

**State of Alaska
FY2003 Governor's Operating Budget**

**Department of Health and Social Services
Medical Assistance Administration
Component Budget Summary**

Component: Medical Assistance Administration

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Component Mission

To maintain access to health care and to provide health coverage for Alaskans in need.

Component Services Provided

- Monitor, coordinate, and facilitate division efforts to anticipate needs and provide timely and responsive management and technical support for the division's clients, programs and personnel.
- Provide structural organization and best management practices emphasizing customer service and reflecting sound fiscal policy.
- Alignment of the division's information technology capabilities with its financial and business needs to continue improving business efficiencies and program management goals.

Units within this component and the specific services they provide include the following:

Medicaid/CAMA Beneficiary Eligibility Policy

Eligibility Information System (EIS) Interface

- Field Responses
- Medicaid Home and Community Based Waiver Oversight
- Disabilities Services Coordination
-

State, Federal and Tribal Relations

Federal Medicaid Policy Analysis

- Federal/State Regulations Liaison
- Medicaid State Plan Administration
- Disabilities Services Coordination
- Child Health Coordination
- Tribal Financial/Business Consultation and Technical Assistance
-

State Programs Financing

Determination of Allowable Medicaid Expenditures

- Agency Liaison and Maintenance of Effort Monitoring
-

Administrative Support

Personnel Management and Staff Development

- Information and Technology Support
- Fiscal Analysis/Budget
- Communication – Public Information Services
- Planning – Contract Technical Assistance
- Administrative Technical Support
-

Component Goals and Strategies

- Establish and implement sound program policy and efficient program management to ensure the division works cooperatively and collaboratively with medical providers, clients, and other state and federal government agencies to achieve its mission.

Anticipate needs and provide timely and responsive support for Medical Assistance programs and personnel.

Key Component Issues for FY2002 – 2003

Medicaid Program Management

Current economic and health care trends in Alaska continue to exert increasing pressure on state health care managers and policy makers to provide clear, demonstrated evidence of the following:

- The capacity to consistently produce comprehensive, accurate, and timely information and data/trends analyses to provide legislators, policy makers, health care providers, and the public the base from which to measure how well that health care management capability is actually performing; and
- The ability to effectively and efficiently disseminate that information to policy makers, legislators, our customers, and the public.

The division has committed to a sustained effort to build and support a quality medical services program with quality technical and management expertise. This effort will be realized through implementation of innovative and effective business practices that will assure the governor, the legislature, and the public that our clients receive and enjoy the benefits of a responsive and fiscally responsible Medicaid service delivery system.

Major Component Accomplishments in 2001

Medical Assistance Administration

DMA continued to meet the medical needs of 1 of every 6 Alaskans, most of whom would have had no other means of coverage for necessary medical care. The division's cost for the administration of the Medicaid and CAMA programs equaled only 3.3% of the total dollars paid for those medical care services.

Medicaid Refinancing

To maximize Alaska's options for saving state general funds, Medicaid refinancing identifies programs that are eligible for federal Medicaid funding, and works with those programs to capture and utilize those federal funds. This requires in-depth research and evaluation, assessment of refinancing opportunities, development of a financing methodology and program-specific criteria, and ongoing post project implementation monitoring. In FY01 successful refinancing efforts involved Disproportionate Share Hospitals (DSH), Behavioral Rehabilitative Services (BRS), and continued ProShare payments.

Statutory and Regulatory Authority

Alaska Statutes:

AS 47.07 Medical Assistance for Needy Persons

AS 47.08 Assistance for Catastrophic Illness and Chronic or Acute Medical Conditions

AS 47.25 Public Assistance

Social Security Act:

Title XVIII Medicare

Title XIX Medicaid

Title XXI Children's Health Insurance Program

Administrative Code:

7 AAC 43 Medicaid

7 AAC 48 Chronic and Acute Medical Assistance

Code of Federal Regulations:

Title 42 CFR Part 400 to End

**Medical Assistance Administration
Component Financial Summary**

All dollars in thousands

	FY2001 Actuals	FY2002 Authorized	FY2003 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	1,127.5	1,622.4	1,998.9
72000 Travel	114.1	74.8	74.8
73000 Contractual	225.0	192.5	192.5
74000 Supplies	32.8	20.2	20.2
75000 Equipment	10.0	10.0	10.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	1,509.4	1,919.9	2,296.4
Funding Sources:			
1002 Federal Receipts	762.2	938.7	1,127.1
1003 General Fund Match	708.9	854.0	1,040.3
1004 General Fund Receipts	25.7	25.8	26.5
1007 Inter-Agency Receipts	0.0	101.4	102.5
1053 Investment Loss Trust Fund	12.6	0.0	0.0
Funding Totals	1,509.4	1,919.9	2,296.4

Estimated Revenue Collections

Description	Master Revenue Account	FY2001 Actuals	FY2002 Authorized	FY2002 Cash Estimate	FY2003 Governor	FY2004 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Federal Receipts	51010	762.2	938.7	1,028.9	1,127.1	938.7
Interagency Receipts	51015	0.0	101.4	101.4	102.5	101.4
Restricted Total		762.2	1,040.1	1,130.3	1,229.6	1,040.1
Total Estimated Revenues		762.2	1,040.1	1,130.3	1,229.6	1,040.1

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Proposed Changes in Levels of Service for FY2003

There are no changes to the level of services provided.

Summary of Component Budget Changes

From FY2002 Authorized to FY2003 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2002 Authorized	879.8	938.7	101.4	1,919.9
Adjustments which will continue current level of service:				
-Year 3 Labor Costs - Net Change from FY2002	27.0	28.2	1.1	56.3
-Transfer 1 PPT position and funding from Hearings & Appeals ADN 0620002	16.8	16.9	0.0	33.7
-Transfer from HPG for increased cost of FY02 partial year position changes to full year in FY03	69.9	70.0	0.0	139.9
-Transfer position and funding for Information Technology from Health Purchasing Group ADN 0620002	73.3	73.3	0.0	146.6
FY2003 Governor	1,066.8	1,127.1	102.5	2,296.4

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Personal Services Information

	Authorized Positions		Personal Services Costs	
	<u>FY2002</u> <u>Authorized</u>	<u>FY2003</u> <u>Governor</u>		
Full-time	25	27	Annual Salaries	1,540,976
Part-time	0	0	COLA	36,953
Nonpermanent	0	2	Premium Pay	0
			Annual Benefits	521,770
			<i>Less 4.80% Vacancy Factor</i>	<i>(100,786)</i>
			Lump Sum Premium Pay	0
Totals	25	29	Total Personal Services	1,998,913

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Clerk II	0	0	1	0	1
Administrative Manager I	0	0	1	0	1
Administrative Manager III	0	0	1	0	1
Administrative Manager IV	0	0	1	0	1
Administrative Svcs Mgr	0	0	1	0	1
Chf Medical Assistance	1	0	0	0	1
Data Processing Mgr I	0	0	1	0	1
Database Specialist II	0	0	1	0	1
Division Director	0	0	1	0	1
Information Officer II	0	0	1	0	1
Medical Assist Admin II	0	0	4	0	4
Medical Assist Admin III	1	0	3	0	4
Medical Assist Admin IV	1	0	3	0	4
Personnel Asst II	0	0	1	0	1
Public Assist Analyst I	0	0	1	0	1
Research Analyst II	0	0	1	0	1
Research Analyst III	0	0	2	0	2
Research Analyst IV	0	0	1	0	1
Secretary	0	0	1	0	1
Totals	3	0	26	0	29