

Proposed Amendments to HB 148

As of 8:00 am March 31

Amendment by Number and Sponsor

AMENDMENT 1 - A.2 – Representative Seaton - Introduced and tabled as amendment 1

AMENDMENT 2- A.3 – Representative Seaton – ADOPTED

A.1 --Representative Seaton

A.9 – Representative Vazquez

A.14 – Representative Seaton

A.17 – Representative Talerico

A.19 – Representative Seaton (replaces a.4)

A.20 – Representative Seaton

A.24 – Representative Vazquez

A.25 – Representative Vazquez

A.29 – Representative Vazquez

A.33 – Representative Vazquez

A.34 – Representative Vazquez

A.36 – Representative Vazquez (Replaces a.12)

A.37 – Representative Talerico

A.40 – Representative Vazquez (Replaces A.35)

A.42 – Representative Vazquez

A.43 – Representative Vazquez

AMENDMENT

OFFERED IN THE HOUSE
TO: HB 148

BY REPRESENTATIVE SEATON

1 Page 7, following line 15:

2 Insert a new bill section to read:

3 **** Sec. 9.** AS 47.07.030(d) is amended to read:

4 (d) The department **shall** [MAY] establish [AS OPTIONAL SERVICES] a
5 primary care case management system or a managed care organization contract in
6 which certain eligible individuals, **including super-utilizers as identified by the**
7 **department,** are required to enroll and seek approval from a case manager or the
8 managed care organization before receiving certain services. The department shall
9 establish enrollment criteria and determine eligibility for services consistent with
10 federal and state law."
11

12 Renumber the following bill sections accordingly.

13

14 Page 9, following line 3:

15 Insert a new bill section to read:

16 *** Sec. 14.** The uncodified law of the State of Alaska is amended by adding a new section to
17 read:

18 **MEDICAID MANAGED CARE FOR SUPER-UTILIZERS.** On or before January 1,
19 2017, the Department of Health and Social Services shall

20 (1) establish a primary care case management system or a managed care
21 organization contract under AS 47.07.030(d), as amended by sec. 9 of this Act, for super-
22 utilizers, as identified by the department; and

23 (2) deliver a report on the system or contract to the senate secretary and the

ADOPTED- Amendment 2

29-GH1055A.3
Glover
3/24/15

AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVE SEATON

TO: HB 148

1 Page 9, following line 3:

2 Insert a new bill section to read:

3 **** Sec. 13.** The uncodified law of the State of Alaska is amended by adding a new section to
4 read:

5 **MEDICAID REDESIGN; REPORT TO LEGISLATURE.** The Department of Health
6 and Social Services shall present to the legislature on or before the 10th day of the Second
7 Regular Session of the Twenty-Ninth Alaska State Legislature the results of the Medicaid
8 Redesign and Expansion Technical Assistance study, advertised under request for proposal
9 number 2015-0600-2986, issued February 25, 2015. The department shall deliver a report
10 describing the results of the study and a program for reforming the medical assistance
11 program to the senate secretary and chief clerk of the house of representatives and notify the
12 legislature that the report is available."

13

14 Renumber the following bill sections accordingly.

15

16 Page 9, line 23:

17 Delete "Sections 13 and 14"

18 Insert "Sections 14 and 15"

19

20 Page 9, line 24:

21 Delete "by sec. 16"

22 Insert "in sec. 17"

ADOPTED-
amendment 2

A M E N D M E N T

OFFERED IN THE HOUSE
TO: HB 148

BY REPRESENTATIVE SEATON

- 1 Page 9, line 24:
- 2 Delete "July"
- 3 Insert "August"

AMENDMENT

OFFERED IN THE HOUSE
TO: HB 148

BY REPRESENTATIVE VAZQUEZ

- 1 Page 6, line 17:
- 2 Delete "203 [175]"
- 3 Insert "175"
- 4
- 5 Page 6, line 21:
- 6 Delete "200 [175]"
- 7 Insert "175"

AMENDMENT

OFFERED IN THE HOUSE
TO: HB 148

BY REPRESENTATIVE SEATON

- 1 Page 2, line 13, following "program":
- 2 Insert "; and the Department of Health and Social Services shall contract with an
- 3 independent third party to advise the department during the development of the tax proposal
- 4 under this paragraph."

AMENDMENT

OFFERED IN THE HOUSE
TO: HB 148

BY REPRESENTATIVE TALERICO

1 Page 1, line 1, following "Act":

2 Insert "relating to certificates of need;"

3

4 Page 2, following line 13:

5 Insert a new bill section to read:

6 **** Sec. 2.** AS 18.07.031(d) is amended to read:

7 (d) Beginning July 1, 2005, the \$1,000,000 expenditure threshold in (a) of this
8 section is increased by \$50,000 annually on July 1 of each year [UP TO AND
9 INCLUDING JULY 1, 2014]."

10

11 Renumber the following bill sections accordingly.

12

13 Page 9, line 12:

14 Delete "sec. 10"

15 Insert "sec. 11"

16

17 Page 9, line 17:

18 Delete "10"

19 Insert "11"

20

21 Page 9, following line 22:

22 Insert a new bill section to read:

23 **** Sec. 17.** The uncodified law of the State of Alaska is amended by adding a new section to

A M E N D M E N T

OFFERED IN THE HOUSE
TO: HB 148

BY REPRESENTATIVE SEATON

1 Page 9, following line 3:

2 Insert a new bill section to read:

3 **** Sec. 13.** The uncodified law of the State of Alaska is amended by adding a new section to
4 read:

5 COST-SHARING; REPORT TO LEGISLATURE. The Department of Health and
6 Social Services shall prepare a report summarizing cost-sharing measures implemented before
7 March 1, 2015, by the Department of Health and Social Services under AS 47.07.042 and
8 describing the effect of those measures on the state budget. On or before March 1, 2016, the
9 Department of Health and Social Services shall deliver a copy of the report to the senate
10 secretary and chief clerk of the house of representatives and notify the legislature that the
11 report is available."

12

13 Renumber the following bill sections accordingly.

14

15 Page 9, line 23:

16 Delete "Sections 13 and 14"

17 Insert "Sections 14 and 15"

18

19 Page 9, line 24:

20 Delete "sec. 16"

21 Insert "sec. 17"

AMENDMENT

OFFERED IN THE HOUSE
TO: HB 148

BY REPRESENTATIVE SEATON

1 Page 2, line 13, following "program":

2 Insert ";

3 (4) the Department of Health and Social Services shall establish prevention of
4 disease as a primary model of health care in the state, as requested by the legislature in
5 Legislative Resolve 16 of the Twenty-Seventh Alaska State Legislature"

6

7 Page 2, following line 16:

8 Insert a new bill section to read:

9 **** Sec. 3. AS 47.05.010 is amended to read:**

10 **Sec. 47.05.010. Duties of department.** The Department of Health and Social
11 Services shall

12 (1) administer adult public assistance, the Alaska temporary assistance
13 program, and all other assistance programs, and receive and spend money made
14 available to it;

15 (2) adopt regulations necessary for the conduct of its business and for
16 carrying out federal and state laws granting adult public assistance, temporary cash
17 assistance, diversion payments, or self-sufficiency services for needy families under
18 the Alaska temporary assistance program, and other assistance;

19 (3) establish minimum standards for personnel employed by the
20 department and adopt necessary regulations to maintain those standards;

21 (4) require those bonds and undertakings from persons employed by it
22 that, in its judgment, are necessary, and pay the premiums on them;

23 (5) cooperate with the federal government in matters of mutual

1 federal financial participation;

2 (13) establish the divisions and local offices that are considered
3 necessary or expedient to carry out a duty or authority assigned to it and appoint and
4 employ the assistants and personnel that are necessary to carry on the work of the
5 divisions and offices, and fix the compensation of the assistants or employees, except
6 that a person engaged in business as a retail vendor of general merchandise, or a
7 member of the immediate family of a person who is so engaged, may not serve as an
8 acting, temporary, or permanent local agent of the department, unless the
9 commissioner of health and social services certifies in writing to the governor, with
10 relation to a particular community, that no other qualified person is available in the
11 community to serve as local welfare agent; for the purposes of this paragraph, a
12 "member of the immediate family" includes a spouse, child, parent, brother, sister,
13 parent-in-law, brother-in-law, or sister-in-law;

14 (14) provide education and health-related services and referrals
15 designed to reduce the number of out-of-wedlock pregnancies and the number of
16 induced pregnancy terminations in the state;

17 (15) investigate reports of abuse, neglect, or misappropriation of
18 property by certified nurse aides in facilities licensed by the department under
19 AS 47.32;

20 (16) establish state policy relating to and administer federal programs
21 subject to state control as provided under 42 U.S.C. 3001 - 3058ee (Older Americans
22 Act of 1965), as amended, and related federal regulations;

23 (17) administer the older Alaskans service grants under AS 47.65.010 -
24 47.65.050 and the adult day care and family respite care grants under AS 47.65.100;

25 **(18) establish guidelines for medical assistance providers to develop**
26 **health care delivery models that encourage adequate nutrition and disease**
27 **prevention.**"

28
29 Renumber the following bill sections accordingly.

30
31 Page 9, line 12:

AMENDMENT

OFFERED IN THE HOUSE

TO: HB 148

1 Page 7, following line 1:

2 Insert a new bill section to read:

3 **** Sec. 7. AS 47.07.020(d) is amended to read:**

4 (d) **Notwithstanding (a) of this section, additional** [ADDITIONAL] groups,
5 **including groups added on or after March 23, 2010, to the list of persons for**
6 **whom the Social Security Act requires Medicaid coverage under 42 U.S.C. 1396 -**
7 **1396p (Title XIX, Social Security Act),** may not be added unless approved by the
8 legislature."
9

10 Renumber the following bill sections accordingly.

11

12 Page 9, line 12:

13 Delete "sec. 10"

14 Insert "sec. 11"

15

16 Page 9, line 17:

17 Delete "10"

18 Insert "11"

19

20 Page 9, line 23:

21 Delete "Sections 13 and 14"

22 Insert "Sections 14 and 15"

23

AMENDMENT

OFFERED IN THE HOUSE

TO: HB 148

1 Page 1, line 3, following "**Services**";:

2 Insert "**creating the Medicaid Task Force**;"

3

4 Page 9, following line 3:

5 Insert a new bill section to read:

6 **** Sec. 13.** The uncodified law of the State of Alaska is amended by adding a new section to
7 read:

8 **MEDICAID TASK FORCE.** (a) The Medicaid Task Force is created in the legislature
9 for the purpose of making recommendations for potential cost savings related to the medical
10 assistance program.

11 (b) The task force consists of 13 members as follows:

12 (1) four senators selected by the president of the senate based on their
13 knowledge of health, finance, and budgetary issues;

14 (2) four representatives selected by the speaker of the house of representatives,
15 based on their knowledge of health, finance, and budgetary issues;

16 (3) the commissioner of health and social services;

17 (4) four public members selected by the governor based on their knowledge of
18 the health care systems of the state, Medicaid, and the budget of the state.

19 (c) The task force shall, not later than February 1 each year, deliver a report to the
20 senate secretary and chief clerk of the house of representatives and notify the legislature that
21 the report is available. The report must include

22 (1) policy options and recommendations to reduce costs related to Medicaid
23 use in the state;

AMENDMENT

OFFERED IN THE HOUSE

TO: HB 148

1 Page 1, line 5, through page 2, line 13:

2 Delete all material and insert:

3 **** Section 1.** The uncodified law of the State of Alaska is amended by adding a new section
4 to read:

5 **MEDICAL ASSISTANCE REFORM: LEGISLATIVE FINDINGS AND INTENT.**

6 (a) The legislature finds that

7 (1) the current Medicaid program is not sustainable;

8 (2) improving the delivery of health care services to Alaskans requires state
9 government, health care providers, patient advocates, and other parties interested in high-
10 quality, affordable health care to collaborate to

11 (A) increase the availability of high-quality health care to Alaskans;

12 (B) provide greater value for state general fund dollars spent on the
13 state medical assistance program;

14 (C) reduce health care costs;

15 (D) provide incentives to encourage Alaskans to take greater
16 responsibility for their personal health;

17 (E) reduce or minimize the shifting of payment for unreimbursed
18 health care costs to patients with health insurance;

19 (3) providing greater value for the general fund dollars spent on the state
20 medical assistance program requires considering options for delivering services in a more
21 efficient and cost-effective manner, including, but not limited to,

22 (A) offering incentives to encourage health care providers to achieve
23 measurable performance outcomes;

AMENDMENT

OFFERED IN THE HOUSE
TO: HB 148

BY REPRESENTATIVE VAZQUEZ

1 Page 7, following line 9:

2 Insert a new bill section to read:

3 **** Sec. 8.** AS 47.07.020(*l*) is amended to read:

4 (*l*) Notwithstanding the eligibility provisions under (a) and (b) of this section, a
5 person may not receive medical assistance under this section unless the person first
6 enrolls in the Medicare program under 42 U.S.C. 1395 **and any other federally**
7 **funded program providing medical assistance** to the extent that the person is
8 eligible to receive benefits and services under the program. **The department shall**
9 **adopt regulations establishing civil penalties for individuals who receive medical**
10 **assistance in violation of this subsection.**
11

12 Renumber the following bill sections accordingly.
13

14 Page 9, line 12:

15 Delete "sec. 10"

16 Insert "sec. 11"
17

18 Page 9, line 17:

19 Delete "10"

20 Insert "11"
21

22 Page 9, line 23:

23 Delete "Sections 13 and 14"

AMENDMENT

OFFERED IN THE HOUSE
TO: HB 148

BY REPRESENTATIVE VAZQUEZ

1 Page 7, following line 15:

2 Insert a new bill section to read:

3 **** Sec. 9.** AS 47.07.030 is amended by adding new subsections to read:

4 (g) Notwithstanding (b) - (e) of this section, for individuals described under
5 AS 47.07.020(b)(16), the department shall offer only mandatory services required
6 under 42 U.S.C. 1396a(k) and federal regulations implementing that section.

7 (h) The department shall annually prepare a report describing state costs for
8 each optional service provided under this section. The department shall deliver the
9 report to the senate secretary and the clerk of the house of representatives and notify
10 the legislature that the report is available."

11

12 Renumber the following bill sections accordingly.

13

14 Page 9, line 12:

15 Delete "sec. 10"

16 Insert "sec. 11"

17

18 Page 9, line 17:

19 Delete "10"

20 Insert "11"

21

22 Page 9, line 23:

23 Delete "Sections 13 and 14"

AMENDMENT

OFFERED IN THE HOUSE
TO: HB 148

BY REPRESENTATIVE VAZQUEZ

1 Page 7, line 9, following "regulations.":

2 Insert **"The department may only consider information provided by a person**
3 **claiming undue hardship that the department verifies through a source other than the**
4 **person's own statement."**

5

6 Page 7, following line 15:

7 Insert a new bill section to read:

8 **"* Sec. 9. AS 47.07.020 is amended by adding a new subsection to read:**

9 (o) The department shall prepare a report that describes the total amount that
10 has been recovered or saved by the ineligibility period imposed under (m) of this
11 section and the total amount excluded for a transfer of assets below fair market value
12 under a hardship waiver under (g) of this section for the previous calendar year. On or
13 before January 1 of each year, the department shall deliver the report to the senate
14 secretary and the chief clerk of the house of representatives and notify the legislature
15 that the report is available."

16

17 Renumber the following bill sections accordingly.

18

19 Page 9, line 12:

20 Delete "sec. 10"

21 Insert "sec. 11"

22

23 Page 9, line 17:

AMENDMENT

OFFERED IN THE HOUSE
TO: HB 148

BY REPRESENTATIVE TALERICO

1 Page 3, following line 6:

2 Insert a new bill section to read:

3 **"* Sec. 4. AS 47.05.200(a), as amended by sec. 3 of this Act, is amended to read:**

4 (a) The department shall annually contract for independent audits of a
5 statewide sample of all medical assistance providers in order to identify overpayments
6 and violations of criminal statutes. The audits conducted under this section may not be
7 conducted by the department or employees of the department. The number of audits
8 under this section [MAY NOT BE LESS THAN 50] each year, as a total for the
9 medical assistance programs under AS 47.07 and AS 47.08, shall be 0.75 percent
10 of all enrolled providers under the programs, adjusted annually on July 1, as
11 determined by the department, except that the number of audits under this
12 section may not be less than 75. The audits under this section must include both on-
13 site audits and desk audits and must be of a variety of provider types. The department
14 may not award a contract under this subsection to an organization that does not retain
15 persons with a significant level of expertise and recent professional practice in the
16 general areas of standard accounting principles and financial auditing and in the
17 specific areas of medical records review, investigative research, and Alaska health
18 care criminal law. The contractor, in consultation with the commissioner, shall select
19 the providers to be audited and decide the ratio of desk audits and on-site audits to the
20 total number selected. [IN IDENTIFYING PROVIDERS WHO ARE SUBJECT TO
21 AN AUDIT UNDER THIS CHAPTER, THE DEPARTMENT SHALL ATTEMPT
22 TO MINIMIZE CONCURRENT STATE OR FEDERAL AUDITS.]"
23

1 aid to families with dependent children program;

2 (2) persons in a general hospital, skilled nursing facility, or
3 intermediate care facility, who, if they left the facility, would be eligible for assistance
4 under one of the federal programs specified in (1) of this subsection;

5 (3) persons under 21 years of age who are under supervision of the
6 department, for whom maintenance is being paid in whole or in part from public
7 funds, and who are in foster homes or private child-care institutions;

8 (4) aged, blind, or disabled persons, who, because they do not meet
9 income and resources requirements, do not receive supplemental security income
10 under 42 U.S.C. 1381 - 1383c (Title XVI, Social Security Act), and who do not
11 receive a mandatory state supplement, but who are eligible, or would be eligible if
12 they were not in a skilled nursing facility or intermediate care facility to receive an
13 optional state supplementary payment;

14 (5) persons under 21 years of age who are in an institution designated
15 as an intermediate care facility for persons with intellectual and developmental
16 disabilities and who are financially eligible as determined by the standards of the
17 federal program designated as the successor to the aid to families with dependent
18 children program;

19 (6) persons in a medical or intermediate care facility whose income
20 while in the facility does not exceed 300 percent of the supplemental security income
21 benefit rate under 42 U.S.C. 1381 - 1383c (Title XVI, Social Security Act) but who
22 would not be eligible for an optional state supplementary payment if they left the
23 hospital or other facility;

24 (7) persons under 21 years of age who are receiving active treatment in
25 a psychiatric hospital and who are financially eligible as determined by the standards
26 of the federal program designated as the successor to the aid to families with
27 dependent children program;

28 (8) persons under 21 years of age and not covered under (a) of this
29 section, who would be eligible for benefits under the federal program designated as
30 the successor to the aid to families with dependent children program, except that they
31 **have the care and support of both their natural and adoptive parents** [DO NOT

1 1396a(a)(10)(A)(ii)(XIII), who are in families whose income, as determined under
 2 applicable federal regulations or guidelines, is less than 250 percent of the official
 3 poverty line applicable to a family of that size according to the United States
 4 Department of Health and Human Services, and who, but for earnings in excess of the
 5 limit established under 42 U.S.C. 1396d(q)(2)(B), would be considered to be
 6 individuals with respect to whom a supplemental security income is being paid under
 7 42 U.S.C. 1381 - 1383c; a person eligible for assistance under this paragraph who is
 8 not eligible under another provision of this section shall pay a premium or other cost-
 9 sharing charges according to a sliding fee scale that is based on income as established
 10 by the department in regulations;

11 (13) persons under 19 years of age who are not covered under (a) of
 12 this section and whose household income does not exceed 175 [203] percent of the
 13 federal poverty line as defined by the United States Department of Health and Human
 14 Services and revised under 42 U.S.C. 9902(2);

15 (14) pregnant women who are not covered under (a) of this section and
 16 whose household income does not exceed 175 [200] percent of the federal poverty line
 17 as defined by the United States Department of Health and Human Services and revised
 18 under 42 U.S.C. 9902(2);

19 (15) persons who have been diagnosed with breast or cervical cancer
 20 and who are eligible for coverage under 42 U.S.C. 1396a(a)(10)(A)(ii)(XVIII) [;

21 (16) PERSONS WHO ARE UNDER 65 YEARS OF AGE, WHO ARE
 22 NOT PREGNANT, WHOSE HOUSEHOLD INCOME DOES NOT EXCEED 138
 23 PERCENT OF THE FEDERAL POVERTY LINE, INCLUDING THE FIVE
 24 PERCENT INCOME DISREGARD, AS DEFINED BY THE UNITED STATES
 25 DEPARTMENT OF HEALTH AND HUMAN SERVICES AND REVISED UNDER
 26 42 U.S.C. 9902(2), AND WHO ARE ELIGIBLE UNDER 42 U.S.C.
 27 1396A(a)(10)(A)(i)(VIII), IF THE FEDERAL MEDICAL ASSISTANCE
 28 PERCENTAGE PAID TO THE STATE FOR THE COVERAGE IS NOT LESS
 29 THAN 90 PERCENT]."

30
 31 Renumber the following bill sections accordingly.

1 eligibility or the scope of services required or authorized under AS 47.07 020 and
2 47.07.030 before implementing cost containment measures under (c) of this section
3 that directly affect program eligibility or coverage of services. The cost containment
4 measures taken under this subsection may include new utilization review procedures,
5 changes in provider payment rates, [AND] precertification requirements for coverage
6 of services, and agreements with federal officials under which the federal
7 government will assume responsibility for coverage of some individuals or some
8 services for some individuals through federal programs, including the Indian
9 Health Service or Medicare."

10

11 Renumber the following bill sections accordingly.

12

13 Page 8, following line 26:

14 Insert a new bill section to read:

15 **"* Sec. 18.** AS 47.07.900(4), as amended by sec. 17 of this Act, is amended to read:

16 (4) "clinic services" means services provided by state-approved
17 outpatient community mental health clinics that receive grants under AS 47.30.520 -
18 47.30.620, state-operated community mental health clinics, outpatient surgical care
19 centers, and physician clinics;"

20

21 Renumber the following bill sections accordingly.

22

23 Page 9, following line 3:

24 Insert new bill sections to read:

25 **"* Sec. 20.** AS 47.07.900(17), as amended by sec. 19 of this Act, is amended to read:

26 (17) "rehabilitative services" means services for substance abusers and
27 emotionally disturbed or chronically mentally ill adults provided by

28 (A) a drug or alcohol treatment center that is funded with a
29 grant under AS 47.30.475; or

30 (B) an outpatient community mental health clinic that has a
31 contract to provide community mental health services under AS 47.30.520

AMENDMENT

OFFERED IN THE HOUSE
TO: HB 148

BY REPRESENTATIVE VAZQUEZ

1 Page 7, following line 15:

2 Insert a new bill section to read:

3 **** Sec. 9. AS 47.07.030 is amended by adding a new subsection to read:**

4 (g) The department shall annually prepare a report, separately describing state
5 costs for optional and mandatory services provided under this section. On or before
6 March 1 of each year, the department shall deliver the report to the senate secretary
7 and the clerk of the house of representatives and notify the legislature that the report is
8 available."
9

10 Renumber the following bill sections accordingly.

11

12 Page 9, line 12:

13 Delete "sec. 10"

14 Insert "sec. 11"

15

16 Page 9, line 17:

17 Delete "10"

18 Insert "11"

19

20 Page 9, line 23:

21 Delete "Sections 13 and 14"

22 Insert "Sections 14 and 15"

23

AMENDMENT

OFFERED IN THE HOUSE
TO: HB 148

BY REPRESENTATIVE VAZQUEZ

- 1 Page 8, lines 4 - 6:
- 2 Delete all material.
- 3
- 4 Renumber the following paragraphs accordingly.

AMENDMENT

OFFERED IN THE HOUSE
TO: HB 148

BY REPRESENTATIVE VAZQUEZ

- 1 Page 8, lines 7 - 9:
- 2 Delete all material.
- 3
- 4 Renumber the following paragraphs accordingly.