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**CS FOR SENATE BILL NO. 32(FIN)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SIXTH LEGISLATURE - FIRST SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:

Referred:

Sponsor(s): SENATORS ELLIS, Davis, Paskvan, McGuire

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to medical assistance payments for home and community-based**  
2 **services and provision of personal care services in a recipient's home; and providing for**  
3 **an effective date."**

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 \* **Section 1.** AS 47.07 is amended by adding a new section to read:

6 **Sec. 47.07.069. Payment rates for provision of personal care services in a**  
7 **recipient's home and for home and community-based services.** (a) The department  
8 shall, by regulation, set rates of payment for provision of personal care services in a  
9 recipient's home under AS 47.07.030 and for home and community-based services  
10 under AS 47.07.045, in accordance with 42 U.S.C. 1396 (Title XIX, Social Security  
11 Act, Medical Assistance) and this section. A rate established under this section takes  
12 effect under AS 44.62 (Administrative Procedure Act) but not until approved in  
13 writing by the commissioner. The commissioner may delegate the performance of  
14 these functions.

(b) The department shall review the rates of payment established under of (a) of this section for a fiscal year. In reviewing the rates, the department shall, within the limit of appropriations made by the legislature for the department's programs under this chapter for that fiscal year, including anticipated available federal revenue for that fiscal year, set rates that consider

(1) periodic cost surveys, to be conducted by the department at least once every four years;

(2) audit and inspection results and reports; and

(3) the rate of inflation contained in the home health agency market basket data of the Centers for Medicare and Medicaid Services, United States Department of Health and Human Services.

(c) As a condition of obtaining payment under this section, a provider of personal care services in a recipient's home and a provider of home and community-based services, shall

(1) participate in periodic cost surveys as requested by the department; and

(2) allow

(A) the department reasonable access to the records of medical assistance recipients and providers; and

(B) audit and inspection of the records by state and federal agencies.

\* **Sec. 2.** The uncodified law of the State of Alaska is amended by adding a new section to read:

**REPORT ON MEDICAL ASSISTANCE PAYMENT RATES.** (a) The Department of Health and Social Services shall prepare and submit an annual report on medical assistance payment rates established under AS 47.07.069 to the governor that

(1) identifies trends in established rates of payment;

(2) explains how the department has complied with AS 47.07.069(b) in establishing the rates; and

(3) includes a cross reference to regulations adopted under AS 47.07.069 and the availability of the regulations.

1 (b) The department shall notify all legislators of the availability of the report prepared  
2 under (a) of this section and provide a copy of the report to the

3 (1) presiding officers of each house of the legislature;

4 (2) chairs of the senate and house finance committees; and

5 (3) chairs of the senate and house health and social service committees.

6 \* **Sec. 3.** Section 2 of this Act is repealed June 30, 2014.

7 \* **Sec. 4.** This Act takes effect July 1, 2011.