Additional proposed amendments to HB 148 #2

Received after 8:00 am March 30

A.60 – Representative Seaton (replaces A.7)
A.26 – Representative Vazquez
A.57 – Representative Vazquez
A.58 – Representative Seaton (Replaces A.31)
A.50 – Representative Talerico
A.51 – Representative Talerico
A.53 - Representative Talerico
A.45 – Representative Vazquez
A.63 – Representative Seaton
A.52 - Representative Talerico
AMENDMENT

OFFERED IN THE HOUSE

TO: HB 148

BY REPRESENTATIVE SEATON

Page 9, following line 3:

Insert a new bill section to read:

"Sec. 13. The uncodified law of the State of Alaska is amended by adding a new section to read:

MEDICAID WAIVERS; REPORT TO LEGISLATURE. On or before February 1, 2019, the Department of Health and Social Services shall complete a report informing the legislature of the results of the applications for waivers and options under AS 47.07.036(d)(1) - (3), enacted by sec. 10 of this Act, and shall deliver the report to the senate secretary and chief clerk of the house of representatives and notify the legislature that the report is available. The report must include

(1) information explaining whether the department's applications for a section 1115 waiver under 42 U.S.C. 1315(a), a section 1915(i) option under 42 U.S.C. 1396n, and a section 1915(k) option under 42 U.S.C. 1396n were approved by the United States Department of Health and Human Services;

(2) a description of cost savings to the state resulting from the programs implemented under the waivers, including

(A) the extent to which the programs implemented under the section 1115 waiver under 42 U.S.C. 1315(a) achieved the savings estimated by the department;

(B) the extent to which the programs implemented under the section 1915(i) and (k) options under 42 U.S.C. 1396n achieved the savings estimated by the department."
1. Renumber the following bill sections accordingly.

Page 9, line 23:
4. Delete "Sections 13 and 14"
5. Insert "Sections 14 and 15"

Page 9, line 24:
8. Delete "by sec. 16"
9. Insert "in sec. 17"
AMENDMENT

OFFERED IN THE HOUSE
TO: HB 148

Page 1, line 1, following "measures;":
Insert "relating to verification of eligibility for public assistance programs administered by the Department of Health and Social Services;"

Page 2, following line 16:
Insert a new bill section to read:
"* Sec. 3. AS 47.05 is amended by adding new sections to article 1 to read:

Sec. 47.05.105. Computerized eligibility verification system. (a) The department shall establish a computerized income, asset, and identity eligibility verification system for the purposes of verifying eligibility, eliminating duplication of public assistance payments, and deterring waste and fraud in public assistance programs administered by the department under AS 47.05.010.

(b) The department shall enter into a competitively bid contract with a third-party vendor for the purpose of developing a system under this section for verifying an applicant's eligibility for public assistance before the payment of benefits and for periodically verifying eligibility between eligibility redeterminations and during eligibility redeterminations and reviews under AS 47.05.110 - 120. The department may also contract with a third-party vendor to provide information to facilitate reviews of recipient eligibility conducted by the department.

(c) A contract awarded under this section must

(1) require the vendor to ensure that annualized savings realized from implementation of the verification system exceed the total yearly cost to the state for implementing the verification system;"
provide a payment structure based on a per applicant rate and
provide a performance bonus for achieving a rate of success in accurately identifying
waste and fraud that is higher than a predetermined rate established by the department;
(3) require the vendor to include in its system the databases identified
in AS 47.05.110.
(d) The third-party vendor selected under this section may not hold, bid on, or
be awarded a contract to provide enrollment services to an agency of the state.

Sec. 47.05.110. Income and asset eligibility verification. (a) Before awarding
public assistance and on a quarterly basis thereafter, to the extent permitted by federal
or state law, and if the information is available to the department, the department shall
compare the financial information of an applicant for and recipient of assistance with
information from the following sources:
(1) earned and unearned income information maintained by the United
States Internal Revenue Service;
(2) employer weekly, monthly, or quarterly reports of income and
unemployment insurance payment information maintained by the Department of
Labor and Workforce Development;
(3) earned income information maintained by the United States Social
Security Administration;
(4) a nationwide public records data source of physical asset ownership
such as real property, automobiles, watercraft, aircraft, and luxury vehicles, or any
other vehicle owned by the applicant for or recipient of public assistance;
(5) national and local financial institutions;
(6) public housing and housing assistance payment information
maintained by the United States Department of Housing and Urban Development;
(7) wage reporting and similar information maintained by states
contiguous to this state;
(8) beneficiary records, earnings, and pension information maintained
by the United States Social Security Administration;
(9) employment information maintained by the Department of Labor
and Workforce Development;
(10) veterans' benefit information maintained by the United States Department of Health and Human Services, in coordination with the department and the Department of Military and Veterans' Affairs;

(11) child care services payment information maintained by the department;

(12) income, employment, and child support information maintained by the Department of Revenue under AS 25.27;

(13) income, employment, and child support information maintained by the United States Department of Health and Human Services under 42 U.S.C. 652 - 669b;

(14) utility payment information maintained by the department for the Alaska affordable heating program under AS 47.25.621 - 47.25.626 or the federal low-income home energy assistance program under 42 U.S.C. 8621 - 8629;

(15) emergency utility payment information maintained by the state or a municipality;

(16) information maintained by the state concerning a license, permit, or certificate issued by a state agency if the cost of the license exceeds $500;

(17) information maintained by the Department of Administration concerning pension payments made under AS 14.25, AS 26.05.222 - 26.05.229, AS 39.35, and former AS 39.37;

(18) a database of individuals receiving public assistance or other benefits in another state;

(19) any other database or other source that provides current and accurate information concerning the income and assets of applicants for and recipients of public assistance.

(b) Notwithstanding the requirements of this section, an application for public assistance shall be processed before a deadline set by federal or state law or regulation.

Sec. 47.05.115. Identity verification process. (a) Before awarding public assistance, the department shall require an applicant for public assistance to prove the applicant's identity by requiring the applicant to answer a series of questions about the applicant's personal and financial information that the department can verify.
independently. The department shall provide a means to verify the financial history of
an applicant without bank records or a credit history.

(b) The department shall permit an applicant to provide the answers to the
questions posed under (a) of this section electronically, in person, or by telephone.

(c) Before awarding assistance, and on a quarterly basis, the department shall,
to the extent permitted by federal or state law and if the information is available to the
department, match identity information of an applicant for or recipient of public
assistance against, at a minimum, the following public records:

(1) immigration status information maintained by the United States
Department of Homeland Security, Citizenship and Immigration Services;

(2) death register information maintained by the United States Social
Security Administration;

(3) prisoner information maintained by the United States Social
Security Administration;

(4) national fleeing felon information maintained by the Federal Bureau
of Investigation;

(5) a nationwide public records data source of incarcerated individuals;

(6) a nationwide best-address and driver's license data source to verify
that individuals are residents of the state;

(7) a comprehensive public records database that identifies potential
identity fraud or identity theft that can closely associate name, social security number,
date of birth, telephone number, and address information;

(8) outstanding default or arrest warrant information maintained by the
Department of Public Safety under AS 12.62; and

(9) any other database or other source that provides current and
accurate information concerning the identification of individuals.

Sec. 47.05.120. Discrepancies and case review. (a) If there is a discrepancy
between the information received from an applicant for or recipient of public
assistance and the results of the review conducted under AS 47.05.110 and 47.05.115,
the department shall

(1) take no further action if the discrepancy does not affect the
eligibility of the applicant or recipient;

     (2) undertake a further investigation under (b) - (e) of this section if the
discrepancy indicates that an applicant or recipient is or has become ineligible for
assistance.

     (b) The department shall provide written notice to an applicant or recipient of a
discrepancy under (a)(2) of this section. The notice must describe the discrepancy and
set out the reasons the discrepancy requires a redetermination of eligibility, the manner
in which the applicant or recipient may respond, and the consequences of failing to
respond.

     (c) The applicant or recipient shall respond to a notice under (b) of this section
within 10 business days. The applicant or recipient shall respond in writing.

     (d) After receiving the applicant's or recipient's response, the department

     (1) may request that the applicant or recipient provide additional
information;

     (2) shall, if the applicant or recipient disputes the accuracy of the
information in a database, disputes the effect of a discrepancy on eligibility for
assistance, or provides an explanation for the discrepancy, reinvestigate the
discrepancy and its effect on the applicant's or recipient's eligibility.

     (e) In reviewing information under this section, the department shall
independently verify information provided solely by the applicant or recipient.

     (f) If the department finds that the report of a discrepancy is inaccurate, that the
discrepancy has been satisfactorily explained, or that the discrepancy does not affect
the eligibility of the applicant or recipient, the department shall approve or continue
eligibility for the relevant public assistance program.

     (g) If the department finds that the information provided by the applicant or
recipient is inaccurate, and that the inaccurate information affects the applicant's or
recipient's eligibility, it shall promptly redetermine eligibility. If the department
determines that an applicant or recipient is not eligible for assistance, the department
shall provide written notice of the determination to the applicant or recipient, along
with notice of the applicant's or recipient's right to a fair hearing under AS 47.05.010.

     (h) If the applicant or recipient does not respond to the notice, the department
shall deny or discontinue assistance for failure to cooperate. Eligibility for assistance
may not be established or reestablished until the discrepancy or change has been
resolved. The department shall provide written notice of the denial or discontinuation
to the applicant or recipient, along with notice of the applicant's or recipient's right to a
fair hearing under AS 47.05.010.

(i) The department shall adopt regulations to implement this section.

Sec. 47.05.125. Referrals for fraud, misrepresentation, or inadequate
documentation. (a) The department shall refer suspected cases of fraud, including
identity fraud, to the attorney general for criminal prosecution, recovery of improper
payments, and collection of civil penalties.

(b) The department shall refer suspected cases of fraud, misrepresentation, or
inadequate documentation to other state agencies and programs for review.

Sec. 47.05.130. Reporting. The department shall, on a quarterly basis, deliver
to the senate secretary and the chief clerk of the house of representatives and notify the
legislature of the availability of a report detailing the effectiveness and general
findings of the eligibility verification system, including the number of cases reviewed,
the number of case closures, the number of referrals for criminal prosecution, the
recovery of improper payment, the outcomes of cases referred to the attorney general,
and the savings that have resulted from the system.

Sec. 47.05.135. Provider payments. (a) To the extent permitted by federal and
state law, the department shall make available to the public an annual report of

(1) the names, office locations, and national provider identifier under
42 U.S.C. 1396 - 1396p (Title XIX of the Social Security Act) of health care providers
receiving payments under a public assistance program administered by the
department; and

(2) for each health care provider, the number and types of services
provided under a public assistance program, average submitted charges for each type
of service, average allowed amount, average medical assistance payment, the common
procedure coding system compiled by the United States Department of Health and
Human Services for the services provided by the physician, and whether the services
were performed in a facility or office setting.
(b) Notwithstanding (a) of this section, the department may not release information under this section if the information would disclose, directly or indirectly, the identity and medical condition of a patient of the health care provider, or could reasonably be expected to constitute an unwarranted invasion of the personal privacy of the patient.

Sec. 47.05.150. Definitions. In AS 47.05.105 - 47.05.150,

(1) "department" means the Department of Health and Social Services;

(2) "health care provider" means a person or facility approved by the department to provide health care services to a recipient of public assistance administered by the department;

(3) "identity information" includes the full name, aliases, date of birth, address, social security number, or other information identifying an applicant for or recipient of an assistance program administered by the department under AS 47.05.010."

Renumber the following bill sections accordingly.

Page 9, line 12, following the first occurrence of "Act,":

Insert "AS 47.05.105 - 47.05.150, enacted by sec. 3 of this Act,"

Delete "sec. 10"

Insert "sec. 11"

Page 9, lines 16 - 17:

Delete "secs. 1 and 10"

Insert "secs. 1, 3, and 11"

Page 9, line 23:

Delete "Sections 13 and 14"

Insert "Sections 14 - 16"

Page 9, following line 23:
Insert new bill sections to read:

* Sec. 18. AS 47.05.130, enacted by sec. 3 of this Act, takes effect July 1, 2016.

* Sec. 19. Except as provided in sec. 18 of this Act, sec. 3 of this Act takes effect January 1, 2016."

Page 9, line 24:
Delete "by sec. 16"
Insert "in secs. 17 - 19"
AMENDMENT

OFFERED IN THE HOUSE

TO: HB 148

BY REPRESENTATIVE VAZQUEZ

Page 7, following line 15:
Insert a new bill section to read:

"* Sec. 9. AS 47.07.020 is amended by adding a new subsection to read:

(o) Notwithstanding the eligibility provisions under (a) and (b) of this section, a provider may not receive reimbursement for services provided to a recipient of medical assistance under this section unless the provider requires the recipient first to enroll in the Medicare program under 42 U.S.C. 1395 and any other federally funded program providing medical assistance to the extent that the person is eligible to receive benefits and services under the program. The department shall adopt regulations establishing civil penalties for individuals who knowingly seek medical assistance payments in violation of this subsection. The department shall prepare an annual report that describes the types and amounts of penalties assessed under this subsection. By January 1 of each year, the department shall deliver the report to the senate secretary and the chief clerk of the house of representatives and notify the legislature that the report is available."

Renumber the following bill sections accordingly.

Page 9, line 12:
Delete "sec. 10"
Insert "sec. 11"

Page 9, line 17:
1    Delete "10"
2    Insert "11"

3

4    Page 9, line 23:
5    Delete "Sections 13 and 14"
6    Insert "Sections 14 and 15"

7

8    Page 9, line 24:
9    Delete "by sec. 16"
10   Insert "in sec. 17"
AMENDMENT

OFFERED IN THE HOUSE
TO: HB 148

BY REPRESENTATIVE SEATON

Page 8, following line 16:

Insert new subsections to read:

"(e) Notwithstanding (a) - (c) of this section and in addition to the projects and services described under (d) of this section, the department shall apply for a section 1115 waiver under 42 U.S.C. 1315(a) to establish one or more demonstration projects focused on innovative payment models for one or more groups of medical assistance recipients in one or more specific geographic areas. The demonstration project or projects may include

(1) managed care organizations as described under 42 U.S.C. 1396u-2;

(2) community care organizations;

(3) patient-centered medical homes as described under 42 U.S.C. 256a-1; or

(4) other innovative payment models that ensure access to health care without reducing the quality of care.

(f) The department shall design and implement at least one demonstration project under (e) of this section that is a coordinated care demonstration project using a global payment fee structure. The demonstration project must include a managed care system that operates within a fixed budget to reduce medical cost inflation, improves the quality of health care for recipients, and results in a healthier population. The department shall design the managed care system to reduce the growth in medical assistance expenditures with a goal of reducing the per capita growth rate for medical assistance expenditures by at least two percentage points. The managed care system must implement alternative payment methodologies and create a network of patient-
centered primary care homes, and will be measured based on quality and performance outcomes. The department shall prepare a report regarding the progress of this demonstration project and shall, on or before February 1, 2019, deliver the report to the senate secretary and the chief clerk of the house of representatives and notify the legislature that the report is available."

Reletter the following subsection accordingly.
AMENDMENT

OFFERED IN THE HOUSE

TO: HB 148

BY REPRESENTATIVE TALERICO

Page 1, line 1, following "Act":
Insert "relating to certificates of need;"

Page 2, following line 13:
Insert a new bill section to read:

"* Sec. 2. AS 18.07 is amended by adding a new section to read:

Sec. 18.07.103. Exemption. Nothing in this chapter applies to an existing or
proposed health care facility that is located or will be located in a municipality with a
population of more than 5,000 according to the most recent United States census
before initiation of the construction or alteration of, or addition to, the health care
facility."

Renumber the following bill sections accordingly.

Page 9, following line 8:
Insert a new bill section to read:

"* Sec. 15. The uncodified law of the State of Alaska is amended by adding a new section to
read:

APPLICABILITY. AS 18.07.103, enacted by sec. 2 of this Act, applies to the
construction or alteration of, or addition to, a health care facility begun on or after the
effective date of sec. 2 of this Act. For a health care facility that is located in a municipality
with a population of more than 5,000 according to the most recent United States census and
that has an existing certificate of need issued by the department under AS 18.07.031 or
modified under AS 18.07.061 before the effective date of sec. 2 of this Act, the department
may not take any action to enforce or modify the terms of the certificate."

Renumber the following bill sections accordingly.

Page 9, line 12:
Delete "sec. 10"
Insert "sec. 11"

Page 9, line 17:
Delete "10"
Insert "11"

Page 9, line 23:
Delete "Sections 13 and 14"
Insert "Sections 14 and 16"

Page 9, line 24:
Delete "by sec. 16"
Insert "in sec. 18"
AMENDMENT

OFFERED IN THE HOUSE

TO: HB 148

Page 1, line 1, following "Act":
Insert "relating to certificates of need;"

Page 2, following line 13:
Insert a new bill section to read:

"* Sec. 2. AS 18.07.031(e) is amended to read:
(e) In (a) of this section, "expenditure" includes the purchase of [PROPERTY OCCUPIED BY OR THE] equipment required for the health care facility [AND THE NET PRESENT VALUE OF A LEASE FOR SPACE OCCUPIED BY OR THE EQUIPMENT REQUIRED FOR THE HEALTH CARE FACILITY]; "expenditure" does not include costs associated with routine maintenance and replacement of equipment at an existing health care facility, the purchase of property occupied by the facility, or the net present value of a lease for space occupied by or equipment required for the facility."

Renumber the following bill sections accordingly.

Page 9, following line 8:
Insert a new bill section to read:

"* Sec. 15. The uncodified law of the State of Alaska is amended by adding a new section to read:
APPLICABILITY. Section 2 of this Act applies to the construction or alteration of or an addition to a health care facility initiated on or after the effective date of sec. 2 of this Act
and to applications pending under AS 18.07.031."

Renumber the following bill sections accordingly.

Page 9, line 12:
Delete "sec. 10"
Insert "sec. 11"

Page 9, line 17:
Delete "10"
Insert "11"

Page 9, line 23:
Delete "Sections 13 and 14"
Insert "Sections 14 and 16"

Page 9, line 24:
Delete "by sec. 16"
Insert "in sec. 18"
AMENDMENT

OFFERED IN THE HOUSE
TO: HB 148

BY REPRESENTATIVE TALERICO

1 Page 9, lines 9 - 17:
   Delete all material.

4 Renumbers the following bill sections accordingly.

6 Page 9, line 23:
   Delete "Sections 13 and 14 of this Act take"
   Insert "Section 13 of this Act takes"

10 Page 9, line 24:
   Delete "by sec. 16"
   Insert "in sec. 15"
Page 2, following line 16:

Insert a new bill section to read:

"* Sec. 3. AS 47.05 is amended by adding a new section to article 2 to read:

Sec. 47.05.190. Centralized system for fraud prevention and quality control. (a) The department shall consolidate quality control and fraud prevention functions in a centralized system. The system must include procedures for

(1) coordinating efforts among divisions within the department;

(2) coordinating efforts with other departments, through memorandums of understanding if necessary, to improve fraud detection and avoid redundancies;

(3) preventing, detecting, and investigating medical assistance fraud and abuse;

(4) referring cases of medical assistance fraud to the attorney general for prosecution;

(5) recovering overpayments under AS 47.05.200(b);

(6) ensuring the efficiency of the medical assistance program;

(7) requiring a certification of cognitive ability by a qualified medical professional before authorizing medical assistance services for a recipient of home and community based services for whom a guardian, conservator, or power of attorney has been appointed because of the recipient's mental illness or disability; and

(8) coordinating investigations of reports of fraud under AS 47.24.010 and 47.24.011.

(b) The department shall prepare an annual report summarizing quality control
and fraud prevention efforts. The department shall deliver the report to the senate secretary and the clerk of the house of representatives on or before January 1 of each year and notify the legislature that the report is available.

(c) An employee of the department has a duty to report to the department any relationship that could create a conflict of interest in the course of the employee's employment or duties. The department shall, on a regular basis, notify employees of the duty under this subsection.

(d) In this section, "mental illness" has the meaning given in AS 47.30.915."

Renumber the following bill sections accordingly.

Page 2, line 22:
Delete "50"
Insert "150"

Page 3, following line 20:
Insert new bill sections to read:

"* Sec. 6. AS 47.05.200 is amended by adding a new subsection to read:

(f) At least half of the audits required under this section must be targeted audits of medical assistance providers in which an employee of the department, or an immediate family member of an employee of the department, has a pecuniary interest.
In this subsection, "immediate family member" means a spouse, child, or parent.

* Sec. 7. AS 47.05 is amended by adding a new section to read:

Sec. 47.05.211. Persons required to report fraud. (a) A state employee who has knowledge that a person has committed medical assistance fraud under AS 47.05.210 shall immediately report the actions that constitute medical assistance fraud to the department.

(b) A state employee who fails to comply with (a) of this section and who knew or should have known that the circumstances gave rise to the need for a report is guilty of a class A misdemeanor.

(c) A person who knowingly hinders or prevents a report of medical assistance
fraud from being submitted under this section is guilty of a class A misdemeanor."

Page 9, following line 3:
Insert a new bill section to read:

"* Sec. 16. AS 47.07.074(b) is repealed."

Renumber the following bill sections accordingly.

Page 9, line 12:
Delete "sec. 10"
Insert "sec. 13"

Page 9, line 17:
Delete "10"
Insert "13"

Page 9, line 23:
Delete "13 and 14"
Insert "17 and 18"

Page 9, line 24:
Delete "by sec. 16"
Insert "in sec. 20"
AMENDMENT

OFFERED IN THE HOUSE

TO: HB 148

BY REPRESENTATIVE SEATON

Page 9, following line 3:

Insert a new bill section to read:

"* Sec. 13. The uncodified law of the State of Alaska is amended by adding a new section to read:

DEMONSTRATION PROJECT: REDUCING PRE-TERM BIRTHS. The Department of Health and Social Services shall design and implement a demonstration project for the purpose of reducing pre-term birth rates in the state from the current rate of 10.3 percent. The demonstration project shall provide for the voluntary enrollment of approximately 500 recipients who are eligible for medical assistance under AS 47.07.020(b)(14). The Department of Health and Social Services shall offer pregnancy counselling, nutritional counselling, and, as necessary, vitamin D supplementation to maintain levels of 40 ng/ml vitamin D during pregnancy for participants in the demonstration project. The demonstration project may be modeled after the Protect Our Children NOW! project implemented as a cooperative project of the South Carolina Department of Health and Human Services and private health organizations. The goal of the demonstration project is to achieve a 50 percent reduction in pre-term births in the state, consistent with the results of the following published studies: Wagner, C. L., et al., "A Randomized Trial of Vitamin D Supplementation in Two Community Health Center Networks in South Carolina," American Journal of Obstetrics and Gynecology 208 (February 2013); Bodnar, L. M., et al., "Maternal 25-Hydroxyvitamin D and Preterm Birth in Twin Gestations," Obstetrics and Gynecology 122 (July 2013)."

Renumber the following bill sections accordingly.
1 Page 9, line 23:

3 Delete "Sections 13 and 14"
4 Insert "Sections 14 and 15"

5

6 Page 9, line 24:

7 Delete "by sec. 16"
8 Insert "in sec. 17"
AMENDMENT

OFFERED IN THE HOUSE
TO: HB 148

BY REPRESENTATIVE TALERICO

Page 7, following line 1:
Insert a new bill section to read:

"* Sec. 7. AS 47.07.020(b), as amended by sec. 6 of this Act, is amended to read:

(b) In addition to the persons specified in (a) of this section, the following optional groups of persons for whom the state may claim federal financial participation are eligible for medical assistance:

(1) persons eligible for but not receiving assistance under any plan of the state approved under 42 U.S.C. 1381 - 1383c (Title XVI, Social Security Act, Supplemental Security Income) or a federal program designated as the successor to the aid to families with dependent children program;

(2) persons in a general hospital, skilled nursing facility, or intermediate care facility, who, if they left the facility, would be eligible for assistance under one of the federal programs specified in (1) of this subsection;

(3) persons under 21 years of age who are under supervision of the department, for whom maintenance is being paid in whole or in part from public funds, and who are in foster homes or private child-care institutions;

(4) aged, blind, or disabled persons, who, because they do not meet income and resources requirements, do not receive supplemental security income under 42 U.S.C. 1381 - 1383c (Title XVI, Social Security Act), and who do not receive a mandatory state supplement, but who are eligible, or would be eligible if they were not in a skilled nursing facility or intermediate care facility to receive an optional state supplementary payment;

(5) persons under 21 years of age who are in an institution designated
as an intermediate care facility for persons with intellectual and developmental
disabilities and who are financially eligible as determined by the standards of the
federal program designated as the successor to the aid to families with dependent
children program;

(6) persons in a medical or intermediate care facility whose income
while in the facility does not exceed 300 percent of the supplemental security income
benefit rate under 42 U.S.C. 1381 - 1383c (Title XVI, Social Security Act) but who
would not be eligible for an optional state supplementary payment if they left the
hospital or other facility;

(7) persons under 21 years of age who are receiving active treatment in
a psychiatric hospital and who are financially eligible as determined by the standards
of the federal program designated as the successor to the aid to families with
dependent children program;

(8) persons under 21 years of age and not covered under (a) of this
section, who would be eligible for benefits under the federal program designated as
the successor to the aid to families with dependent children program, except that they
do not meet the deprivation criteria under 42 U.S.C. 1396u-1(b)(1)(a)(ii);

(9) pregnant women not covered under (a) of this section and who meet
the income and resource requirements of the federal program designated as the
successor to the aid to families with dependent children program;

(10) persons under 21 years of age not covered under (a) of this section
who the department has determined cannot be placed for adoption without medical
assistance because of a special need for medical or rehabilitative care and who the
department has determined are hard-to-place children eligible for subsidy under
AS 25.23.190 - 25.23.210;

(11) persons who can be considered under 42 U.S.C. 1396a(e)(3) (Title
XIX, Social Security Act, Medical Assistance) to be individuals with respect to whom
a supplemental security income is being paid under 42 U.S.C. 1381 - 1383c (Title
XVI, Social Security Act) because they meet all of the following criteria:

(A) they are 18 years of age or younger and qualify as disabled
individuals under 42 U.S.C. 1382c(a) (Title XVI, Social Security Act);
(B) the department has determined that
   (i) they require a level of care provided in a hospital, nursing facility, or intermediate care facility for persons with intellectual and developmental disabilities;
   (ii) it is appropriate to provide their care outside of an institution; and
   (iii) the estimated amount that would be spent for medical assistance for their individual care outside an institution is not greater than the estimated amount that would otherwise be expended individually for medical assistance within an appropriate institution;
   (C) if they were in a medical institution, they would be eligible for medical assistance under other provisions of this chapter; and
   (D) home and community-based services under a waiver approved by the federal government are either not available to them under this chapter or would be inappropriate for them;

(12) disabled persons, as described in 42 U.S.C. 1396a(a)(10)(A)(ii)(XIII), who are in families whose income, as determined under applicable federal regulations or guidelines, is less than 250 percent of the official poverty line applicable to a family of that size according to the United States Department of Health and Human Services, and who, but for earnings in excess of the limit established under 42 U.S.C. 1396d(q)(2)(B), would be considered to be individuals with respect to whom a supplemental security income is being paid under 42 U.S.C. 1381 - 1383c; a person eligible for assistance under this paragraph who is not eligible under another provision of this section shall pay a premium or other cost-sharing charges according to a sliding fee scale that is based on income as established by the department in regulations;

(13) persons under 19 years of age who are not covered under (a) of this section and whose household income does not exceed 203 percent of the federal poverty line as defined by the United States Department of Health and Human Services and revised under 42 U.S.C. 9902(2);

(14) pregnant women who are not covered under (a) of this section and
whose household income does not exceed 200 percent of the federal poverty line as
defined by the United States Department of Health and Human Services and revised
under 42 U.S.C. 9902(2);

(15) persons who have been diagnosed with breast or cervical cancer
and who are eligible for coverage under 42 U.S.C. 1396a(a)(10)(A)(ii)(XVIII) [;

(16) PERSONS WHO ARE UNDER 65 YEARS OF AGE, WHO ARE
NOT PREGNANT, WHOSE HOUSEHOLD INCOME DOES NOT EXCEED 138
PERCENT OF THE FEDERAL POVERTY LINE, INCLUDING THE FIVE
PERCENT INCOME DISREGARD, AS DEFINED BY THE UNITED STATES
DEPARTMENT OF HEALTH AND HUMAN SERVICES AND REVISED UNDER
42 U.S.C. 9902(2), AND WHO ARE ELIGIBLE UNDER 42 U.S.C.
1396A(a)(10)(A)(i)(VIII), IF THE FEDERAL MEDICAL ASSISTANCE
PERCENTAGE PAID TO THE STATE FOR THE COVERAGE IS NOT LESS
THAN 90 PERCENT]."

Renumber the following bill sections accordingly.

Page 9, following line 3:

"* Sec. 14. AS 43.23.075(d) is repealed July 1, 2018."

Renumber the following bill sections accordingly.

Page 9, line 12:
Delete "sec. 10"
Insert "sec. 11"

Page 9, line 17:
Delete "10"
Insert "11"
1 Page 9, line 23:
2     Delete "Sections 13 and 14"
3     Insert "Sections 15 - 17"
4
5 Page 9, following line 23:
6     Insert a new bill section to read:
7     "* Sec. 19. Section 7 of this Act takes effect July 1, 2018."
8
9 Renumber the following bill section accordingly.
10
11 Page 9, line 24:
12     Delete "by sec. 16"
13     Insert "in secs. 18 and 19"