribal Health Consortium
Valerie Davidson, Senior Director of Legal and Intergovernmental Affairs, ANTHC

STATE OF ALASKA

DEPT. OF HEALTH AND SOCIAL SERVICES

*Advisory Board on Alcoholism and Drug Abuse
Alaska Mental Health Board*

HB 105

Frank H. Murkowski, GOVERNOR

*P.O. BOX 110608
JUNEAU, AK 99811-0608
PHONE: (907) 465-8920
FAX: 465-4410*

January 18, 2006

Senator Lyda Green, Chair
Senate Finance Committee

Dear Senator Green:

The Alaska Mental Health Board (AMHB) and the Governor's Advisory Board on Alcoholism and Drug Abuse (ABADA) request that you schedule a hearing for SB 79, the Governor's bill that will add dental services to the options available to adults through the Medicaid program.

Dental fitness is vital to the health and employability of all Alaskans. SB 79 will ensure that low-income adults on Medicaid have access to preventive and restorative dental care, avoid more expensive emergency dental care and keep dental infections associated with chronic and systemic disease in check.

- The U.S. Surgeon General noted in his 2000 report *Oral Health in America* that the burden of oral disease continues to spread unevenly throughout the population. Racial minorities, people with disabilities, seniors and low-income families are especially hard hit.
- The American Dental Association has reported that early diagnosis, preventive treatments and early intervention can prevent or halt the progress of most oral diseases or conditions that, when left untreated, can have painful disfiguring and lasting negative health consequences.
- Current oral health research has shown a connection between poor oral health and general health including links to diabetes, cardiovascular disease, stroke and pre-term or low birth weight babies.
- Many conditions cause oral signs and symptoms. Regular dental care provides a helpful vantage point for detecting the early signs and symptoms of systemic disease. The Mayo Foundation for Medical Education and Research reports that systemic conditions such as AIDS or diabetes often first become apparent as mouth lesions or other oral problems. In fact, according to the Academy of General Dentistry, more than 90 percent of all systemic diseases produce oral signs and symptoms.

The adult dental Medicaid option will result in healthy, productive and self-sufficient Alaskans, save scarce Medicaid dollars and promote equity in access to dental care and oral health. The AMHB and ABADA urge your strong support of SB 79 and request you schedule a hearing as soon as possible.

Sincerely,



Kathryn L. Craft
Acting Executive Director,
Alaska Mental Health Board
Governor's Advisory Board on Alcoholism and Drug Abuse

STATE OF ALASKA

DEPARTMENT OF HEALTH AND SOCIAL SERVICES

Alaska Commission on Aging

March 2, 2005

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

Re: SB 79, Adult Dental Services Medicaid Program

Dear Senator Green:

The members of the Alaska Commission on Aging would like to voice their support for passage of the Governor's Medicaid for Adult Dental Services Bill, SB 79. The Commission is charged with making recommendations to the Governor and the Legislature with respect to legislation, regulations and appropriations for programs and/or services that support the health and well-being of older Alaskans.

While SB 79 proposes dental coverage for all adults who are Medicaid eligible and not just for seniors, the Commission believes this bill will be particularly helpful to our most needy and vulnerable older Alaskans who receive their medical care through Medicaid services. There is extensive research which shows a correlation between good dental health and longevity. Dental health has also been linked to overall physical and emotional well-being. The Governor's proposed bill would fill an important gap in Alaska's continuum of care for older Alaskans as it will provide preventative care and one complete set of dentures every two years, which would add up to cost savings in the future.

The members of the Commission on Aging respectfully ask your consideration and support for passage of SB 79 and sufficient funding to ensure this program is successful.

Sincerely,



Linda Gohl, Executive Director
Alaska Commission on Aging

FRANK H. MURKOWSKI
GOVERNOR

P.O. BOX 110693

JUNEAU, ALASKA 99811-0693

PHONE: (907) 465-3250

FAX: (907) 465-1398

SB 79 file

STATE OF ALASKA

DEPARTMENT OF HEALTH AND SOCIAL SERVICES

FRANK H. MURKOWSKI
GOVERNOR

P.O. BOX 110693

JUNEAU, ALASKA 99811-0693

PHONE: (907) 465-3250

Alaska Commission on Aging

April 3, 2006

Senator Lyda Green, Co-Chair
Senate Finance Committee
Capitol Room 516
Juneau, Alaska

RE: ^{HB1051} Support for SB 79, Medicaid for Adult Dental Services

Dear Senator Green:

The Alaska Commission on Aging supports the passage of Senate Bill 79, providing Medicaid coverage for adult dental services. The American Dental Association recommends that adult preventive and restorative dental services be included in the coverage of all state Medicaid programs. Although this benefit would be capped at \$1,150 per year, that carefully controlled cost would still allow an adult Alaskan to receive a complete pair of dentures in two consecutive years. This service would benefit low-income older Alaskans who, till now, have been unable to access dental care except in emergency situations.

Preventive and restorative dental services (including fillings, extractions, and dentures) halt disease processes, alleviate pain, and allow patients to eat normally again. These services prevent the progression of serious dental disease and discomfort which can result in much more costly emergency care. Studies also show links between poor oral health and chronic diseases such as diabetes and cardiovascular disease. For older Alaskans, prevention of these costly and debilitating diseases is a vital priority.

Some Medicaid-eligible seniors have difficulty eating due to dental problems. Others suffer chronic pain due to periodontal disease or tooth decay. For these people, your support of this important yet limited-cost Medicaid service would mean relief from long-term debilitation, while such preventive intervention would hold down future Medicaid costs for emergency dental work and would assist in chronic disease prevention and the promotion of healthy lifestyles.

Please join us in supporting this important legislation for the benefit of low-income Alaskan adults in need of dental care.

Sincerely,



Linda Gohl
Executive Director
Alaska Commission on Aging

cc: Senate Finance Committee members

Thanks Lyda for considering this
important prevention program.



Bristol Bay Area Health Corporation
6000 Kanakanak Road
P.O. Box 130
Dillingham, AK 99576
(907) 842-5201
800-478-5201
FAX (907) 842-9354

April 27, 2006

Bristol Bay Area Health Corporation is a tribal organization representing 34 villages in Southwest Alaska:

- Aleknagik
- Chignik Bay
- Chignik Lagoon
- Chignik Lake
- Clark's Point
- Dillingham
- Egegik
- Ekuk
- Ekwok
- Goodnews Bay
- Igiugig
- Iliamna
- Ivanof Bay
- Kanatak
- King Salmon
- Knugank
- Kokhanok
- Kolliganok
- Levelock
- Mannoktak
- Naknek
- New Stuyahok
- Newhalen
- Nondalton
- Pedro Bay
- Perryville
- Pilot Point
- Platinum
- Port Haiden
- Por'age Creek
- South Naknek
- Togiak
- Twin Hills
- Ugashik

Dear Senator Green and Senator Wilken,

On behalf of our thirty-four member villages, that the Bristol Bay Area Health Corporation serves, we are writing to express support for HB 105 and request that this bill be scheduled for a hearing before the Senate Finance Committee.

HB 105 will help address the dental needs of many adults that are unable to afford dental treatment. The services provided will lighten the burden of higher levels of care, later in the patient's life. In addition, it will improve the current quality of life of many adults.

This bill is a restructuring of dental services and the costs will be controlled via a monetary cap. The program sunsets in three years, and it highly leverages GF fun.'s.

Whether or not you personally support this bill, we ask that you please let it be scheduled for a hearing.

Sincerely,

BRISTOL BAY AREA HEALTH CORPORATION

Robert J. Clark
President/CEO

- c: Vice Chair, Senator, Con Bunde
- Senator, Fred Dyson
- Senator, Bert Stedman
- Senator, Lyman Hoffman
- Senator, Donny Olson

*To promote health
with competence
a caring attitude &
cultural sensitivity*

ALL ALASKA

 PEDIATRIC
 PARTNERSHIP

3RD MEDICAL GROUP * ALASKA NATIVE CHILDREN'S CENTER * ALASKA REGIONAL HOSPITAL
 CHILDREN'S HOSPITAL AT PROVIDENCE * FAIRBANKS MEMORIAL HOSPITAL
 STATE OF ALASKA DEPARTMENT OF HEALTH AND SOCIAL SERVICES
 MUNICIPALITY OF ANCHORAGE DEPARTMENT OF HEALTH AND HUMAN SERVICES
 MAT SU REGIONAL MEDICAL CENTER

via fax

April 28, 2006

Re: Hearing for HB 105, Adult Dental Services

Senator Lyda Green
 State Capitol #516
 120 - 4th
 Juneau, AK 99801

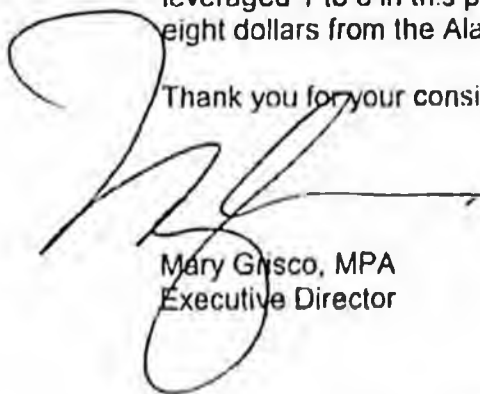
Dear Senator Green,

On behalf of our partners, the All Alaska Pediatric Partnership requests a hearing for HB 105, Medicaid for Adult Dental Services.

This proposed legislation allows a re-structure of the way dental services are provided that will move toward less costly preventive services. The current system of paying for dental care only under emergency circumstances results in high costs for the State and for the patient.

The proposed re-structure proposes a \$1150 monetary cap and a three year trial period (a sunset clause) to ensure close monitoring for success. General Fund dollars will be leveraged 1 to 8 in this proposal; that is, every one GF dollar will be matched with over eight dollars from the Alaska Mental Health Trust Authority and federal receipts.

Thank you for your consideration of our request,



Mary Grisco, MPA
 Executive Director

Central Peninsula Health Centers, Inc.

We are dedicated to providing quality health care regardless of ability to pay.

Aspen Dental Center

395 Main Street Loop
Kenai, AK 99611
(907) 283-7759 phone
(907) 283-4883 fax

Cottonwood Health Center

170 E. Corral Street, Suite 1
Soldotna, AK 99669
phone (907) 262-3119
fax: (907) 262-9290

April 28, 2006

Senator Lyda Green
Co-Chair
Senate Finance Committee
Alaska State Legislature
Juneau, Alaska 996801

RE: Request to Schedule HB 105 for Hearing

Dear Senator Green:

On behalf of Central Peninsula Health Centers, which operates Aspen Dental Center in Kenai, I am writing to express support for HB 105 and request that it be scheduled for a hearing before the Senate Finance Committee.

From our vantage point at the Aspen Dental Center, we see the dental needs of our Medicaid eligible population as having reached a critical level. Each morning people line up at our door, many of them senior citizens, who seek emergency dental care. In 2005, over 500 of these people were Medicaid eligible. Because of cost constraints, the typical option available was to pull teeth. This bill would take a very positive step toward addressing this issue and offers the opportunity to restructure services to emphasize prevention rather than emergencies, control costs via a monetary cap, highly leverage General Fund resources (\$1 State funding to \$8 Federal and Mental Health Trust funding), and sunset the program in three years if the program is not successful.

We urge you, whether or not you support the bill, to schedule it for a hearing before the Senate Finance Committee.

Sincerely,



Stan Steadman
Executive Director



FRANK H. MURKOWSKI, GOVERNOR
State of Alaska

GOVERNOR'S COUNCIL ON DISABILITIES AND SPECIAL EDUCATION

P.O. Box 240249 • Anchorage, Alaska 99524-0249 • Phone: 907-269-8990 • Fax: 907-269-8995 • Toll Free 888-269-8990

April 28, 2006

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


Dear Senator Green,

On behalf of the Governor's Council on Disabilities and Special Education, I am writing to urge you to schedule a hearing on HB 105, Medicaid for Adult Dental Services. This bill leverages state dollars with a significant investment from the Alaska Mental Health Trust Authority as well as federal funds. The bill provides for capped expenditures and sunsets in three years.

HB105 provides crucial funding for preventative and restorative dental procedures, which will improve individuals' ability to enter the workforce and enhance their quality of life. Currently the existing Medicaid program only offers emergency dental procedures.

I ask that you schedule a hearing for HB 105 in the Senate Finance Committee.

Thank you,


Kathleen Fitzgerald
Chair, Governor's Council on Disabilities and Special Education



Interior Community Health Center

Celebrating 10 years. Quality health care accessible to all

April 28, 2006

1606 23rd Avenue
Fairbanks, AK 99701
(907) 455-4567
(907) 458-1530 Fax
(907) 458 1587 TTY

Tri Valley Community Center
Unibell Spur Road
P.O. Box 246, Healy, AK 99743
(907) 683-2211
(907) 683-2112 Fax

Senator Lyda Green
Co-Chair Senate Finance Committee

Dear Senator Green:

Please schedule a hearing for HB 105 Medicaid for Adult Dental Services. Our board fully supports the bill as it is a reasonable cost efficient vehicle for addressing a huge unmet need in a population that, if met, would improve health, well-being and productivity. We appreciate your willingness to bring this to the Senate Finance Committee's deliberation.

Sincerely,

Cheryl Kilgore
Executive Director

ALASKA PRIMARY CARE ASSOCIATION, INC.

"... Uncompromising in the pursuit of access to primary care for all Alaskans."



The Honorable Lyda Green, Co-Chair
The Honorable Gary Wilken, Co-Chair
Members of the Senate Finance Committee
Alaska State Senate
Juneau, Alaska 99801

Re: Support for HB 105

May 1, 2006

Dear Co-Chairs, Senator Green and Senator Wilken, and Members of the Senate Finance Committee,

Thank you for hearing HB 105 *Medicaid for Adult Dental Services*. Alaska Primary Care Association is submitting this written testimony as record of our support for HB 105. Because we represent Community Health Centers and other safety net providers that provide health care access to more than 70,000 Alaskans each year, and because promoting access to all Alaskans is one of our primary focuses, we urge you to seriously consider the restructuring of the dental services covered by Medicaid outlined in HB 105.

It is time to change the present targeting of funds to expensive emergency care only to include less costly preventative services.

With the inclusion of a sunset clause and an annual cap, the participation of the Trust to stretch General Fund dollars, the expected overall positive health outcomes and decrease of current negative effects from lack of preventative services (including risks of childhood caries from adult transmission, chronic disease and cancer complications, and unfavorable employability outcomes), HB 105 has merits that the current system does not have. This bill deserves a vote on the Senate floor and APCA asks that you both support the bill and move it out of your committee.

We appreciate your consideration and thank you in advance for your support of HB 105.

Respectfully,

Shelley S. Hughes
Policy Analyst

FISCAL NOTE

STATE OF ALASKA
2006 LEGISLATIVE SESSION

Fiscal Note Number: 2
 Bill Version: CSHB 105(FIN)
 (H) Publish Date: 4/10/06
 Dept. Affected: Health & Social Services
 RDU Health Care Services
 Component Medicaid Services

Revision Date/Time (Note if correction):
 Title ADULT DENTAL COVERAGE UNDER MEDICAID

Sponsor (RLS) BY REQUEST OF THE GOVERNOR
 Requester HOUSE (FIN)

Component No. 2077

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						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	2,633.0	10,292.0	10,133.8			
Miscellaneous						
TOTAL OPERATING	2,633.0	10,292.0	10,133.8	0.0	0.0	0.0
CAPITAL EXPENDITURES						
CHANGE IN REVENUES (0)						

FUND SOURCE (Thousands of Dollars)

	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
1002 Federal Receipts	1,988.3	7,557.0	7,323.8			
1003 GF Match	219.7	1.0	1,385.0			
1004 GF						
1037 GF/Mental Health						
1092 MHTAAR	425.0	1,425.0	1,425.0			
Other(Specify Type-do not abbreviate)						
TOTAL	2,633.0	10,292.0	10,133.8	0.0	0.0	0.0

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

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

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

Historically Medicaid Dental Benefits for recipients 21 years or older, have been limited to immediate relief of pain and acute infection. Routine preventive or restorative services have not been covered.

Under this bill, Dental Benefits for Adults would be expanded to include preventive and restorative care up to a cap of \$1,150 per person annually. Examples of services that could be provided at that level are: one exam, 4 bitewing radiographs, cleaning and about 8 restorations or extractions, or; one exam and an upper or lower full denture.

This bill has a sunset clause in FY2009. (cont. on page 2)

Prepared by: Sherry Hill, Special Assistant Phone 465-1618
 Division Office of the Commissioner Date/Time 04/06/2006
 Approved by: Karleen Jackson, Commissioner Date 04/06/2006
 Agency Department of Health and Social Services

STATE OF ALASKA
2006 LEGISLATIVE SESSION

ANALYSIS CONTINUATION

It is estimated that approximately 41,000 individuals would be eligible for the expanded Medicaid Dental Benefits, including adults with disabilities and seniors. Not all eligible individuals will seek dental benefits, and those that do will utilize services at varying rates.

Of the 41,000 eligible persons, about 25% are Alaska Native and 28% are Mental Health Trust clients. Fifty percent of the eligible Alaska Natives would utilize the service from the outset as most are already connected with tribal dental programs and have good access to care. About 35% of the Mental Health Trust clients are expected to access dental care initially given that the Trust and grantee programs serving these clients will advocate for them and assist clients in getting appointments. Participation in the program by non-Native, non-Trust adults will ramp up slowly with 15% of eligible persons utilizing the service in the first year, 25% in the second year, and 35% in the third year. Overall there will be an estimated 12,000 participants in the first year (29% of eligible adults), 14,000 in the second year (34%), and 15,800 in the third year (39%).

Based on the assumptions below on utilization of dental benefits, the weighted average benefit for a full fiscal year is about \$730 per recipient. Of adult recipients that access dental care it is estimated that:

- o 15% will receive up to \$250 in benefits
- o 25% will receive up to \$500 in benefits
- o 25% will receive up to \$750 in benefits
- o 20% will receive up to \$1,000 in benefits
- o 15% will receive the maximum \$1,150 in benefits

These utilization rates are based on provider capacity (the extent of dental access through tribal and community health center dental programs, and the extent of private dental participation in the Medicaid program) Because of the limited number of dentists and available appointments for new clients, some adults will only be able to get in to see the dentist once or twice in a year. Treatment needs also affect utilization rates (not all eligible individuals will seek dental benefits, and those that do will utilize services at varying rates.)

It is anticipated that the program will be operational the last quarter of FY07 so costs in that year are 25% of the full year's costs and adjusted 20% higher to allow for pent up demand. A 3% growth in utilization is included in FY08 & FY09 to reflect possible increases in eligible adults and/or an increased percentage of adults accessing the dental services in the first few years. Adults on the program for several years would eventually have their major treatment needs met and move to a "maintenance" level of care (e.g., routine exam and cleanings but less restorative needs and less dental emergencies).

It is anticipated that this service expansion will reduce dental emergency services; however there will always be adults who avoid the dentist until there is an acute need. Because the service would not be implemented until the 4th quarter of FY07, claims for emergency dental services will likely remain the same in FY07. In the second year emergency dental services would be reduced 25%, or about \$500.0. In the third year emergency dental services would be 50% of current costs, or about \$1,000.0.

Factoring in those individuals who are eligible for 100% federal reimbursement, the federal contribution (through FY 2009) will cover approximately 72-76% of the costs.

HB 105



FRANK H. MURKOWSKI
GOVERNOR
GOVERNOR@GOV.STATE.AK.US

P.O. Box 110001
JUNEAU, ALASKA 99811-0001
(907) 465-3500
FAX (907) 465-3532
WWW.GOV.STATE.AK.US

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

January 21, 2005

The Honorable John Harris
Speaker of the House
Alaska State Legislature
State Capitol, Room 208
Juneau, AK 99801-1182

Dear Speaker Harris:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to coverage for adult dental services for eligible recipients under the Medicaid program (AS 47.07).

The State of Alaska's Medicaid program currently provides inadequate coverage for adult dental services. The services covered under existing law are limited to procedures for relief of pain and acute infection, and don't include necessary preventative or restorative treatment. This level of service often leads to the extraction of permanent teeth. Missing and decayed teeth (especially front teeth) can affect an individual's employability and/or career advancement opportunities. Furthermore, studies have documented the links and/or complications between dental disease and other chronic diseases including cardiovascular disease and diabetes. Recent studies have also implicated periodontal disease as a risk factor for pre-term, low birth-weight births.

Diseases of the mouth are not distinctly different from diseases in the rest of the body. The limitation for dental coverage is largely a distinction based on the type of health care provider; in that diseases of the oral cavity are largely treated by dentists. The lack of coverage to prevent more severe dental problems and/or extractions before they become "dental emergencies" often results in more expensive dental care and limits the dentist's ability to address dental problems. Dentists have reported frustration with not being able to treat teeth earlier before the person is in pain and when less costly treatment could be provided.

This bill would allow the Department of Health and Social Services to expand dental coverage to encompass preventative and restorative care for approximately 41,000 Alaskans enrolled in the Medicaid program. Specifically,

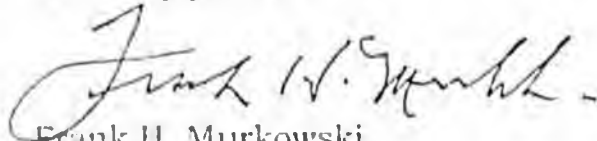
The Honorable John Harris
January 21, 2005
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this bill would repeal AS 47.07.900(1), defining adult dental services as the minimum treatment for the immediate relief of pain and acute infection provided by a licensed dentist. Under the bill, the Department of Health and Social Services would adopt regulations implementing the expanded service, which could include regulations defining the scope of services, a maximum amount of benefits per fiscal year, and the amount of reimbursement for dental services.

The Alaska Mental Health Trust Authority has recognized access to dental services as a priority issue for their beneficiaries and has committed funding for part of the matching funds needed for this service expansion. The expanded services would be provided under an annual cap of \$1,150 per adult at the outset. The cap is intended to control costs of the service expansion and encourage the dentist and client to discuss priorities and treatment options. The Department of Health and Social Services and the Alaska Mental Health Trust Authority agreed to use this expenditure cap as a starting point to provide a level of service that would allow elderly Alaskans to receive a complete set of dentures over a two-year period. The dental expenditure cap for expanded services would not apply to the existing Medicaid coverage for emergency dental services.

I urge your prompt and favorable action on this measure.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Frank H. Murkowski".

Frank H. Murkowski
Governor

Enclosure