

Prepared by the Department of Health and Social Services

SB 78, "An Act relating to medical assistance reform measures; relating to eligibility for medical assistance coverage; relating to medical assistance cost containment measures by the Department of Health and Social Services; and providing for an effective date."

Sectional Analysis:

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| <u>Section 1</u> | Adopts intent language and legislative findings related to Medicaid expansion and the need to reform the existing Medicaid program, including instructing the Department of Health and Social Services (DHSS) to propose legislation to implement a provider tax in January 2016, to help offset the cost of the Medicaid program . |
| <u>Section 2</u> | Amends AS 44.23.075 to exclude the expansion population from the current Permanent Fund Hold Harmless program. |
| <u>Section 3</u> | Amends AS 47.05.200(a) to clarify the minimum number of audits that DHSS should conduct each year, along with instructions that DHSS, should to the extent possible, minimize duplicative state and federal audits for Medicaid providers. |
| <u>Section 4</u> | Amends AS 47.05.200(b) to allow DHSS to impose interest penalties on identified overpayments using the post judgment statutory rate. |
| <u>Section 5</u> | Adopts AS 47.05.250 that authorizes DHSS to develop provider fines though regulation for violations of AS 47.05, AS 47.07 or regulations adopted under those chapters. |
| <u>Section 6</u> | Amends AS 47.07.020(b) including technical corrections related to eligibility for Medicaid authorized under the Affordable Care Act. This section also provides the authority for DHSS to expand Medicaid to adults aged 19-64 who are not caring for dependent children, are not disabled or pregnant, and who earn at or below 138 percent of the federal poverty guidelines for Alaska including the 5 percent income disregard. |
| <u>Section 7 and 8</u> | Amends AS 47.07.020(g) and (m) to clarify when DHSS may impose transfer of asset penalties when determining eligibility for Medicaid. |
| <u>Section 9 and 10</u> | Amends AS 47.07.036(b) and adds AS 47.07.036(d) to outline cost containment and reform measures that DHSS must undertake, including seeking demonstration waivers, applying for other options under the Medicaid Act and improving telemedicine for Medicaid recipients. |
| <u>Section 11 and 12</u> | Amends AS 47.07.900(4) and (17) to remove the requirement that behavioral health providers be a grantee of the state of Alaska in order to bill Medicaid. |

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| <u>Section 13</u> | Instructs DHSS to amend any state plan it has with the federal government to be consistent with this Act. |
| <u>Section 14</u> | Authorizes DHSS to engage in emergency rule making under the Alaska Administrative Code to implement Medicaid reform measures and the provisions of this Act. |
| <u>Section 15</u> | Instruct the Revisor of Statutes to make technical amendments to the title of AS 47.07.036 to conform to amendments in this Act. |
| <u>Section 16</u> | Provides that Section 13 and 14 are effective immediately |
| <u>Section 17</u> | Provides that Section 1- 12 and 15 of the Act are effective on July 1, 2015. |