MEMORANDUM

DATE: April 9, 2015

TO: Representative Newman

FROM: Sana Efird  
Assistant Commissioner

SUBJECT: Medicaid 101 Presentation

On March 31, 2015, the Department of Health and Social Services received the following questions. The division response is as follows:

➤ **Rep. Wilson – are there any lawsuits pending regarding the use of waivers?**
At this time there are no lawsuits only fair hearings from recipients whose service level has been reduced or eliminated.

➤ **Rep. Munoz – How many seniors on Medicare only and how many have dual coverage (Medicaid & Medicare)? What is the income cutoff for eligibility?**
We don’t have the numbers of individuals on Medicare who are elderly versus disabled. We do know that there are 69,301 individuals in Alaska that are on Medicare and of those 14,961 are dual eligible (on both Medicare and Medicaid).

➤ **Rep. Wilson – Can I see a service-by-service comparison between what Medicare and Medicaid pay?**
Here are where the Alaska Medicaid Fee Schedules are located: (There is a different fee schedule for the different types of services over 7,000 codes)
http://manuals.medicaidalaska.com/medicaidalaska/providers/FeeSchedule.asp

Here is where the Medicare Fee Schedules can be found: (There is a Physician Fee Schedule Look-Up Tool on the left hand side that will let them compare.)
http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/PhysicianFeeSched/index.html
➢ Rep. Thompson – Is it possible to get a sense of how much Medicare pays versus how much providers charge patients?
   Our Department would have to pull crossover claims and get the billed charges and how much Medicare paid. There is no way of knowing if the billed charges are what they charge the general public or not.

➢ Rep. Wilson – what is the cost to the state for the mandatory & optional services, and what are the numbers of recipients for each?
   Please see attached document “Mandatory Optional Services Summary 2011-2014”.
   Please note the disclaimer on the FY2014 activity.

➢ Rep. Edgmon – Where is Alaska in comparison with other states in terms of growth of the children’s population?

<table>
<thead>
<tr>
<th>State of Alaska</th>
<th>Population Estimates ages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Region</td>
<td>SFY 14 Population</td>
</tr>
<tr>
<td>Anchorage</td>
<td>82,742</td>
</tr>
<tr>
<td>Northern</td>
<td>39,968</td>
</tr>
<tr>
<td>Southcentral</td>
<td>55,167</td>
</tr>
<tr>
<td>Southeast</td>
<td>18,304</td>
</tr>
<tr>
<td>Western</td>
<td>10,501</td>
</tr>
<tr>
<td>Total</td>
<td>206,882</td>
</tr>
</tbody>
</table>

For data in other states please use this link to the US Department of Commerce:
http://factfinder.census.gov/faces/tablesservices/jsf/pages/productview.xhtml?src=bkmk

➢ Rep. Saddler – Has AK considered contracting with MCO? If this has been studied, when was the study conducted?
   Please see the three attached reports from studies completed by PCG (Public Consulting Group).

➢ Rep. Edgmon – If chart was representing AK Medicaid expenditures, what portion would be for travel?
   Transportation would be 8%

➢ Rep. Edgmon – What number of participants does the top 5% of spenders (slide 36) represent? What types of services are used the most in AK?
   The 5% represents 4 million. Please see attached document “Mandatory Optional Services Summary 2011-2014” for the type of services used the most in Alaska.

➢ Rep. Munoz – Do those 5% of top spenders participate in waiver programs?
   Yes. The elderly and disabled make up the majority of the top spenders.
If you have any additional questions regarding this issue, please contact me at 465-1630.

cc: Amanda Ryder, Fiscal Analyst, Legislative Finance
    Adam Bryan, Capital Budget Coordinator, Office of Management and Budget
    Valerie Davidson, Commissioner
    Jay Butler, Chief Medical Officer
    Jon Sherwood, Deputy Commissioner
    Ree Sailors, Deputy Commissioner
    Sarah Woods, Deputy Director
    Melissa Ordner, Budget Manager
    Anthony Newman, Legislative Liaison
    Wilda Laughlin, Deputy Legislative Liaison