

Alaska State Legislature

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Explanation of Changes - Work Draft F for SB 74

Version S (SHSS) to Version F (SSTA)

- New Section 1 – Page 1, line 10 through Page 2, line 3
 - This sections allows DHSS to enter into a contract through the competitive bidding process under the State Procurement Code for durable medical equipment or specific medical services provided in the Medicaid program.

- New Section 2 – Page 2, lines 4 through 16
 - Subsection (a) directs the department to establish a computerized income, asset, and identity eligibility verification system for the purposed of verifying eligibility, eliminating duplication of public assistance payments, and deterring waste and fraud in public assistance programs.
 - Subsection (b) directs the department to enter into a competitively bid contract with a third-party vendor for the eligibility verification system. The department may also contract with a third-party vendor to provide information to facilitate reviews of recipient eligibility conducted by the department.

- Section 4 (Section 2 in Version S)
 - Page 4, line 14 through 22 – (8) redesigning the payment process - Changes specifically list payment reforms that should be included:
 - (A) premium payments for centers of excellence;
 - (B) penalties for hospital-acquired infections, readmissions, and outcome failures;
 - (C) bundled payments for specific episodes of care; and
 - (D) global payments for contracted payer, primary care manages, and case manages for a recipient or for care related to a specific diagnosis
 - Page 6, Lines 7 & 8 – adds new (14) to the annual report related to Medicaid reform. DHSS will also report on the cost, in state and federal funds, for providing options services under AS 47.07.030(b), the Medicaid program

- New Section 5 – Page 6, lines 14 through 19
 - Requires the legislature to approve any new additional groups added to the Medicaid program on or after March 23, 2010
- Section 12 – (Section 9 in Version S)
 - At the request of Legislative Legal, made technical fixes to the conditional effect language in Subsections (a) through (e) by replacing “that section” with the specific provision reference of the bill
- Made conforming changes to renumber sections and references to specific sections