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REPRESENTATIVE PAUL SEATON

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Sectional Analysis

House Bill 227

*Please note that a sectional analysis of a bill or resolution should not be considered an authoritative interpretation of the measure itself.
The legislation is the best statement of its contents.*

Section 1

Page 1-2

Legislative intent language that asserts that the current Medicaid Program is unsustainable. The department of Health and Social Services should take the steps necessary to capture additional federal revenue, obtain waivers for tribal partnerships and alternative service models, and establish prevention of disease a primary model of health care.

Section 2

Page 2

Adds civil penalties assessed against Medicaid providers to the procedures covered by administrative adjudication under AS 44.62.330.

Section 3

Page 2-4

Directs the Department of Health and Social service to assist Medicaid providers in developing health care models that encourage nutrition and disease prevention by adding to the duties of the department under AS 47.05.010.

Section 4

Page 4-5

Amends AS 47.05.200(a) to clarify the minimum number of audits that DHSS should conduct each year and that DHSS should minimize duplicative state and federal audits for Medicaid providers to the extent possible.

Section 5

Page 5-6

Amends AS 47.05.200(b) to allow DHSS to impose interest penalties on identified overpayments using the post judgment statutory rate.

Section 6

Page 6

Adopts AS 47.05.250 which authorizes DHSS to develop provider fines though regulation for violations of AS 47.05, AS 47.07 or regulations adopted under those chapters, in addition to other

remedies allowed under the chapter. Allows that Medicaid providers may appeal civil fines through the office of Administrative Hearings.

Section 7 and 8

Page 6-8

Amends AS 47.07.020(g) and (m) to clarify when DHSS may impose transfer of asset penalties when determining eligibility for Medicaid. Clarifies under (g) that the department may only consider information that is verified through a source other than the claimant.

Section 9

Page 7

Amends AS 47.07.030(d) to make the establishment of a primary care case management for identified super-utilizers a mandatory service for the department.

Section 10

Page 7

Requires the department to include in an annual report to the legislature a description of state costs for optional and mandatory Medicaid services.

Section 11 and 12

Page 7

Amends AS 47.07.036(b) to remove conflicting language and adds AS 47.07.036(d) to outline cost reform measures that DHSS shall undertake, including demonstration waivers, applying for the 1915 (i) and (k) options, and improving telemedicine for Medicaid recipient. Directs the department to implement at least one demonstration project using a global payment project and allows for other similar projects.

Section 13 and 14

Page 9

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.

Section 15

Page 9

Directs the department to design and implement a demonstration project utilizing nutritional counselling and supplementation to reduce preterm birth rates among pregnancies eligible for the Denali Kid Care program.

Section 16

Page 10

Requires the Department of Health and Social Services to establish a primary care case management system for super-utilizers and deliver a report on the project by January 1, 2017.

Section 17

Page 10

Requires the Department of Health and Social Services to provide to the legislature reports on the Medicaid Redesign and Expansion Technical Assistance study, current cost-sharing measures in the Medicaid program, and on the progress and cost savings of the of the waivers and options applied for under section 12 of this legislation.

Section 18*Page 11*

Informs the revisor of statutes that the Department of Health and Social Services shall apply for federal approval for the state plan amendments necessary under section 9, 12, 15, and 16 of this Act.

Section 19*Page 12*

Permits the Department of Health and Social Services to adopt the regulations necessary to implement this act, not before the effective date of the relevant provisions.

Section 20*Page 12*

Instructs the revisor of statutes to make technical amendments to the title of AS 47.07.036 to conform with the changes in this Act.

Section 21*Page 12*

Clarifies that changes enacted in sections 9, 12, 15, and 16 only take effect if the Department of Health and Social Services receives the necessary federal approval by the deadlines created in this Act.

Section 22-25*Page 13-14*

States that if AS 47.07.0309(d) as amended by section 9 and section 16, section 12(e), section 12(f), and section 15 receive federal approval, each section will take effect the day after the date the commissioner of health and social services notifies the revisor of statutes in writing, as required by sections 18 and 21.

Section 26*Page 13*

Provides that sections 17(a), 18, 19 and 21 take effect immediately.