



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Health

FINANCE AND MANAGEMENT SERVICES

Juneau Office

P.O. Box 110650

Juneau, Alaska 99811-0650

Main: 907.465.3082

Fax: 907.465.2499

March 15, 2023

The Honorable David Wilson
Senate HSS Finance Subcommittee Chair
Alaska State Legislature
State Capitol Room 121
Juneau, AK 99801

Dear Senator Wilson:

The Department of Health received the following questions from your office relating to Department of Health follow up items:

Provide a summary of how the department met the Intent Language regarding \$520,000 in UGF that was for recruitment and retention efforts in Public Health Nursing, including a \$5,000 sign-on bonus, and a \$5,000 in relocation support for each vacant Public Health Nurse positions.

The department has issued four moving allowances at \$5,000 each, along with 18 sign-on disbursements; eight have been disbursed in the third quarter with ten obligated in the fourth quarter. For sign-on disbursements, nurses receive \$20,000 each year and other classes receive \$7,500 per year paid in quarterly installments for up to three years. The division is using the funds for recruitment and to support advertising, move allowances, and signing bonuses.

Provide a summary of how the department met the Intent Language regarding the daily rate increase for General Relief/Temporary Assisted Living from \$70 to \$104.30 to reflect Alaska's inflation rate.

The Division of Senior and Disabilities Services met the intent of the legislature by implementing a rate change for Assisted Living Homes who have an active provider agreement for General Relief. Senior and Disabilities Services staff adjusted each recipient's and provider's record in the database to allow for the rate increase and new calculations. Senior and Disabilities Services implemented the rate increase immediately on July 1, 2022 and is in the process of updating the regulations to reflect this change.

Provide the committee with a summary report of how many Alaskan providers have received the increase?

To date, 140 providers have submitted invoices and have been paid the new rate. Currently 251 General Relief providers have active provider agreements.

Provide a summary of how the department met the Intent Language report regarding the Medicaid and AlaskaCare, along with Trustees and Retirees, convert claims data to a common layout and provide that data to the Department of Commerce, Community, and Economic Development. Provide the committee with a status update: what challenges did you face and how will you meet the challenges, and when?

Please see the attached response by OnPoint Health Data.

Provide a summary of how the department met the Intent Language regarding that the employer entities receiving the increased reimbursement rate for providing services under the Home and Community Based Service Waivers, Personal Care Assistant State Plan, Community First Choice, and the Long-Term Services and Supports, Targeted Case Management programs provide a 10 percent increase to employee wages.

After the FY2023 budget was signed, the state sought and received permission from the Centers for Medicare and Medicaid Services (CMS) to temporarily increase payment rates through Appendix K for waiver services and 1135 State Plan Amendments for State Plan services. With that federal approval, the 10 percent increase was then put into place using the state's established method of paying providers, by reimbursing for claims submitted to the state's claims payment system, the Medicaid Management Information System (MMIS). Payment rates for waiver and State Plan services provided on or after July 1, 2022 were increased by 10 percent.

Provide the committee with a summary report of what entities' employees received the 10 percent increase and when did this occur? How much will it cost or provide a projection of the costs? When will this occur?

The 10 percent increase is reflected in the rate rebasing regulations, which are in the final stages of approval, with an expected effective date of sometime in May 2023. The estimated cost (budget impact) of this 10 percent increase is \$31,861.7 in total funds for the entire fiscal year (with a 50/50 GF/Federal split). Providers have up to one year from the date of service to submit claims, so the department will not know how much was actually expended for services provided July 1, 2022 through June 30, 2023 until June 30, 2024. The department does not have visibility into the amount agencies pay their employees but has heard anecdotally that most of employers have provided at least a 10 percent increase in wages to employees.

If you have additional questions, please contact me at 907-465-1630.

Sincerely,

A handwritten signature in black ink, appearing to read 'Josephine Stern', with a stylized flourish at the end.

Josephine Stern
Assistant Commissioner

cc: Valerie Rose, Fiscal Analyst, Legislative Finance
Laura Stidolph, Legislative Director, Office of the Governor
Torrey Jacobson, Office of Management and Budget
Heidi Hedberg, Commissioner
Anne Zink, Chief Medical Officer
Emily Ricci, Deputy Commissioner
Farina Brown, Acting Director of Division of Behavioral Health
Renee Gayhart, Director of Division of Health Care Services
Deb Etheridge, Director of Division of Public Assistance
Christy Lawton, Acting Director of Division of Public Health
Tony Newman, Acting Director of Division of Senior and Disabilities Services
Raquel Solomon-Gross, Deputy Director of Finance and Management Services
Dustin Scown, Budget Manager
Courtney Enright, Legislative Liaison

Log 10511/2023

Project Status Update

Alaska Healthcare Payment and Utilization Database (HPUD): Status Update

OVERVIEW

The Department of Commerce, Community and Economic Development, Division of Insurance (DOI), Department of Health (DOH), and the Department of Administration (DOA) demonstrated responsive and collaborative performance regarding the Alaska Healthcare Payment and Utilization Database (HPUD) project. DOH initiated Medicaid conversations between Onpoint Health Data (Onpoint), Alaska's Medicaid Fast Healthcare Interoperability Resources (FHIR) repository vendor, 1UP and their management team, Gainwell Technologies. DOH was instrumental in obtaining and providing the required Data Dictionary to commence technical conversations regarding Medicaid data exchange. DOA initiated conversations between Onpoint and the Alaskacare (Aetna) data exchange team. DOA also provided key data mapping documentation and coordinated technical conversations essential to project implementation. The DOI team has complete multiple User Acceptance Testing (UAT) and administrative review via their project leadership role. The plan, regarding how to convert claims data (Medicaid and Alaskacare) to a common layout has evolved over several iterations, via the support of the DOI, DOH and DOA. A conversation was held with Alaska's health information exchange (HIE) - healtheConnect and CRISP shared services to explore future opportunities for data sharing, integrations, and collaboration. All parties intend to explore ideas further but are focused on the immediate launch of the health payment utility data base and portal.

CHALLENGES

The project faced two considerable challenges: (1) security plan finalization and (2) conversion of claims data to a common layout. DOH and DOI were instrumental in addressing the data security needs of the project. This included cooperation with Alaska's Office of Information and Technology (OIT) and legal counsel for review of additional BAA (MOA) documents. Conversion of claims data to a common layout has been addressed via two separate paths, one for Medicaid and one for Alaskacare, due to the unique frameworks of each data set. However, both Alaskacare and Medicaid data will require custom mapping and in-depth data intake infrastructure build by the Onpoint team to produce the required final delivery to DOI. Project action items and timelines have been established to convert Medicaid and Alaskacare data. The goal is to have data intake frameworks built and tested and administrative tasks completed by the middle of April 2023. This will allow Onpoint to execute critical downstream AK HPUD project deliverables, e.g., creation and delivery of the APCD Snapshot public reporting dashboards.

SUMMARY

The above-named departments are meeting the Intent Language report to convert claims data to a common layout to provide to the Department of Commerce, Community and Economic Development. Challenges have been addressed timely and cooperatively. The Alaska HPUD project is on track to accomplish the goals determined by the state.