

SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 16
IN THE LEGISLATURE OF THE STATE OF ALASKA
THIRTY-THIRD LEGISLATURE - FIRST SESSION

BY REPRESENTATIVE JOSEPHSON

Introduced: 3/8/23

Referred: Health and Social Services, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act requiring the state medical assistance program to provide certain services;**
2 **relating to cost containment measures for the state medical assistance program; relating**
3 **to payment for adult dental services; and providing for an effective date."**

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

5 * **Section 1.** AS 47.07.030(b) is amended to read:

6 (b) In addition to the mandatory services specified in (a) of this section and the
7 services provided under (d) of this section, the department **shall** [MAY] offer [ONLY]
8 the following optional services: case management services for traumatic or acquired
9 brain injury; case management and nutrition services for pregnant women; personal
10 care services in a recipient's home; emergency hospital services; long-term care
11 noninstitutional services; medical supplies and equipment; advanced practice
12 registered nurse services; clinic services; rehabilitative services for children eligible
13 for services under AS 47.07.063, substance abusers, and emotionally disturbed or
14 chronically mentally ill adults; targeted case management services; inpatient

1 psychiatric facility services for individuals 65 years of age or older and individuals
 2 under 21 years of age; psychologists' services; clinical social workers' services; marital
 3 and family therapy services; professional counseling services; midwife services;
 4 prescribed drugs; physical therapy; occupational therapy; [CHIROPRACTIC
 5 SERVICES;] low-dose mammography screening, as defined in AS 21.42.375(e);
 6 hospice care; treatment of speech, hearing, and language disorders; adult dental and
 7 dental hygiene services; prosthetic devices and eyeglasses; optometrists' services;
 8 intermediate care facility services, including intermediate care facility services for
 9 persons with intellectual and developmental disabilities; skilled nursing facility
 10 services for individuals under 21 years of age; and reasonable transportation to and
 11 from the point of medical care.

12 * **Sec. 2.** AS 47.07.036(b) is amended to read:

13 (b) The department, in implementing this section, **may not** [SHALL TAKE
 14 ALL REASONABLE STEPS TO] implement cost containment measures that [DO
 15 NOT] eliminate program eligibility or **reduce** the scope of services required or
 16 authorized under AS 47.07.020 and 47.07.030 [BEFORE IMPLEMENTING COST
 17 CONTAINMENT MEASURES UNDER (c) OF THIS SECTION THAT DIRECTLY
 18 AFFECT PROGRAM ELIGIBILITY OR COVERAGE OF SERVICES]. The
 19 **department may take** cost containment measures **that** [TAKEN UNDER THIS
 20 SUBSECTION MAY] include new utilization review procedures, changes in provider
 21 payment rates, precertification requirements for coverage of services, **or** [AND]
 22 agreements with federal officials under which the federal government will assume
 23 responsibility for coverage of some individuals or some services for some individuals
 24 through such federal programs as the Indian Health Service or Medicare.

25 * **Sec. 3.** AS 47.07.036(d) is amended to read:

26 (d) Notwithstanding **(a) and (b)** [(a) - (c)] of this section, the department may
 27 (1) apply for a section 1915(i) option under 42 U.S.C. 1396n to
 28 improve services and care through home and community-based services to obtain, at a
 29 minimum, a 50 percent federal match;
 30 (2) apply for a section 1915(k) option under 42 U.S.C. 1396n to
 31 provide home and community-based services and support to increase the federal match

1 for these programs from 50 percent to 56 percent;

2 (3) apply for a section 1945 option under 42 U.S.C. 1396w-4 to
3 provide coordinated care through health homes for individuals with chronic conditions
4 and to increase the federal match for the services to 90 percent for the first eight
5 quarters the required state plan amendment is in effect;

6 (4) evaluate and seek permission from the United States Department of
7 Health and Human Services, Centers for Medicare and Medicaid Services, to
8 participate in various demonstration projects, including payment reform, care
9 management programs, workforce development and innovation, and innovative
10 services delivery models; and

11 (5) provide incentives for telehealth, including increasing the
12 capability for and reimbursement of telehealth for recipients.

13 * **Sec. 4.** AS 47.07.036(e) is amended to read:

14 (e) Notwithstanding **(a) and (b)** [(a) - (c)] of this section, and in addition to
15 the projects and services described under (d) and (f) of this section, the department
16 shall apply for a section 1115 waiver under 42 U.S.C. 1315(a) to establish one or more
17 demonstration projects focused on innovative payment models for one or more groups
18 of medical assistance recipients in one or more specific geographic areas. The
19 demonstration project or projects may include

20 (1) managed care organizations as described under 42 U.S.C. 1396u-2;

21 (2) community care organizations;

22 (3) patient-centered medical homes as described under 42 U.S.C. 256a-
23 1; or

24 (4) other innovative payment models that ensure access to health care
25 without reducing the quality of care.

26 * **Sec. 5.** AS 47.07.036(f) is amended to read:

27 (f) Notwithstanding **(a) and (b)** [(a) - (c)] of this section, and in addition to the
28 projects and services described under (d) and (e) of this section, the department shall
29 apply for a section 1115 waiver under 42 U.S.C. 1315(a) to establish one or more
30 demonstration projects focused on improving the state's behavioral health system for
31 medical assistance recipients. The department shall engage stakeholders and the

1 community in the development of a project or projects under this subsection. The
2 demonstration project or projects must

3 (1) be consistent with the comprehensive and integrated behavioral
4 health program described under AS 47.05.270(b); and

5 (2) include continuing cooperation with the grant-funded community
6 mental health clinics and drug and alcohol treatment centers that have historically
7 provided care to recipients of behavioral health services.

8 * **Sec. 6.** AS 47.07.067(a) is amended to read:

9 (a) **The** [SUBJECT TO APPROPRIATION, THE] department shall pay for
10 minimum treatment and for preventative and restorative adult dental services provided
11 under AS 47.07.030(b) and under regulations adopted by the commissioner **of health**
12 in conformity with applicable federal requirements and this chapter. Regulations
13 adopted under this section must include the following:

14 (1) [EXCEPT AS PROVIDED IN (d) OF THIS SECTION,] a
15 maximum amount of benefits for preventative and restorative adult dental services of
16 \$1,150 for each eligible recipient in a fiscal year; and

17 (2) specification of the scope of coverage for preventative and
18 restorative adult dental services.

19 * **Sec. 7.** AS 47.07.067(d) is amended to read:

20 (d) **The** [IF THE DEPARTMENT AUTHORIZES OR APPROVES
21 PAYMENT FOR COMPLETE OR PARTIAL DENTURES FOR AN ELIGIBLE
22 RECIPIENT, THE] department may authorize the payment **for complete or partial**
23 **dentures for an eligible recipient** in one fiscal year of the maximum payment amount
24 for not more than two fiscal years. [A RECIPIENT IS NOT ELIGIBLE FOR
25 ADDITIONAL BENEFITS UNDER THIS SECTION FOR A TWO-YEAR
26 PERIOD.]

27 * **Sec. 8.** AS 47.07.036(c) is repealed.

28 * **Sec. 9.** AS 47.07.067(b) and 47.07.067(c) are repealed.

29 * **Sec. 10.** The uncodified law of the State of Alaska is amended by adding a new section to
30 read:

31 MEDICAID STATE PLAN FEDERAL APPROVAL. The commissioner of health

1 shall amend and submit to the United States Department of Health and Human Services for
2 approval the state plan for medical assistance coverage consistent with AS 47.07.030(b), as
3 amended by sec. 1 of this Act, AS 47.07.036, as amended by secs. 2 - 5 and 8 of this Act, and
4 AS 47.07.067, as amended by secs. 6, 7, and 9 of this Act.

5 * **Sec. 11.** The uncodified law of the State of Alaska is amended by adding a new section to
6 read:

7 CONDITIONAL EFFECT; NOTIFICATION. (a) Section 1 of this Act takes effect
8 only if, on or before January 1, 2026, the United States Department of Health and Human
9 Services approves an amendment to the state plan for medical assistance coverage
10 corresponding to the amendment to AS 47.07.030(b) in sec. 1 of this Act or determines that
11 approval is not necessary.

12 (b) Sections 2 - 5 and 8 of this Act take effect only if, on or before January 1, 2026,
13 the United States Department of Health and Human Services approves an amendment to the
14 state plan for medical assistance coverage corresponding to the amendments to AS 47.07.036
15 in secs. 2 - 5 and 8 of this Act or determines that approval is not necessary.

16 (c) Sections 6, 7, and 9 of this Act take effect only if, on or before January 1, 2026,
17 the United States Department of Health and Human Services approves an amendment to the
18 state plan for medical assistance coverage corresponding to the amendments to AS 47.07.067
19 in secs. 6, 7, and 9 of this Act or determines that approval is not necessary.

20 (d) The commissioner of health shall notify the revisor of statutes when the United
21 States Department of Health and Human Services approves or disapproves an amendment to
22 the state plan for medical assistance submitted under sec. 10 of this Act.

23 * **Sec. 12.** If, under sec. 11(a) of this Act, sec. 1 of this Act takes effect, it takes effect on the
24 day after the date the United States Department of Health and Human Services approves the
25 corresponding amendment to the state plan or determines that approval is not necessary.

26 * **Sec. 13.** If, under sec. 11(b) of this Act, secs. 2 - 5 and 8 of this Act take effect, they take
27 effect on the day after the date the United States Department of Health and Human Services
28 approves the corresponding amendment to the state plan or determines that approval is not
29 necessary.

30 * **Sec. 14.** If, under sec. 11(c) of this Act, secs. 6, 7, and 9 of this Act take effect, they take
31 effect on the day after the date the United States Department of Health and Human Services

- 1 approves the corresponding amendment to the state plan or determines that approval is not
- 2 necessary.