

State of Alaska FY2008 Governor's Operating Budget

Department of Health and Social Services Rate Review Component Budget Summary

Component: Rate Review

Contribution to Department's Mission

To provide quality accounting, auditing, and rate setting services that support the department's programs.

Core Services

Rate setting is centralized under this component for all services including Medicaid facilities, foster care, and child care facilities. Resources to successfully manage workload will be added as part of the Department's Quality Assurance program.

FY2008 Resources Allocated to Achieve Results

FY2008 Component Budget: \$1,504,800	Personnel:	
	Full time	11
	Part time	0
	Total	11

Key Component Challenges

- Rate setting for all functions in the department is now the responsibility of a single office working directly with various divisions.

Significant Changes in Results to be Delivered in FY2008

- This component will continue to work with divisions to improve and make consistent rate setting policies, perform necessary calculations, and facilitate cost containment. New division rate setting activities are added each year. A significant rate setting workload for Division of Senior and Disabilities Services Medicaid waiver rates is planned for 2008.

Major Component Accomplishments in 2006

- In addition to the general business of facility audits and rate setting administration, the Office of Rate Review worked with targeted case management grantees and the Division of Juvenile Justice to develop a new Medicaid payment rate for Division of Juvenile Justice targeted case management services; completed extensive costs studies for Division of Behavioral Health and Office of Children's Services; assisted other units in the Commissioner's Office with a variety of accounting issues; performed research and administration for the Department's audit committee; worked with a failing rural hospital to maintain critical services during a financial and administrative crisis at the facility; and provided data analysis for department tribal programs.

Statutory and Regulatory Authority

AS 47.07 Medical Assistance for Needy Persons
7 AAC 43.670-709 Medical Assistance, Health & Social Services

Contact Information

Contact: Janet Clarke, Assistant Commissioner
Phone: (907) 465-1630
Fax: (907) 465-2499
E-mail: Janet_Clarke@health.state.ak.us

**Rate Review
Component Financial Summary**

All dollars shown in thousands

	FY2006 Actuals	FY2007 Management Plan	FY2008 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	884.3	955.7	1,202.2
72000 Travel	45.5	10.1	70.1
73000 Services	54.2	81.0	217.9
74000 Commodities	18.0	7.7	9.2
75000 Capital Outlay	0.0	5.4	5.4
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	1,002.0	1,059.9	1,504.8
Funding Sources:			
1002 Federal Receipts	498.8	532.6	754.8
1003 General Fund Match	497.7	527.3	594.0
1004 General Fund Receipts	5.5	0.0	156.0
Funding Totals	1,002.0	1,059.9	1,504.8

Estimated Revenue Collections

Description	Master Revenue Account	FY2006 Actuals	FY2007 Management Plan	FY2008 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Federal Receipts	51010	498.8	532.6	754.8
Restricted Total		498.8	532.6	754.8
Total Estimated Revenues		498.8	532.6	754.8

**Summary of Component Budget Changes
From FY2007 Management Plan to FY2008 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2007 Management Plan	527.3	532.6	0.0	1,059.9
Adjustments which will continue current level of service:				
-Transfer funds from Medicaid Services to Support Rate Review Medicaid Activities	142.5	142.0	0.0	284.5
-Transfer Funds from Office of Program Review for Medicaid Care and Advisory Committee functions	13.5	13.5	0.0	27.0
-FY 08 Health Insurance Increases for Exempt Employees	0.1	0.1	0.0	0.2
Proposed budget increases:				
-FY 08 Retirement Systems Rate Increases	66.6	66.6	0.0	133.2
FY2008 Governor	750.0	754.8	0.0	1,504.8

Rate Review Personal Services Information				
Authorized Positions			Personal Services Costs	
	<u>FY2007</u> <u>Management</u> <u>Plan</u>	<u>FY2008</u> <u>Governor</u>		
Full-time	11	11	Annual Salaries	695,930
Part-time	0	0	Premium Pay	3,812
Nonpermanent	0	0	Annual Benefits	526,949
			<i>Less 2.00% Vacancy Factor</i>	(24,534)
			Lump Sum Premium Pay	0
Totals	11	11	Total Personal Services	1,202,157

Position Classification Summary					
Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Tech II	1	0	0	0	1
Administrative Clerk II	1	0	0	0	1
Executive Director	1	0	0	0	1
Internal Auditor I	1	0	0	0	1
Internal Auditor III	5	0	0	0	5
Internal Auditor IV	1	0	0	0	1
Research Analyst III	1	0	0	0	1
Totals	11	0	0	0	11