

**SB**

**259**

**SFIN**

**FILE**

# SENATE FINANCE COMMITTEE REPORT

DATE: 3/19/08

FURTHER:

DATE TURNED  
IN TO OFFICE: \_\_\_\_\_

Finance Committee considered SENATE BILL NO. 259

## SB 259 EFFECTIVE DATE: MEDICAL ASSISTANCE LAWS

"An Act repealing certain provisions relating to applications for medical assistance coverage; making certain provisions of ch. 96, SLA 2006, retroactive; providing for an effective date by repealing an effective date section in ch. 96, SLA 2006; providing for an effective date for certain sections of ch. 96, SLA 2006; and providing for an effective date."

and recommends:

- be replaced with  SCS or  CS \_\_\_\_\_ (\_\_\_\_\_)
- adopt previous  SCS or  CS \_\_\_\_\_ (\_\_\_\_\_)
- attached amendment(s)
- adopt \_\_\_\_\_ Letter of Intent
- further referral to \_\_\_\_\_ Committee

**SENATE BILL:**  
 Same Title  
 New Title

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**HOUSE BILL:**  
 Same Title  
 Technical Title Change  
 New Title w/ SCR # \_\_\_\_\_

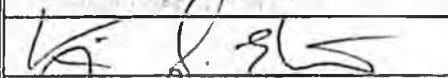
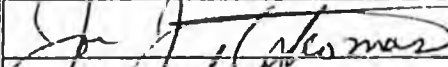
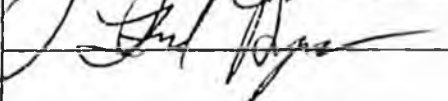
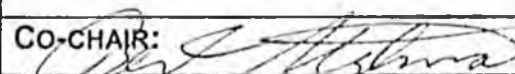
**NEW FISCAL NOTE(S):**

Department	Date	Fiscal	Indet.	Zero	FN#

**PREVIOUS FISCAL NOTE(S):**

Department	Date	Fiscal	Indet.	Zero	FN#
HSS	3/14/08			✓	1
LEG	3/19/08			✓	2

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	E I Thomas	✓			
	Thomas	✓			
	Dyan	✓			
CO-CHAIR:					
CO-CHAIR: 	Spierman	✓			

# FISCAL NOTE

STATE OF ALASKA  
2008 LEGISLATIVE SESSION

Fiscal Note Number: 2  
Bill Version: SB 259  
(S) Publish Date: 3/19/08

Identifier (file name): SB259-LEG-COU-03-14-08 Dept. Affected: Legislature  
Title: "An act repealing certain provisions relating to RDU Legislative Council  
applications for medical assistance coverage; making certain..." Component: Council and Subcommittees  
Sponsor: Senate Rules by Request  
Requester: Senate State Affairs Component Number: 783

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

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

OPERATING EXPENDITURES	Appropriation Required	Information					
		FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Personal Services							
Travel							
Contractual							
Supplies							
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
<b>TOTAL OPEATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>							
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<b>CHANGE IN REVENUES ( )</b>							
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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 Interagency Receipts							
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2008) cost: \_\_\_\_\_

**POSITIONS**

Full-time							
Part-time							
Temporary							

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

This legislation has zero fiscal impact on the Legislative Affairs Agency.

Prepared by: Karla Schofield, Deputy Director  
Division: Legislative Affairs Agency  
Approved by: Pamela Varni, Executive Director  
Legislative Affairs Agency

Phone 465-6626  
Date/Time 3/14/08 11 49 AM  
Date 3/14/2008

# FISCAL NOTE

STATE OF ALASKA  
2008 LEGISLATIVE SESSION

Fiscal Note Number: 1  
 Bill Version: SB 259  
 (S) Publish Date: 3/19/08  
 Dept. Affected: Health & Social Services  
 RDU: Health Care Services  
 Component: Medicaid Services

ID(File name) SB259-DHSS-MS-03-14-08  
 Title EFFECTIVE DATE: MEDICAL ASSISTANCE LAWS  
 Sponsor RULES BY REQUEST OF LEG COUNCIL  
 Requester SENATE STA

Component No. 2077

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

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

	Appropriation		Information					
	Required		FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
<b>OPERATING EXPENDITURES</b>								
Personal Services								
Travel								
Contractual								
Supplies								
Equipment								
Land & Structures								
Grants & Claims								
Miscellaneous								
<b>TOTAL OPERATING</b>			<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>CAPITAL EXPENDITURES</b>								
<b>CHANGE IN REVENUES (0)</b>								

**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)								
<b>TOTAL</b>			<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2008) cost: \_\_\_\_\_

**POSITIONS**

Full-time							
Part-time							
Temporary							

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

This bill is a clean-up of the effective dates of Ch. 96, SLA 206 (HB 426), requested by the Revisor, to put actual effective dates for some provisions and repeal those provisions that were denied Medicaid State Plan approval by CMS.

There is no fiscal impact.

Prepared by: William J. Streur, Deputy Commissioner  
 Division: Department of Health and Social Services  
 Approved by: Karleen Jackson, Commissioner  
 Agency: Department of Health and Social Services

Phone: 334-2520  
 Date/Time: 02/11/2008  
 Date: 03/14/2008

# LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES  
LEGISLATIVE AFFAIRS AGENCY  
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Juneau, Alaska 99801-1182  
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## MEMORANDUM

March 19, 2008

**SUBJECT:** SB 259, Revisor's Bill relating to ch. 96, SLA 2006 (medical assistance program) (Work Order No. 25-LS1339\C)

**TO:** Senator Lyman Hoffman  
Senator Bert Stedman  
Co-Chairs of the Senate Finance Committee

**FROM:** Kathryn L. Kurtz *KLK*  
Assistant Revisor

### **Introduction**

Enclosed is a sectional analysis of SB 259, a special revisor's bill relating to the effective date of changes made to the medical assistance program in ch. 96, SLA 2006. This bill is in addition to the regular revisor's bill. The changes proposed are presented in a special revisor's bill because the effective date and retroactivity issues involved are somewhat complex. This memo explains the situation that precipitated the need for this bill.

### **Situation Analysis**

In 2006, the legislature passed an act amending the medical assistance program. Of the thirteen substantive sections in the Act, only four have clearly taken effect. The status of the remaining sections is uncertain because of the wording of a special effective date section in the Act. This section provided that the nine sections in question would take effect on July 1, 2006, or on the date of notification to the revisor of federal approval of "a revised state plan for medical assistance coverage" incorporating the changes made in the Act, whichever is later. This language assumed that there would be one plan submitted, and one approval received. This is not what has happened.

The Department of Health and Social Services determined that several of the statutory changes included under this special effective date did not require amendment of the state plan. The department submitted other changes to the federal authorities; some were approved on February 28, 2007, retroactive to October 1, 2006, others were disapproved.

Because not all of the changes made in secs. 1 - 7 and 9 of the Act (the sections specified in sec. 16) were submitted to the federal authorities for approval, and because not all of those that were submitted received approval, under the language of sec. 16 of ch. 96, SLA 2006, it appears to us that the bill sections subject to the effective date in sec. 16 have not and will not take effect without further legislative action. We are aware that this view may not be universal; one could certainly argue that the sections that required no

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Senator Bert Stedman  
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change, or those that have been approved by the federal government, or both, have already taken effect. The situation is not clear, and can not be made clear through independent editorial action by the revisor.

The inconclusivity of sec. 16 of ch. 96, SLA 2006, is a deficiency in the statutes. Also, the disapproval of certain amendments in ch. 96, SLA 2006, arguably makes those provisions obsolete. Under AS 01.05.036, the revisor of statutes is empowered to prepare for submission to the legislature legislation that would correct deficiencies in the statutes and remove obsolete provisions.

Please call me if you have any questions.

K.I.K:med  
08-205.med

Enclosure

# LEGAL SERVICES

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## MEMORANDUM

March 19, 2008

**SUBJECT:** Sectional Analysis of SB 259, Special Revisor's Bill relating to ch. 96, SLA 2006 (medical assistance program) (Work Order No. 25-LS1339\C)

**TO:** Senator Lyman Hoffinan  
Senator Bert Stedman  
Co-Chairs of the Senate Finance Committee

**FROM:** Kathryn L. Kurtz *KLK*  
Assistant Revisor

The following is a sectional summary of SB 259.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents.

**Bill section 1** repeals AS 47.07.020(j), (k), and (n) because those subsections require changes to the state plan, the department has submitted amendments to the plan to reflect those changes, and the federal government has disapproved of the amendments. Rather than give effect to sections that have proven unacceptable at the federal level, this section repeals them.

**Bill section 2** would make section 6 and two subsections of AS 47.07.020 enacted in section 7 of ch. 96, SLA 2006, retroactive to October 1, 2006. Those sections required amendments to the state plan for which the department has received federal approval. Bill section 2 would also make sec. 11 of ch. 96, SLA 2006, the section requiring a report to the legislature, retroactive to the date the report was made, March 2, 2007. This section addresses the requirement in AS 01.10.090, which provides: "No statute is retrospective unless expressly declared therein."

**Bill section 3** repeals sec. 16, ch. 96, SLA 2006, the section with the effective date provision that gives rise to the uncertainty of the status of the affected sections.

**Bill section 4** of the bill gives an immediate effective date to secs. 2 - 7 and 9 - 11 of ch. 96, SLA 2006, those sections covered by the effective date provision in sec. 16 of that Act.

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Bill section 5 gives the bill an immediate effective date.

TEXT OF REPEALED PROVISION

\* Sec. 16. Except as provided in secs. 14 and 15 of this Act, this Act takes effect July 1, 2006, or on the date of notification under sec. 13 of this Act of federal approval of a revised state plan for medical assistance coverage incorporating the changes made by secs. 1 - 7 and 9 of this Act, whichever is later.

KLK:med  
08-206.mcd