



**VISION**

ALASKA INDIVIDUALS, FAMILIES AND COMMUNITIES ARE SAFE AND HEALTHY

**MISSION**

TO PROMOTE AND PROTECT THE HEALTH AND WELL-BEING OF ALASKANS

House Health & Social Services | Division Overview

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**Health Care Services**

January 30, 2018

# Health Care Services Overview

- **Mission:** Manage health care coverage for Alaskans in need.
- **127 Positions:** 123 Full-time/4 Non-Perm Positions
- **\$21,866.1** (\$8,180.6 UGF) - FY2019 Total Operating Budget Request
- FY2017 Medicaid:
  - **196,762** Medicaid Enrollees
  - **187,098** Medicaid Beneficiaries



# FY2019 Governor's Operating Budget Increments/Decrements

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Residential Licensing	418.5 (Fed)	Increase federal receipt authorization due to an amendment to the Public Assistance Cost Allocation Plan. This allows for a percentage of background checks for Medicaid authorized facilities to be allocated to federal reimbursement.
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# Budget Reductions and Impacts Since FY2015

Unrestricted General Fund Reduction	\$1,723.0↓	17.4% ↓
Permanent Full Time Position Decrease	10 ↓	7.5% ↓

- **Health Facilities Licensing & Certification:** Less nurses sent on surveys.
- **Residential Licensing:** Cut the number of inspections in half, physically performing inspections every two years, with the providers performing self-inspections and reporting to the state in the other years.
- **Background Check Program:** Reduced staffing has resulted in higher volume workloads for staff.
- **Medical Assistance Administration:** Mandatory system changes are now spread out over the next few years. Subject to formal corrective action plans and experience more scrutiny from Centers for Medicare and Medicaid Services.

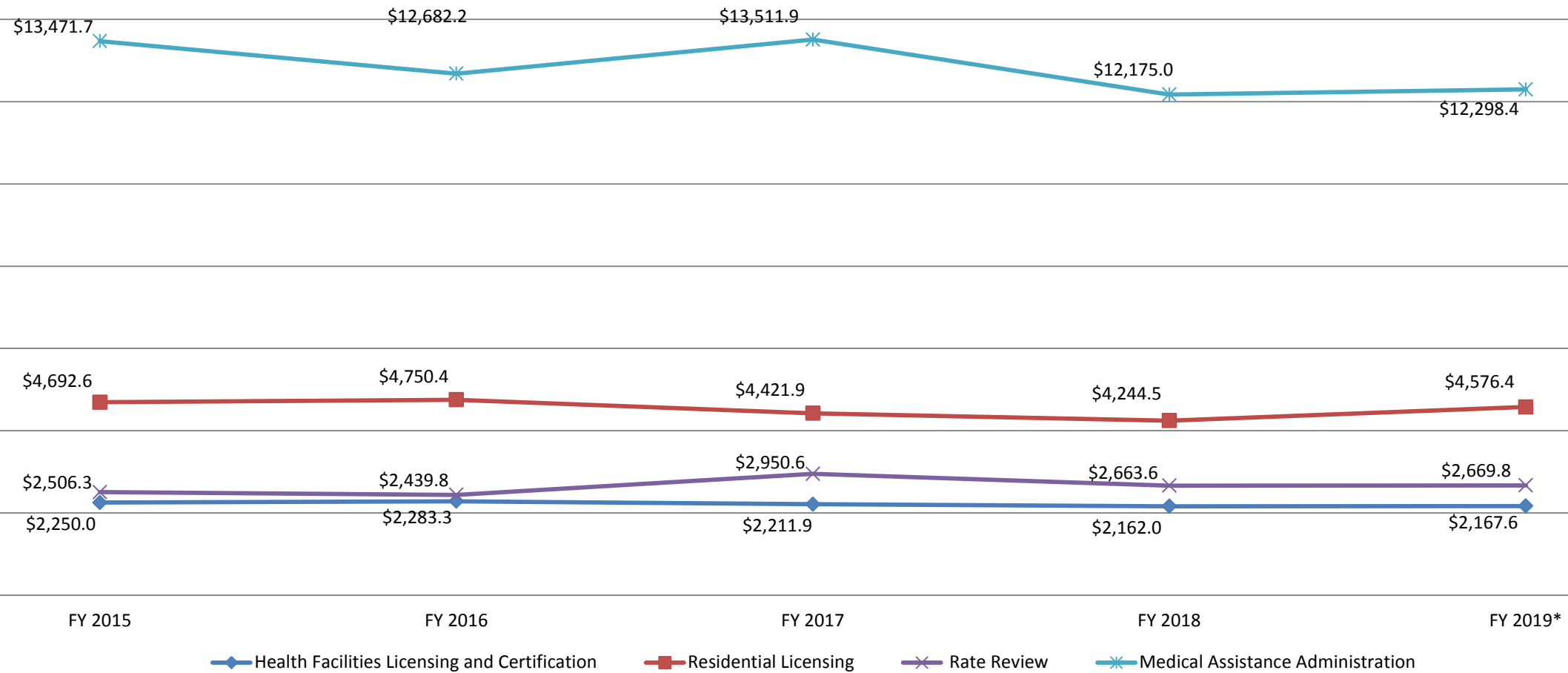


# Health Care Services Fiscal Overview

	Allocation and/or Program	Funding (in thousands)	# of Employees	# of Alaskans Served	% Cost through Fees	Rating of Importance to Mission	Rating of Effectiveness	Constitution Requirement	Federally Required	Required by Statute
24	Health Care Services (485)	\$21,866.1: \$8,180.6 UGF \$2,082.0 DGF \$10,393.9 Fed \$1,209.6 Other	123 PFT / 104 PFT 4 NP / 3 NP							
25	Catastrophic and Chronic Illness Assistance (AS 47.08) (2330)	\$153.9: \$153.9 UGF	N/A	Population size less than 10	0.00%	Important	1	Yes	No	47.05, Administration of Welfare, Social Services and Institutions 47.07, Medical Assistance for Needy Persons 47.08, Assistance for Catastrophic Illness and Chronic or Acute Medical Conditions 47.25, Public Assistance
26	Health Facilities Licensing and Certification (2944)	\$2,167.6: \$ 527.0 UGF \$ 189.3 DGF \$1,351.3 Fed \$ 100.0 Other	13 PFT / 12 PFT	All Alaskans	13.35%	Critical	1	Yes	Yes	08.64, Medicine 08.80, Pharmacists and Pharmacies 18.05, Administration of Public Health and Related Laws 18.20, Hospitals and Nursing Facilities 18.23, Health Care Services Information and Review Organizations 44.29.020(a)(9), Duties of department 47.05, Administration of Welfare, Social Services and Institutions 47.32, Centralized Licensing and Related Administrative Procedures
27	Residential Licensing (245)	\$4,576.4: \$1,136.8 UGF \$1,750.3 DGF \$1,326.3 Fed \$ 363.0 Other	24 PFT / 21 PFT	All Alaskans	39.56%	Important	1	Yes	No	18.05, Administration of Public Health and Related Laws 44.29, Department of Health and Social Services 47.05, Administration of Welfare, Social Services and Institutions 47.32, Centralized Licensing and Related Administrative Procedures 47.33, Assisted Living Homes
28	Medical Assistance Administration (242)	\$12,298.4: \$5,239.0 UGF \$6,372.8 Fed \$ 686.6 Other	71 PFT / 57 PFT 4 NP / 3 NP	196,762	0.00%	Critical	1	Yes	Yes	47.07, Medical Assistance for Needy Persons 47.25, Public Assistance
29	Rate Review (2696)	\$2,669.8: \$1,123.9 UGF \$ 142.4 DGF \$1,343.5 Fed \$ 60.0 Other	15 PFT / 14 PFT	196,762	5.33%	Critical	1	Yes	Yes	18.07, Certificate of Need Program 47.07, Medical Assistance for Needy Persons



# Expenditures: Budget Authority for FY2015 –FY2019



\* FY2019 is Governor's Requested Budget



# Services to Providers

## **30,202 – Active Medical Providers** enrolled in Medicaid

- 4,172 – Billing Providers
- 19,002 – Rendering Providers

## **812- Facilities licensed** through Health Care Services

- 126 - Health Care Facilities (*combination of federal certification and state license as applicable*)
- 632 - Assisted Living Homes
- 54 - Residential Child Care Facilities

## **23,175 – Background Checks** in FY2017

- Additional 10,608 applications were submitted to the background check system that were automatically connected to already Eligible determinations and an additional 976 applications were submitted that connected to in-process determinations. This means no additional fees and/or fingerprints were required from the applicant or provider.
- Total number of unique individuals who received barriers: 556 – 185 requested variances, 158 approved and 27 denied.



# Medicaid Administration

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- MMIS System
- MMIS System Changes
  - Regulation Changes
  - New Waivers (HCS, DBH, SDS)
- MMIS Certification
- Medicaid Policy and Planning
  - State Plan Amendments (HCS, DBH, SDS, and Tribal Consultation)





# Health Care Services Projects

## Federal Mandated Projects

- Health Insurance Portability and Accountability Act Operating Rules (HOPR)
- Transformed Medicaid Statistical Information System (T-MSIS)  
Completed System transformation June 30, 2017. In January of 2018, the Division finished reporting for every quarter back to October 2013.
- Social Security Number Removal Initiative (SSNRI)
- Medicaid Information Technology Architecture (MITA 3.0) –  
Technical Assistance for mandatory system assessment



# Health Care Services Projects

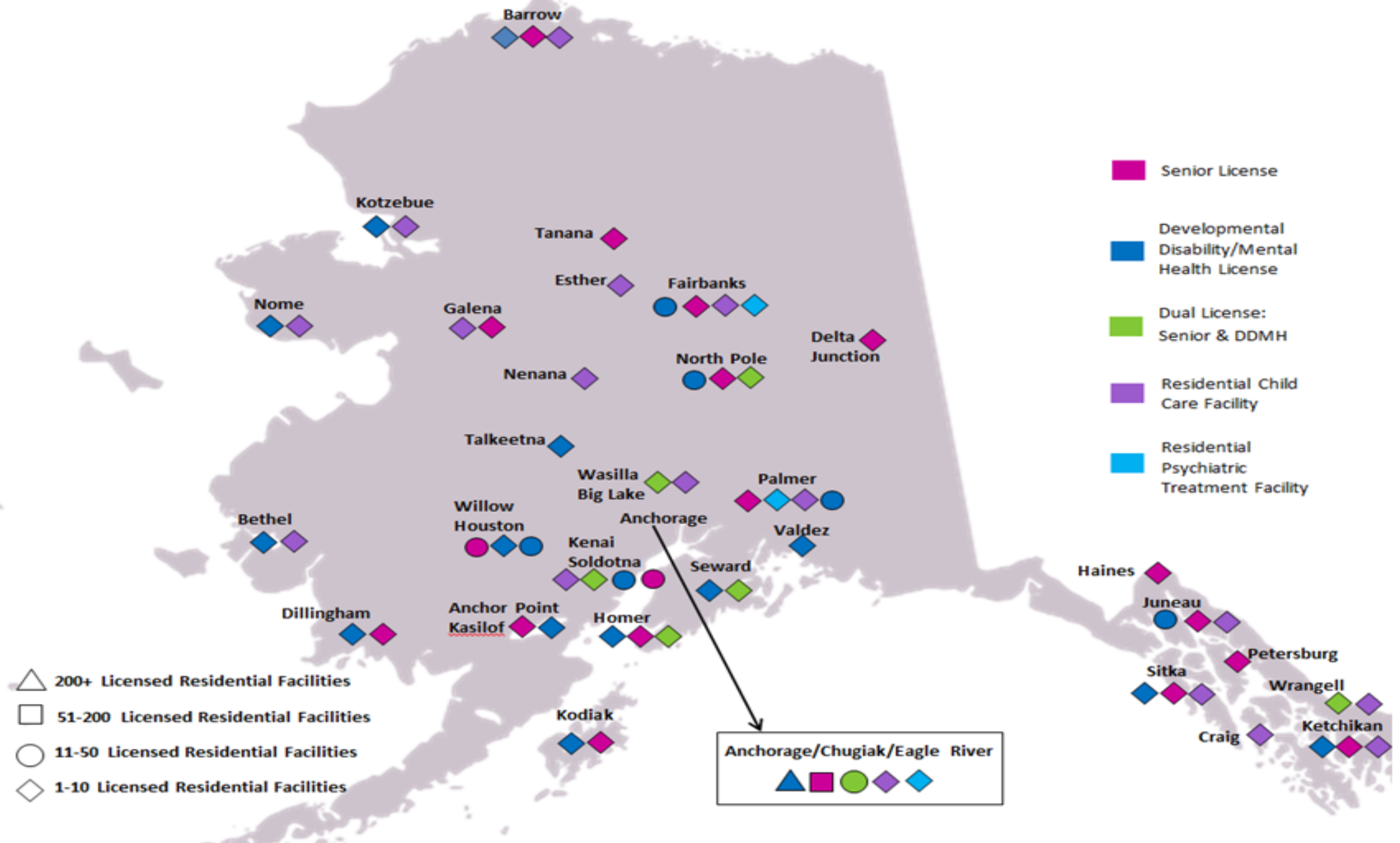
## Regulations Projects

- Durable Medical Equipment (DME)
- Orthopedics & Prosthetics
- Electronic Visit Verification (SDS)
- Senate Bill 74
  - 1115 Waiver
  - 1915(k) State Plan Option
  - 1915 C Waiver
  - Telemedicine
  - Tribal Transportation
  - Coordinated Care Demonstration Project
  - Emergency Care Improvement
  - Tribal Federal Medical Assistance Percentage( FMAP)
  - Prescription Drug Monitoring



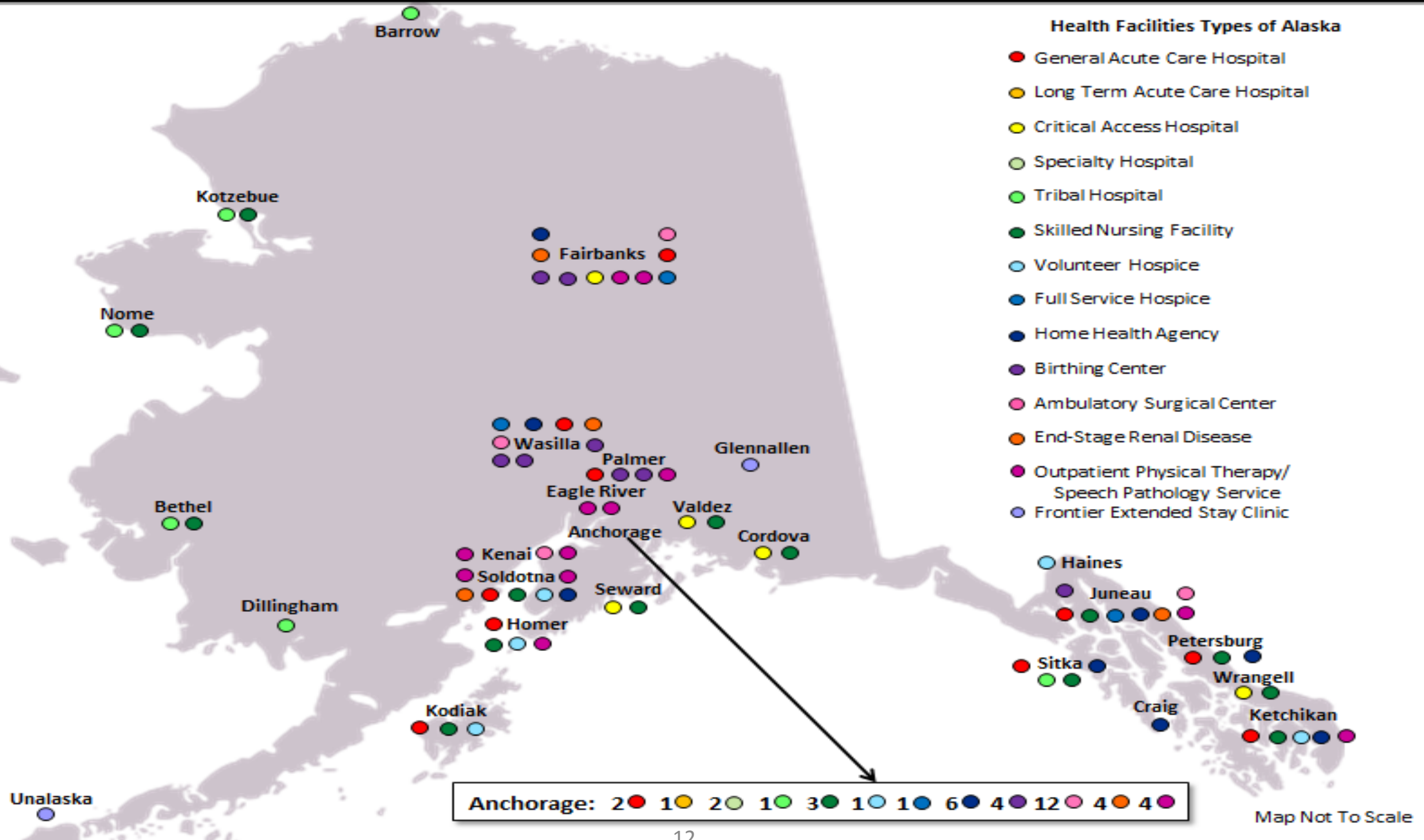
# ADULT AND CHILDRENS RESIDENTIAL FACILITIES MAP

Health Care Services, Residential Licensing



# HEALTH FACILITIES LICENSING & CERTIFICATION MAP

## Health Care Services



# Alaska Medicaid Reimbursement Methodologies

- **Physicians/Dentists** - Reimbursement is based on Resource-Based Relative Value Scale (RBRVS) set by the American Medical Association
- **Mid-level Practitioners** – Reimbursement is at 85% of Resource-Based Relative Value Scale (RBRVS)
- **Hospices** – Reimbursement based on rates established by Centers for Medicare and Medicaid Services (CMS).



# Alaska Medicaid Reimbursement Methodologies (Continued)

- Prescription Drug Rates –

- Drugs

- Reimbursement is set at the National Average Drug Acquisition Cost (NADAC), as calculated and supplied by the Centers for Medicare and Medicaid Services.

- Dispensing Fee

- Cost-based reimbursement

- Federally Qualified Health Centers, Rural Health Clinics, and Tribal Health Clinics - Reimbursement is an encounter rate established by Centers for Medicare and Medicaid Services (CMS).
- Laboratory Services – Reimbursed at Medicare fee schedule rates.



# Alaska Medicaid Reimbursement Methodologies (Continued)

## Cost Based Rates

Inpatient Acute Care Hospitals

Skilled Nursing Facilities

Inpatient Psychiatric Hospitals

Outpatient Hospitals

Outpatient Dialysis Clinics

Behavioral Health Services

Home and Community-Based Waiver Service

Personal Care Services

Birthing Centers





# Current Challenges for Health Care Services

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- Volume of activity in all three Medicaid division (HCS, DBH, SDS) that require system changes with multiple deadlines.
- Contractors
- Audits
- Number of Requests for Data
- Staff retention. Recruiting qualified candidates.





# Accomplishments for Health Care Services

- Providers vs Staff
  - Number of Providers – 30,202 – Active Medical Providers enrolled in Medicaid
- Numbers Served
  - FY2017 Medicaid: 196,762 Medicaid Enrollees; 187,098 Medicaid Beneficiaries
- Residential Licensing
  - Conducted 399 investigations, 448 inspections, 249 self-inspections, and followed up on 7756 incident reports in FY2017.
- Participated in National Initiatives:
  - NGA Policy Academy for Complex Health and Social Needs
  - Childhood Obesity Prevention
  - HIV Affinity Group
  - CDC 6-18
  - Winnable Battles
  - CMS State Plan Amendment Workgroup



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QUESTIONS?  
Thank You

