



VISION

ALASKA INDIVIDUALS, FAMILIES AND COMMUNITIES ARE SAFE AND HEALTHY

MISSION

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

Senate Finance Health & Social Services Subcommittee | Division Overview

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Health Care Services

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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

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 Budget Changes

FY2015 to FY2019 Summary of Budget Changes

Decrease	UGF	(\$1,723.0)
Increase	DGF	\$216.9
Decrease	Other	(\$1,570.4)
Increase	Federal	\$583.3

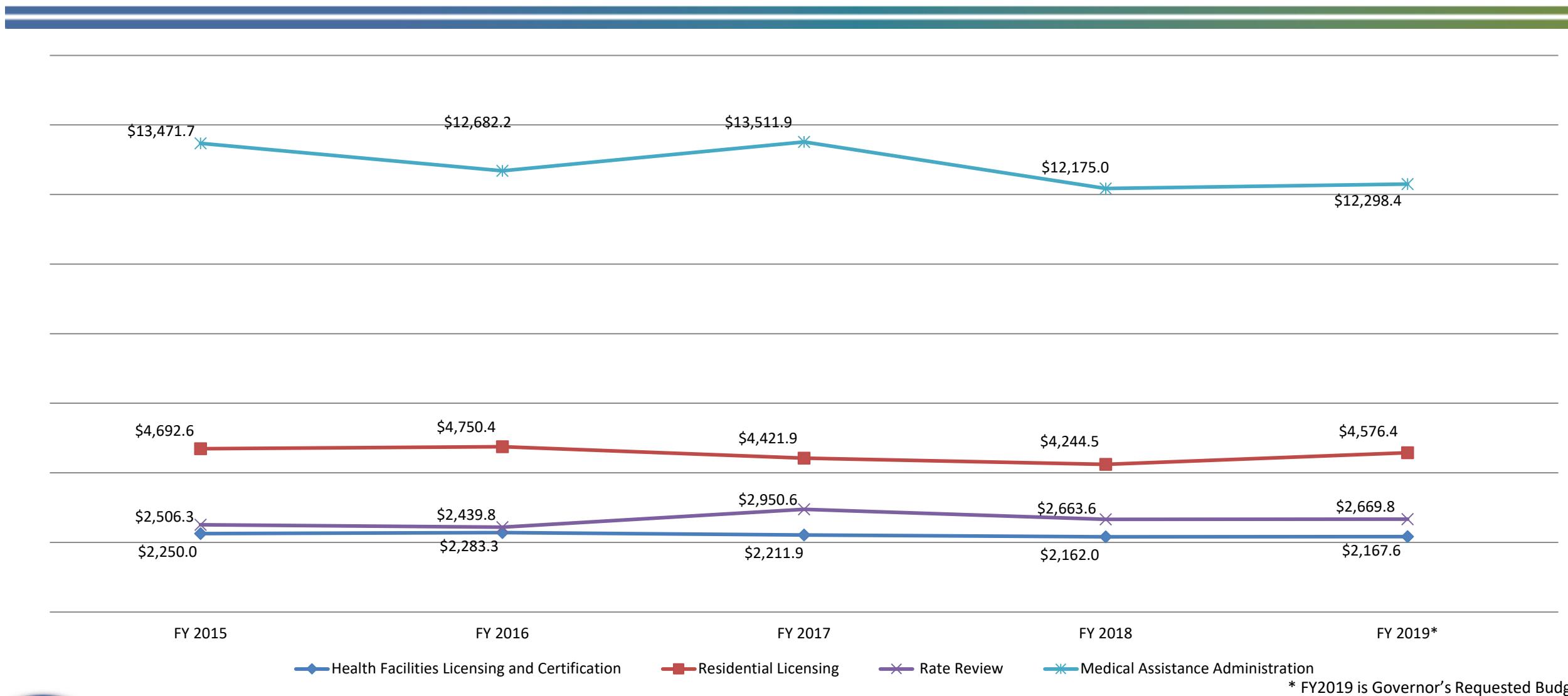
FY2018 to FY2019 overall budget Increased \$467.1

- Federal funds increased by \$442.7
- General funds increased by \$21.3
- Designated General funds increased by \$2.4
- Other funds increased by \$.7

- Increment in Residential Licensing for increased federal claiming - \$418.5 Federal



Expenditures: Budget Authority for FY2015 –FY2019



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

- 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

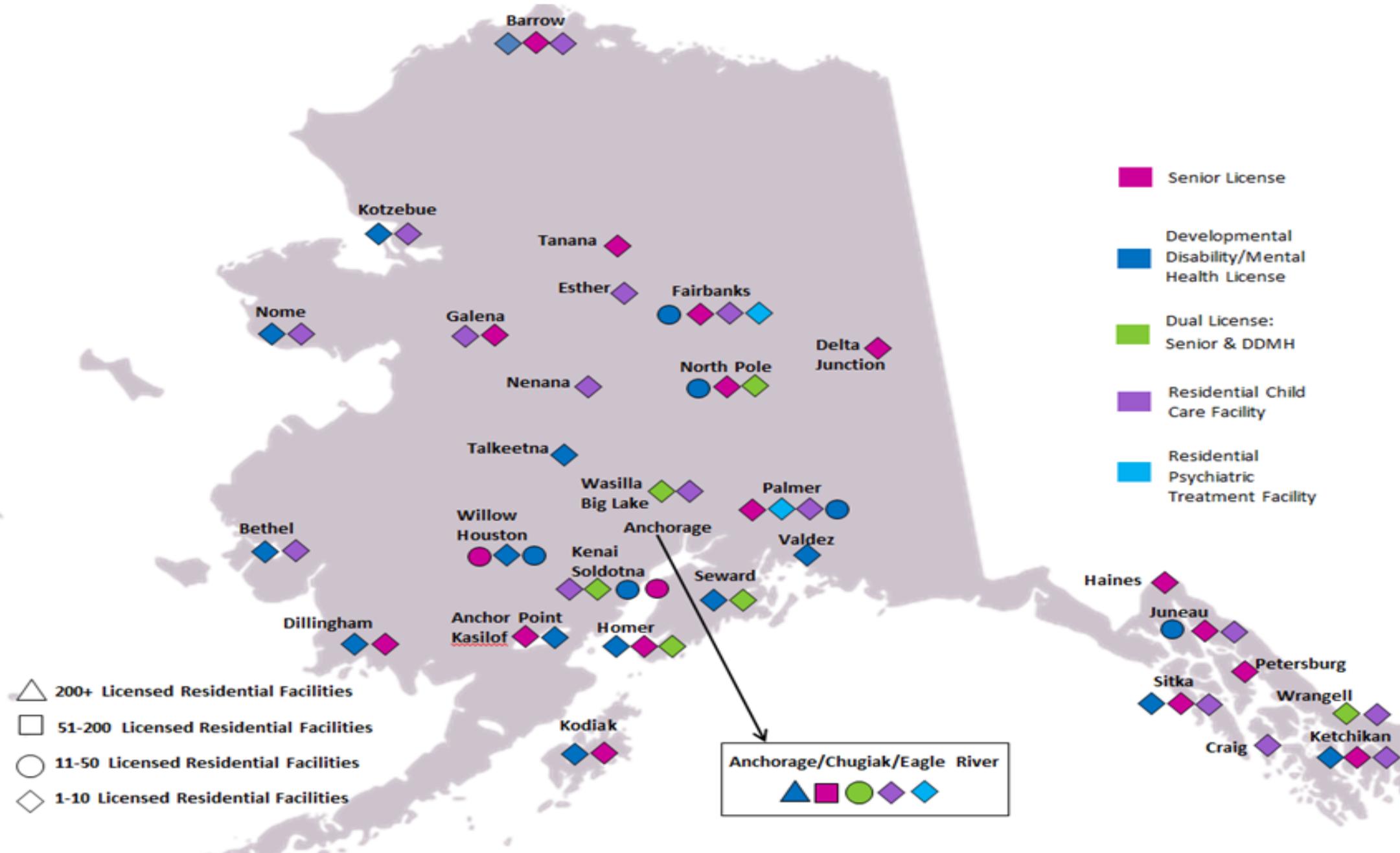
Regulations Projects

- 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



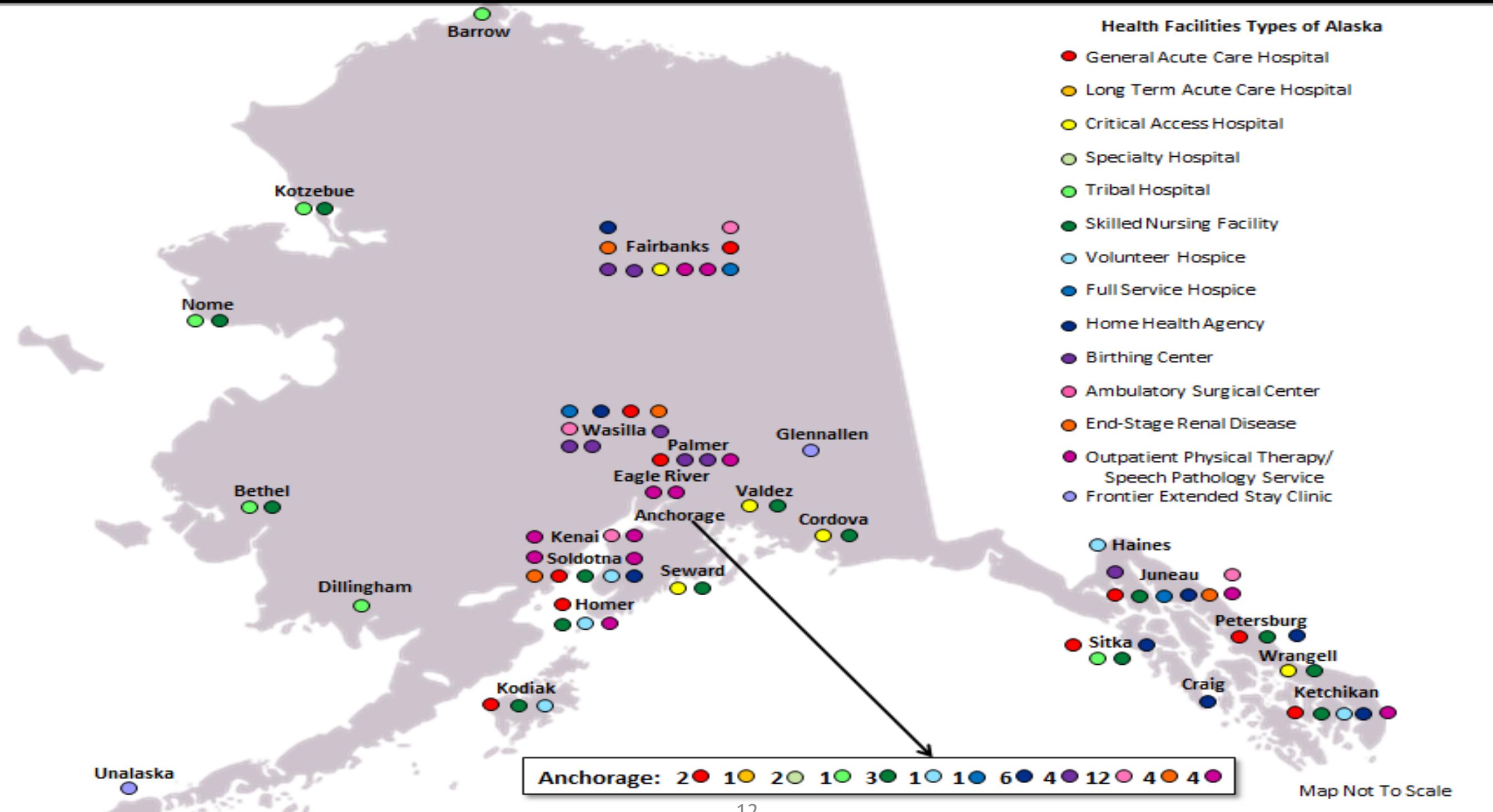
ADULT AND CHILDRENS RESIDENTIAL FACILITIES MAP

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

- 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



QUESTIONS?

Thank You

