

# Alaska State Legislature

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## Sectional Analysis – CS for Senate Bill 74

“An Act relating to a medical assistance reform program; relating to the duties of the Department of Health and Social Services; establishing medical assistance demonstration projects; relating to civil penalties for medical assistance fraud; relating to studies by the Department of Health and Social Services; relating to cost-containment measure for medical assistance; and providing for an effective date.”

**Section 1:** Adds new sections establishing civil penalties for false claims for medical assistance and authorizing the Department of Health and Social Services (the department) to assess civil penalties against medical assistance providers.

**Section 2:** Requires the Department of Health and Social Services (the department) to design, adopt, and implement a medical assistance (Medicaid) reform program. Requires the department to prepare and submit a report about reforms, savings, and costs related to the Medicaid program. Provides for a definition of “telemedicine.”

**Section 3:** Requires the department to design and implement a demonstration project to reduce nonurgent use of emergency departments by Medicaid recipients.

**Section 4:** Requires the department and the attorney general to annually prepare a report regarding fraud prevention, abuse, prosecution, and vulnerabilities in the Medicaid program.

**Section 5:** Requires the department to develop one or more managed care or case management demonstration projects through a contract with a third party. The managed care program would be for individuals enrolled in all Medicaid programs.

**Section 6:** Requires the department to conduct a study analyzing the feasibility of privatizing certain services.

**Section 7:** Requires the department to amend the state Medicaid plan and apply for any waivers necessary to implement the projects and programs described in the bill. Requires the Commissioner of Health and Social Services to certify to the revisor of statutes federal approval of specified measures.

**Section 8:** Allows the department to adopt regulations necessary to implement the changes made by the Act. The regulations may not take effect before the dates the relevant provision of the Act takes effect.

**Section 9:** Conditional effects.

**Sections 10 - 14:** Provides for effective dates for provisos that require waiver and state plan amendment approvals from the United States Department of Health and Human Services.

**Section 15:** Provides an immediate effective date for sections 6, 7, and 8.