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Bill Name: A.B. 283
BDR: 40 - 152
Fiscal Note ID: 1681
Date Printed: Apr-09-2003
Printed by: MWillden

EXECUTIVE AGENCY FISCAL NOTE

Category Type	Items of Revenue or Expense, or Both	Fiscal Year 2002-03	Fiscal Year 2003-04	Fiscal Year 2004-05	Effect on Future Biennia
Totals		\$0	\$0	\$0	\$0

Organizational Input

Explanation: This bill requires the limited-scope dental and vision benefits to be paid for from the 30% of revenues deposited to the Fund for a Healthy Nevada set aside to pay for prescription drugs and pharmaceutical services for senior citizens. The schedule attached shows the total projected expenditures included in the Executive Budget for the Senior Rx program and the estimated costs for the limited-scope dental and vision benefits. To the extent the 30% allocation will not cover both programs, we will have to limit participation in the program or receive funding from another source. The estimated cost (with the caveats explained in the attachments) is \$4,855,004 in FY 2004, \$5,695,304 in FY 2005 and an effect on future biennia of \$12,160,973.

Organizational Impact: Has Impact

Signed by: Mike Torvinen

Title DHR DO ASO IV

Doc at LCB No

Attached Files:	File Name	Size	Last Updated
	<u>AB 283 Senior Vision and Dental.xls</u>	43520b	Mar-15-03, 12:39 PM

To PDF FILE

DEPARTMENT OF HUMAN RESOURCES
 DIRECTOR'S OFFICE
 AB 283 - LIMITED SCOPE DENTAL AND VISION BENEFITS FOR SENIORS

GL#	GL TITLE	Fiscal Year	Fiscal Year	Fiscal Year	Effect on Future Biennia
	DESCRIPTION/JUSTIFICATION/DOCUMENTATION OF NEED	2002-2003	2003-2004	2004-2005	

AB283	EXPANDS TOBACCO SUBSIDIES CURRENTLY ALLOCATED FOR PRESCRIPTION BENEFITS TO INCLUDE LIMITED-SCOPE VISION AND DENTAL BENEFITS				
	<p>Monies that are currently only available for the Senior Rx prescription program would be spread to include dental and vision coverage.</p> <p>The cost associated with adding limited-scope dental and vision coverage was estimated as follows:</p> <p>Limited Scope Vision/Sample Coverage: Annual refractive exam/Plan pays 100% after \$10 member co-payment Lenses/Annual: No member co-payment/Plan pays 100% Frames/BI-Annual: No member co-payment/Plan pays 100% *Estimated Premium Cost-\$140 annually per member</p> <p>Preventive Care: \$50 annual deductible/Plan pays 80% of cost/ Member pays 20% of cost Major Dental Work: \$1,000 maximum annual benefit\$150 deductible/ Plan pays 50% of cost-Member pays 50% of cost *Estimated Premium Cost-\$360 annually per member</p> <p>*Based on group rate (not specifically for seniors). <i>Premium/Coverage estimates obtained from Department of Insurance.</i></p> <p>The annual cost for both dental and vision coverage equals \$500 per member The monthly cost for both dental and vision coverage equals \$41.67 per member</p> <p>The definition of a limited-scope benefit varies. A benefit with a lower maximum benefit or higher co-payment for the member may cost less. A plan designed specifically for seniors may cost more than estimated. A plan that includes no deductible for the senior may cost more.</p> <p>The assumption was made that all seniors currently enrolled in the Senior Rx prescription program would receive the additional benefit.</p>				

DEPARTMENT OF HUMAN RESOURCES
 DIRECTOR'S OFFICE
 AB 283 - LIMITED SCOPE DENTAL AND VISION BENEFITS FOR SENIORS

GL#	GL TITLE	Fiscal Year 2002-2003	Fiscal Year 2003-2004	Fiscal Year 2004-2005	Effect on Future Biennia
	DESCRIPTION/JUSTIFICATION/DOCUMENTATION OF NEED				
	REVENUE				

Revenue line item description

\$ - \$ 4,855,004 \$ 5,695,304 \$ 12,160,973

This bill requires the limited-scope dental and vision benefits to be paid for from the 30% of revenues deposited to the Fund for a Healthy Nevada set aside to pay for prescription drugs and pharmaceutical services for senior citizens. The schedule below shows the total projected expenditures included in the Executive Budget for the Senior Rx program and the estimated costs for the limited-scope dental and vision benefits. To the extent the 30% allocation will not cover both programs, we will have to limit participation in the program or receive funding from another source.

	FY 04	FY 05
BA 3261 CAT 16 - Total Proposed Funding	\$ 9,207,657	\$ 10,548,297
General Fund from E 426	(1,763,586)	(3,104,226)
Senior Rx proposal in Executive Budget	7,444,071	7,444,071
Estimated Limited-Scope Dental and Vision	4,855,004	5,695,304
Total Proposed for 30% Allocation	\$ 12,299,075	\$ 13,139,375

TOTAL REVENUE	\$ -	\$ 4,855,004	\$ 5,695,304	\$ 12,160,973
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DEPARTMENT OF HUMAN RESOURCES
 AB 283 - LIMITED SCOPE DENTAL AND VISION BENEFITS
 COST ESTIMATE FOR FULLY INSURED BENEFIT

COST ESTIMATES RECEIVED FROM DEPARTMENT OF INSURANCE

Cost
 Vision
 Dental

Couples Eligibility = Incomes up to \$28,660
 New Enrollees income < \$21,501

\$140 Annually per member \$11.67 per member per month
 \$360 Annually per member \$30.00
 \$500 Total \$41.67

GL# GL TITLE
 DESCRIPTION/JUSTIFICATION/DOCUMENTATION OF NEED

FY 04	Service Plan	Rate/ Month	Totals												Average Per Mo.			
			July	August	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June Year-End				
FY 04	Add:																	
	Waiting List	\$41.67	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	15,600	1,300.00
	Couples Eligibility	\$41.67	25	50	75	100	125	150	175	200	225	250	275	300	300	300	1,950	162.50
	New Enrollees	\$41.67	115	230	345	460	575	690	805	920	1,035	1,150	1,265	1,380	1,380	1,380	8,970	747.50
	Existing Enrollment	\$41.67	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	90,000	7,500
Total Placements			8,940	9,080	9,220	9,360	9,500	9,640	9,780	9,920	10,060	10,200	10,340	10,480	10,480	116,520		9,710
FY 05	Cost:	\$41.67	54,167	54,167	54,167	54,167	54,167	54,167	54,167	54,167	54,167	54,167	54,167	54,167	54,167	54,167	650,004	\$ 54,167
	Waiting List	\$41.67	1,042	2,083	3,125	4,167	5,208	6,250	7,292	8,333	9,375	10,417	11,458	12,500	12,500	12,500	81,250	\$ 6,771
	Couples	\$41.67	4,792	9,583	14,375	19,167	23,958	28,750	33,542	38,333	43,125	47,917	52,708	57,500	57,500	57,500	373,750	\$ 31,146
	New Enrollees	\$41.67	312,500	312,500	312,500	312,500	312,500	312,500	312,500	312,500	312,500	312,500	312,500	312,500	312,500	312,500	3,750,000	\$ 312,500
	Existing Enrollment	\$41.67	\$ 372,501	\$ 378,333	\$ 384,167	\$ 390,001	\$ 395,833	\$ 401,667	\$ 407,501	\$ 413,333	\$ 419,167	\$ 425,001	\$ 430,833	\$ 436,667	\$ 442,500	\$ 448,333	\$ 454,167	\$ 4,855,004
FY 05 Total Cost			54,167	54,167	54,167	54,167	54,167	54,167	54,167	54,167	54,167	54,167	54,167	54,167	54,167	650,004	\$ 54,167	
FY 05	Add:																	
	Waiting List	\$41.67	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	15,600	1,300.00
	Couples Eligibility	\$41.67	325	350	375	400	425	450	475	500	525	550	575	600	600	600	5,550	462.50
	New Enrollees	\$41.67	1,495	1,610	1,725	1,840	1,955	2,070	2,185	2,300	2,415	2,530	2,645	2,760	2,760	2,760	25,530	2,127.50
	Existing Enrollment	\$41.67	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	90,000	7,500
Total Placements			10,620	10,760	10,900	11,040	11,180	11,320	11,460	11,600	11,740	11,880	12,020	12,160	12,160	136,680		11,390
FY 05	Cost:	\$41.67	54,167	54,167	54,167	54,167	54,167	54,167	54,167	54,167	54,167	54,167	54,167	54,167	54,167	54,167	650,004	\$ 54,167
	Waiting List	\$41.67	13,542	14,583	15,625	16,667	17,708	18,750	19,792	20,833	21,875	22,917	23,958	25,000	25,000	25,000	231,250	\$ 19,271
	Couples	\$41.67	62,292	67,083	71,875	76,667	81,458	86,250	91,042	95,833	100,625	105,417	110,208	115,000	115,000	115,000	1,063,750	\$ 88,646
	New Enrollees	\$41.67	312,525	312,525	312,525	312,525	312,525	312,525	312,525	312,525	312,525	312,525	312,525	312,525	312,525	312,525	3,750,300	\$ 312,525
	Dental & Vision	\$41.67	\$ 442,526	\$ 448,358	\$ 454,192	\$ 460,026	\$ 465,858	\$ 471,692	\$ 477,526	\$ 483,358	\$ 489,192	\$ 495,026	\$ 500,858	\$ 506,692	\$ 512,525	\$ 518,358	\$ 524,192	\$ 5,695,304
FY 05 Total Cost			54,167	54,167	54,167	54,167	54,167	54,167	54,167	54,167	54,167	54,167	54,167	54,167	54,167	650,004	\$ 54,167	