



February 28th, 2024

Dear *House Health and Social Services Committee*,

Interior AIDS Association is pleased to write in support of HB 344 and SB 241. These bills will enable the Department of Health to apply for a new 1115 Medicaid waiver to provide new support services for the Alaskans. The new Medicaid waiver opportunity is grounded in strong evidence that health-related needs account for as much as 50% of health outcomes¹. When an individual is not able to meet their basic needs (e.g., stable housing, food and nutrition, or access to transportation and employment), their health is likely to deteriorate, in some cases to the point of increased and preventable emergency department visits, hospitalization, acute psychiatric treatment, or other high-acuity health care services at high costs.

CMS has partnered with many other states to approve new 1115 Medicaid waiver services that address health-related needs. These bills will enable Alaska Medicaid to build on this groundwork to pursue coverage for new services tailored for Alaskans in a manner that prevents negative health outcomes and shifts payment towards more cost-effective and preventive interventions. Services covered under a new health-related needs 1115 waiver would provide much-needed relief for Alaskans with health conditions that are deteriorating as a result of their unmet health-related needs.

Simply put, our current systems favor payment for more costly and intensive interventions rather than payment for supportive services. These bills will enable Alaska Medicaid to evaluate new innovative approaches addressing one of the root causes of poor health outcomes: unmet health-related needs. These bills will give Alaska the opportunity to pursue Medicaid coverage for time-limited services to stabilize individuals, improving health outcomes and driving down health care costs.

This legislation matters to Interior AIDS Association because we serve vulnerable and at-risk Medicaid beneficiaries living with HIV and substance use disorders.

Thank you for your support.

Sincerely,

Lindsey Grennan

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¹ U.S. Department of Health and Human Services, Assistant Secretary of Planning and Evaluation (2022): <https://aspe.hhs.gov/sites/default/files/documents/e2b650cd64cf84aae8ff0fae7474af82/SDOH-Evidence-Review.pdf>