



Alaska Medicaid: An Overview

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Medicaid: The Basics



Medicaid History

- Created by Congress in 1965 to provide health coverage for individuals who were unable to work
- Alaska adopted Medicaid in 1972, the 49th state to do so, to replace the state-funded General Relief Medical program
- 1997, Children's Health Insurance Program allows states to offer higher income children health coverage through Medicaid or a stand-alone program
- 1999, Alaska implements a Medicaid CHIP expansion
- 2010 Affordable Care Act
- 2015 Alaska expanded Medicaid program



Medicaid Administration

- Jointly (federal and state) funded
- State administered within federal guidelines
- With federal approval, Medicaid programs vary from state to state, as states have flexibility to design their Medicaid programs



Alaska Medicaid

- Largest health coverage program in the country
- Provides comprehensive coverage for Medicaid-eligibility recipients
- Medicaid - a DHSS Team Effort
 - Medicaid Eligibility: Division of Public Assistance (DPA), Office of Children Services (OCS) for children in state custody
 - Medicaid Program Administration: Health Care Services (HCS), Division of Behavioral Health (DBH), Senior and Disabilities Services (DSDS)
 - Service Payment: HCS and DBH, through the fiscal agent and Administrative Services Organization (ASO)
 - Federal claiming: Finance and Management Services (FMS)
 - Rate Setting: Office of Rate Review (ORR)
 - Program Integrity: Medicaid Program Integrity



Medicaid vs Medicare

Medicaid	Medicare
Title XIX of the Social Security Act	Title XVII of the Social Security Act
Jointly (federal and state) funded; state administered within federal guidelines	Federally funded and administered
State Medicaid programs are similar, however with federal approval states may customize benefits to best meet the needs of their residents	Uniform coverage throughout the United States; eligibility not based on state of residence
Individuals must meet specified income and/or resource limits, which can vary from state to state	Eligibility based on earnings history; no means testing
Offers a comprehensive set of benefits; may include prescription drugs, dental, and other benefits	Coverage includes: Part A: inpatient hospital services Part B: outpatient and professional services Part D: prescription drugs
Covers long-term (skilled and intermediate nursing facility) care for individuals who are age 65 and older or disabled	Covers all skilled nursing facility care costs for up to 20 days and most skilled nursing facility costs for 21 – 100 days following a hospital inpatient stay of 3+ days
Additional services may be available through Medicaid Managed Care plans; 49 states and the District of Columbia offer Medicaid Managed Care	Additional services may be available through Medicare Advantage plans (known as Medicare Part C), available in most states (not available in Alaska)

An individual may be dually eligible for Medicare and Medicaid



Development and Maintenance of a Medicaid Program



Medicaid State Plan

- Contract between state and the Centers for Medicare and Medicaid Services (CMS)
- Details how the state will operate its Medicaid and Children's Health Insurance Program (CHIP), including
 - Who is eligible to receive services
 - Which services are covered
 - How providers will be reimbursed
 - How state administers the program



Medicaid State Plan (cont.)

- State plan and amendments to the state plan must be reviewed and approved by the Centers for Medicare and Medicaid Services
- Federal matching funds are contingent upon approval of the services through the Medicaid State Plan

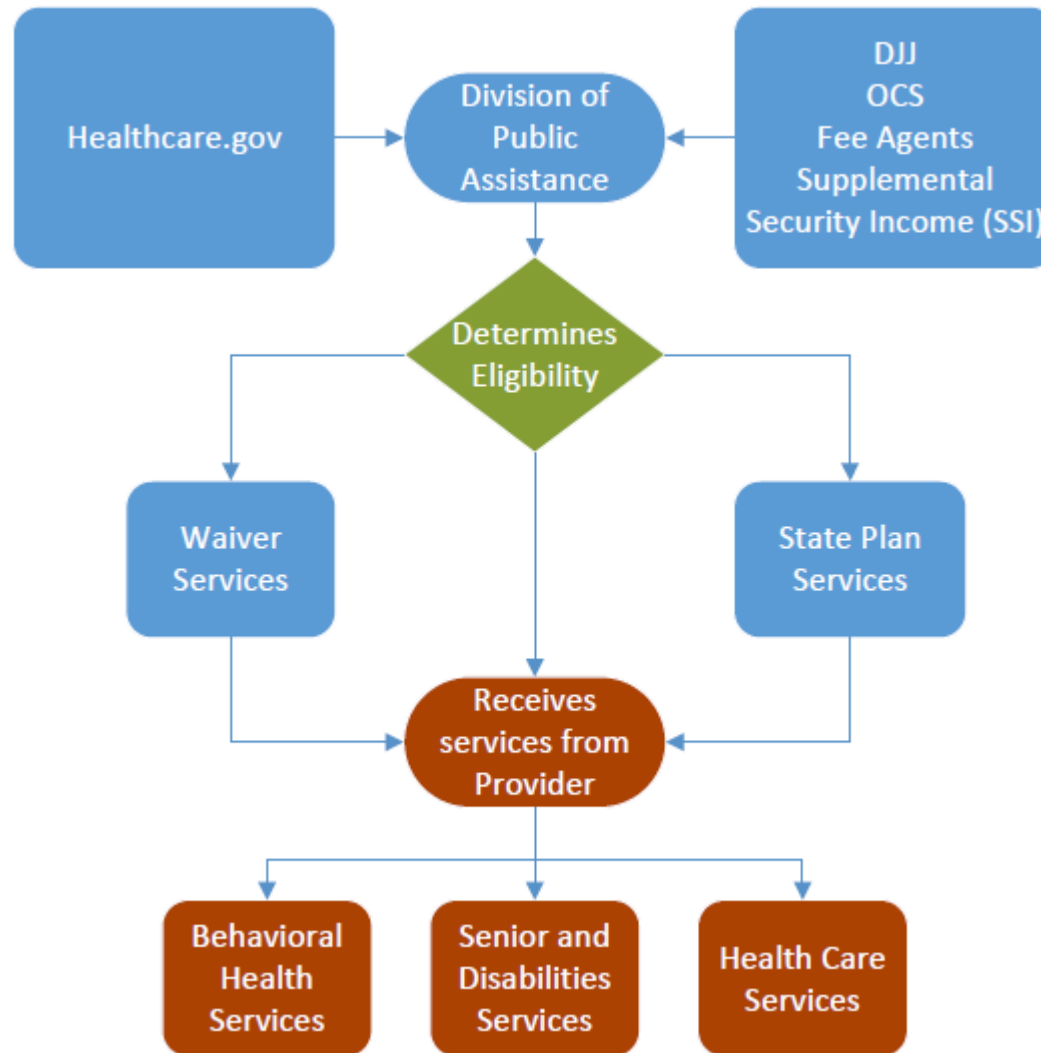
State SPA Process Flow





Medicaid Eligibility

Medicaid Eligibility





Who is Eligible for Medicaid

- A person must be:
 - Financially and categorically eligible
 - Income
 - Assets
- There are more than 50 groups of individuals who may qualify for Medicaid coverage

*not all categories have asset limits



Federal Medical Assistance Percentage

- Medicaid is jointly financed from state general funds and federal matching funds
- Federal matching funds, aka Federal Medical Assistance Percentages (FMAP):
 - Recalculated annually
 - Minimum 50 percent
 - Multiple FMAP rates, depending on eligibility category



Eligibility

Provide eligibility for medical assistance to needy families with children, pregnant women, low income adults, aged, blind and disabled person.

- To be eligible, recipients must meet income and/or resource criteria depending on the particular Medicaid category for which the recipient is eligible for.
- Eligibility for aged, blind and disabled persons are based on eligibility criteria under the Adult Public Assistance program
- Eligibility criteria for parents and other caretaker relatives, pregnant women, children under age 19, under 21 Medicaid, expansion group, and former foster children up to age 26 are based on eligibility criteria created by the Affordable Care Act



Chronic and Acute Medical Assistance

Chronic and Acute Medical Assistance provides emergency medical coverage for persons who do not qualify for Medicaid.

- To be eligible recipients must be:
 - 18 or older; lack of other medical resources;
 - countable income of not more than \$300 for an individual or \$400 for a couple;
 - Assets that do not exceed \$500
 - Covered medical needs only include:
 - A terminal illness
 - Cancer requiring chemotherapy
 - Diabetes and diabetes insipidus
 - Seizure disorders
 - Chronic mental illness
 - Hypertension



Medicaid Covered Services

Affordable Care Act Essential Health Benefits



Essential Health Benefits and Medicaid State Plan	
10 Essential Health Benefit Categories	Alaska State Plan Qualifying Services
Ambulatory patient services	Outpatient hospital, physician services, other licensed practitioners, clinic services, family planning, dental, hospice, personal care services.
Emergency services	Outpatient hospital, ER transportation, physician services – urgent care.
Hospitalization	Hospitalization: inpatient
Maternity and newborn care	Physician services, inpatient.
Behavioral Health (and Mental Health Parity)	Outpatient Rehabilitative services, Inpatient mental health, outpatient chemical dependency, inpatient chemical dependency.
Prescription drugs	Preferred Drug List
Rehabilitative and habilitative services	Home health services, supplies equipment, and appliances, physical therapy and related services, nursing facilities.
Laboratory services	Coverage is determined the first of each year.
Preventive and wellness services and chronic disease management	Preventive and wellness services and chronic disease management: tobacco cessation, preventive services.
Pediatric services – EPSDT as called out in 1905(r)(5) of Title XIX	Medicaid EPSDT



Alaska Medicaid Covered Services*

- Inpatient/outpatient hospital (acute and psychiatric)
- Physician
- Mental health
- Other professional (e.g., chiropractic, physical therapy, occupational therapy, podiatry)
- Pharmacy
- Dental
- Vision
- Laboratory, Radiology

* Coverage is age-specific for some services; some services require prior authorization



Alaska Medicaid Covered Services* (cont.)

- Durable Medical Equipment
- Long-term care (skilled and intermediate nursing facility)
- Personal care
- Home health
- Hospice
- Family Planning
- Transportation

* Coverage is age-specific for some services



Early and Periodic Screening, Diagnostic, and Treatment (EPSDT)

- The Early and Periodic Screening, Diagnostic and Treatment (EPSDT) benefit provides comprehensive and preventive health care services for children under age 21 who are enrolled in Medicaid
- EPSDT goal: assure that children receive the health care they need when they need it – the right care at the right time in the right setting



Waivers

- State Medicaid programs must comply with federal requirements, but states seeking additional flexibility can apply for formal waivers of some of these requirements from the Secretary of Health and Human Services (HHS)
- Medicaid waivers can be classified as demonstration waivers or program waivers:
 - Demonstration waivers allow a state to test program delivery and financing innovations (hypothesis)
 - Program waivers expand the array of defined program options available
- Program waivers are intended to expand the array of defined program options available to a state, rather than to provide an avenue of experimentation with new models



Medicaid State Plan Options and Waivers

- 1915 (c) Home and Community Based (HCB) Waivers
- 1915 (i) State Plan HCB Services for target populations with separate additional needs-based criteria
- 1915 (j) Self-Directed personal Assistance Services under the State Plan
- 1915 (k) State Plan Option to provide HCB Attendant Services and Supports
- Section 1115 Demonstration Waiver



Medicaid Provider Enrollment



Medicaid Provider Qualifications

- Providers must be licensed and/or certified in order to enroll
- Providers are required to enroll in the Medicaid program in order to receive reimbursement
- Providers must sign and comply with the Alaska Medicaid Provider Enrollment Agreement
- Some providers must also be enrolled as a Medicare provider
- Providers can render only services that are within the scope of their license or certification
- Must reenroll every 3 or 5 years, depending on CMS-designated risk category



Alaska Medicaid Provider Enrollment

- 25,375 Actively Enrolled Providers in FY2019
 - 18,026 In-State Providers
 - 7,349 Out of State Providers
 - Already 367 new providers in 2020
- Top Medicaid Enrolled Provider Types

Provider Type/Description	Provider Count
020 - Physician (MD)	7,829
094 - Personal Care Assistant	5,954
034 - Advanced Practice Registered Nurse	1,775
021 - Health Professional Group	1,288
033 - Physician Assistant	965
030 - Dentist	893
039 - Physical Therapist	684
055 - Community Health Aide/Practitioner	612
001 - General Hospital	496
117 - Certified Registered Nurse Anesthetist	334
047 - Home Community Based Agency	326
048 - Residential Supported Living	281



Medicaid Tribal Partners



Tribal Health System Partners

DHSS partners with:

- Alaska Native Health Board and Alaska Native Tribal Health Consortium
- State/Tribal Medicaid Task Force
- Community Health Aide Program Directors
- Behavioral Health Directors
- Long Term Care Directors
- Financial Infrastructure Directors



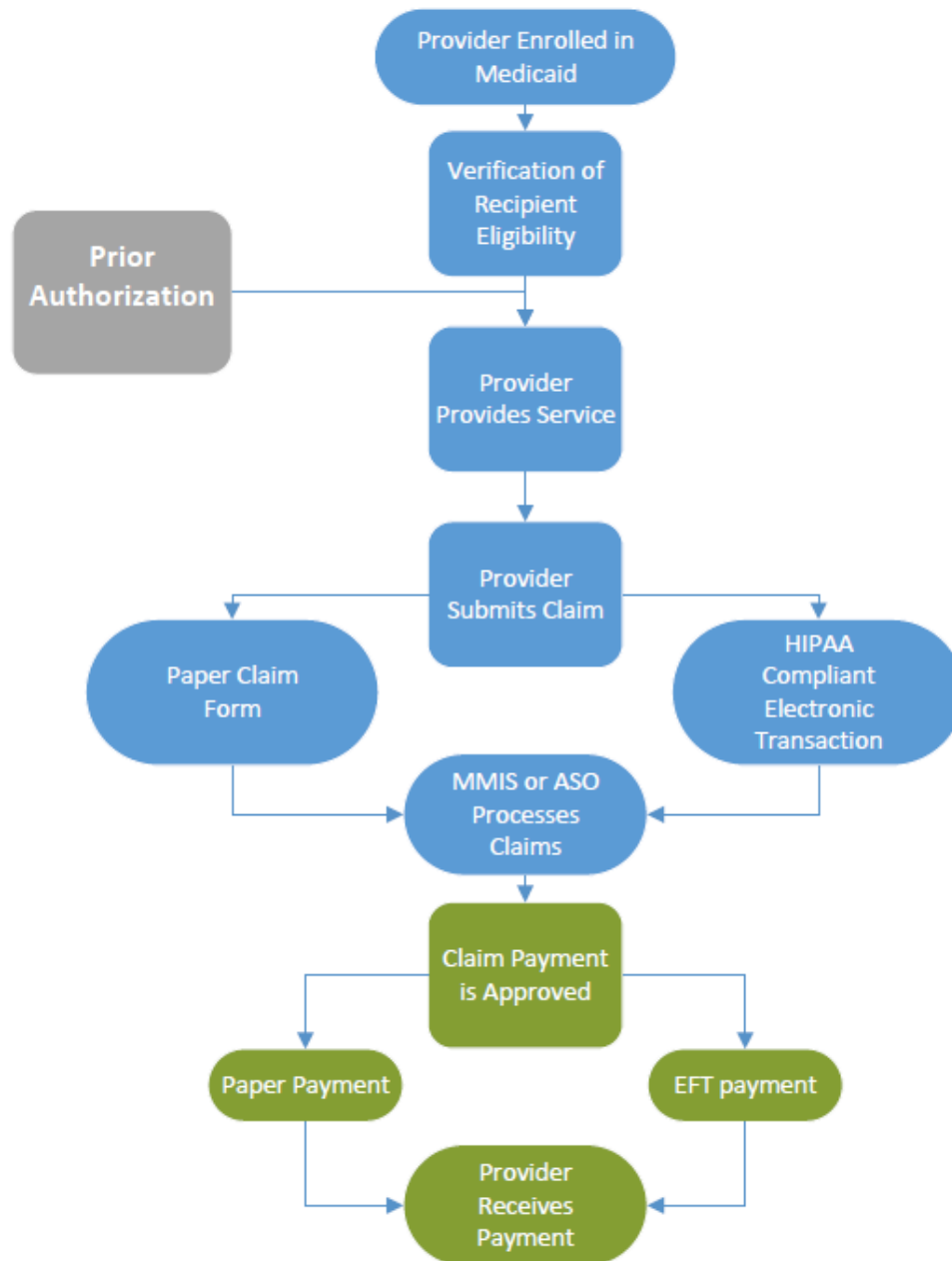
Payment of Claims



Medicaid Claims Processing

- Claims must be submitted within 12 months of the date of service
- Alaska Medicaid claims are processed through the Medicaid Management Information System (MMIS) by the DHSS fiscal agent or by the Administrative Services Organization (ASO)
- Claims are processed within federal timely processing standards
 - 90 percent of all claims within 30 days of the date of receipt
 - 99 percent of all claims within 90 days of the date of receipt
 - 100 percent of all claims within 12 months of the date of receipt

Department of Health & Social Services



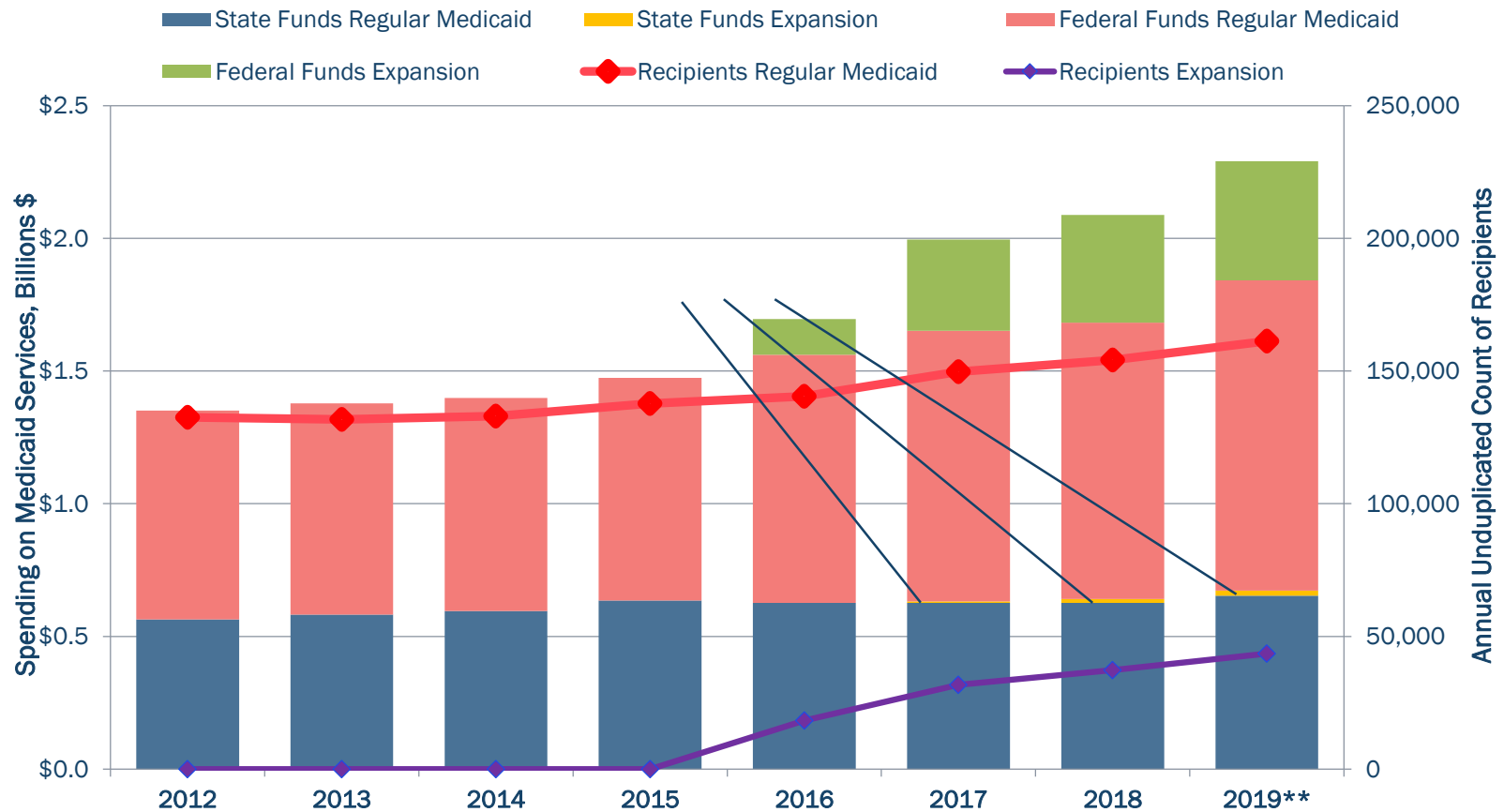


Medicaid Expenditures



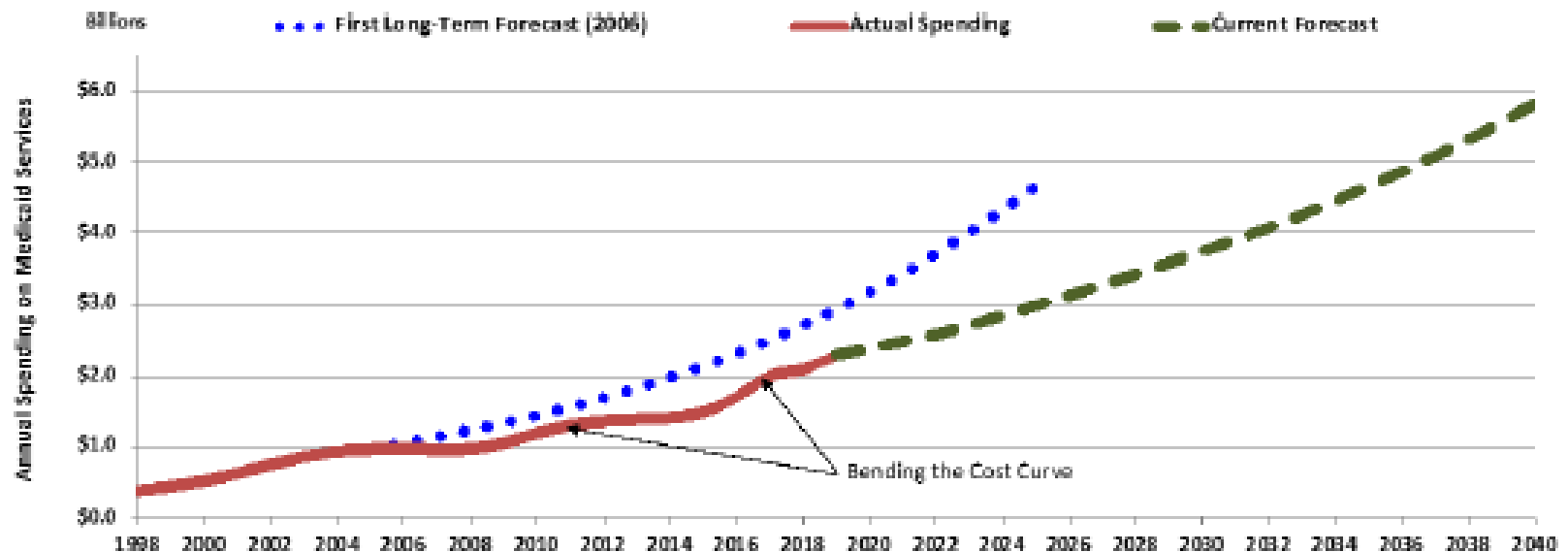
Medicaid Enrollment and Spending

State Fund Spending on Medicaid Expansion



Alaska Medicaid Spending per Enrollee

Total Medicaid Spending per Enrollee (all fund sources)
1998 – 2019 Actuals and 2020 – 2040 Projected



¹ Evergreen Economics. (November, 2019). Long Term Forecast of Medicaid Enrollment & Spending in Alaska ("MESA"): FY 2020 – FY 2040.



FY2019 Medicaid Claims at a Glance

- Total FY2019 Total Reimbursements \$2,267,793,166

*Amounts do not reflect payments for Medicaid services made outside of the Medicaid Management Information System (MMIS) such as lump sum payments, recoveries, or accounting adjustments and may therefore not equal expenditure totals in the state accounting or budget systems.

Top 10 Reimbursements by Provider Type	
Provider Type	Total Reimbursement
General Hospital	\$432,469,920.88
Health Professional Group	\$303,552,299.64
Home Community Based Agency	\$212,940,525.86
Behavioral Health	\$210,380,095.87
Tribal Hospital	\$202,145,248.17
Pharmacy	\$179,213,628.72
SNF/ICF Facility	\$159,521,215.79
Tribal Clinic	\$119,974,319.54
Dentist	\$106,170,687.58
Personal Care Agency	\$ 57,792,736.81



FMAP Rates for Alaska

- Indian Health Service (IHS) 100%
- Family Planning 90%
- Breast/Cervical Cancer 65%
- CHIP * (Changing to 65% 10/1/2020) 76.5%*
- Expansion Population 90%
- All other categories 50%



Federal Medical Assistance Percentage

- Medicaid is jointly financed from state general funds and federal matching funds
- Federal matching funds, aka Federal Medical Assistance Percentages (FMAP):
 - Recalculated annually
 - Minimum 50 percent
 - Multiple FMAP rates, depending on eligibility category

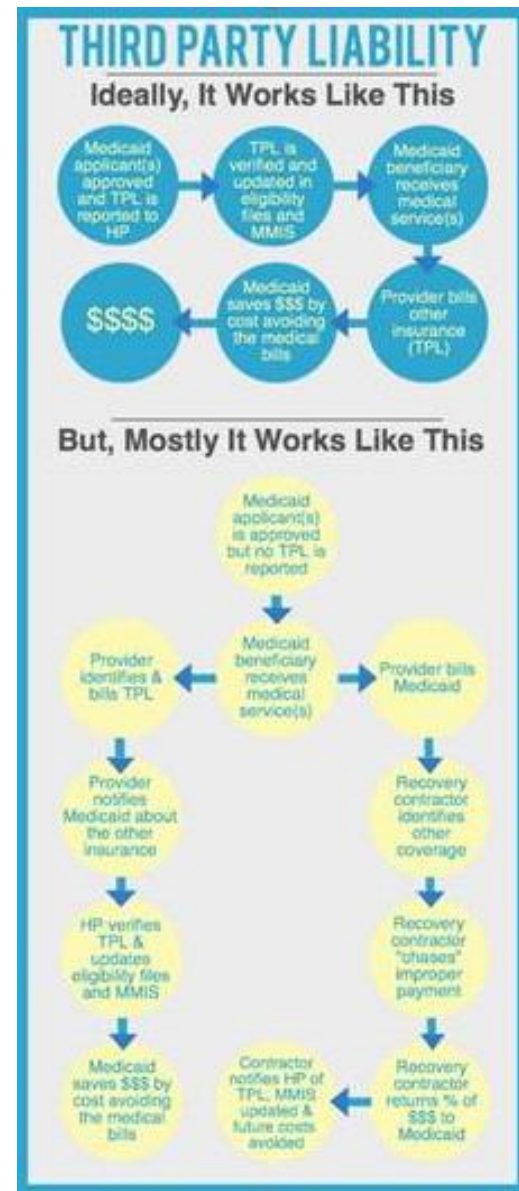


Accounting and Recovery

Third Party Recovery

Third Party Recovery efforts occur when Medicaid pays for medical care but another party is responsible

- Medicaid recipient has employment-related health insurance
- Car accident and someone else was at fault
- Workers compensation claim
- Tort liability



Accounting & Recovery

THIRD PARTY LIABILITY COLLECTIONS & SAVINGS SFY2019					
	SFY19 TOTAL	Q1-FY19	Q2-FY19	Q3-FY19	Q4-FY19
		07/01/2018-09/30/2018	10/01/2018-12/31/2018	01/01/2019-03/31/2019	04/01/2019-06/30/2019
MEDICAID RECOVERIES					
TPL Contracted Recoveries	6,859,568.32	1,936,005.66	1,909,731.25	1,279,928.31	1,733,903.10
Working-Disabled Program Premiums	99,781.32	23,334.00	26,370.32	26,994.00	23,083.00
MQT & Miller Trust Recoveries	2,344,127.11	754,126.20	226,942.08	433,443.27	929,615.56
Resource Reimbursements	42,251.98	1,500.00	4,900.00	3,400.00	32,451.98
Drug Rebate Recoveries	104,252,665.08	26,423,648.72	20,947,359.31	34,679,154.39	22,202,502.66
AG's Subrogation	2,944,623.88	652,618.64	720,753.04	1,060,637.10	510,615.10
AG's Restitution/Lawsuits/Malpractice	11,913.28	992.07	3,828.07	0.00	7,093.14
AG's Estate Recovery	274,550.36	18,357.56	122,652.75	17,403.24	116,136.81
TOTAL OVERALL QUARTERLY COLLECTION	116,829,481.33	29,810,582.85	23,962,536.82	37,500,960.31	25,555,401.35
COST AVOIDANCE SAVINGS					
Medicare Paid	201,344,103.60	56,429,953.43	47,666,559.43	47,620,881.01	49,626,709.73
Other Resource Paid Prior to Medicaid Payment	160,990,409.18	38,100,906.00	34,877,377.00	44,164,541.00	43,847,585.18
TOTAL MEDICAID QUARTERLY TPL SAVINGS	362,334,512.78	94,530,859.43	82,543,936.43	91,785,422.01	93,474,294.91
MEDICARE PREMIUMS SFY2019					
Part A Hospital Premiums Paid	2,909,870.00	711,828.00	718,980.00	784,851.00	694,211.00
Part B Medical Premiums Paid	29,650,847.30	7,258,205.00	7,286,126.50	7,634,198.40	7,472,317.40
	32,560,717.30	7,970,033.00	8,005,106.50	8,419,049.40	8,166,528.40
OVERALL RECOVERIES & SAVINGS	446,603,276.81	116,371,409.28	98,501,366.75	120,867,332.92	110,863,167.86



Tribal Reclaiming

SFY	Target	State GF Savings (Transportation)	State GF Savings (Other Services)	Totals State GF Savings
SFY17	32M	\$ 10,589,538.00	\$ 24,192,302.00	\$ 34,781,840.00
SFY18	42M	\$ 15,901,959.00	\$ 29,285,001.33	\$ 45,186,960.33
SFY19	84M	\$ 26,922,884.00	\$ 45,724,251.00	\$ 72,647,135.00
SFY20	104M	\$ 21,008,398.00	\$ 36,460,444.00	\$ 57,468,842.00
TOTAL		\$ 74,422,779.00	\$ 135,661,998.33	\$ 210,084,777.33



Medicaid Fraud & Abuse: Prevention and Detection

- Collaborative Effort
 - Quality Assurance Units
 - Medicaid Program Integrity
 - Medicaid Fraud Control Unit (MFCU)
 - Audits
- Goals
 - Combat Medicaid fraud, waste, and abuse
 - Encourage compliance
 - Protect public funds
 - Support awareness and responsibility
 - Ensure providers meet participation requirements
 - Ensure that services are medically necessary
 - Ensure that payments are for the correct amount and for covered services



Health Facilities Licensing & Certification and Residential Licensing



Health Facilities Licensing & Certification

- General Acute Care Hospitals (GACH) - 6
- Long Term Acute Care Hospital (LTACH) - 1
- Specialty Hospitals (Psych) - 2
- Critical Access Hospitals (CAH) - 7
- Frontier Extended Stay Clinics (FESC) - 2
- Long Term Cares (LTC) - 15
- Volunteer Hospice - 7
- Full Service Hospice - 5
- Home Health Agencies (HHA) - 13
- Ambulatory Surgical Centers (ASC) - 22
- Free Standing Birth Centers - 14



Residential Licensing

- Assisted Living Homes - 669
 - Senior Homes – 222
 - Development and Mental Health Disability Homes – 397
 - Dual Licenses – 50
- Residential Child Care Facilities– 39
- Residential Psychiatric Treatment Facilities for Children - 5



Background Check Program



Background Check Program

During CY2019, the HCS Background Check Program received and processed 31,823 background check applications

- 20,992 New background check requests completed
- 10,831 Additional applications entered, connecting to a previous determination, receiving an instant clearance



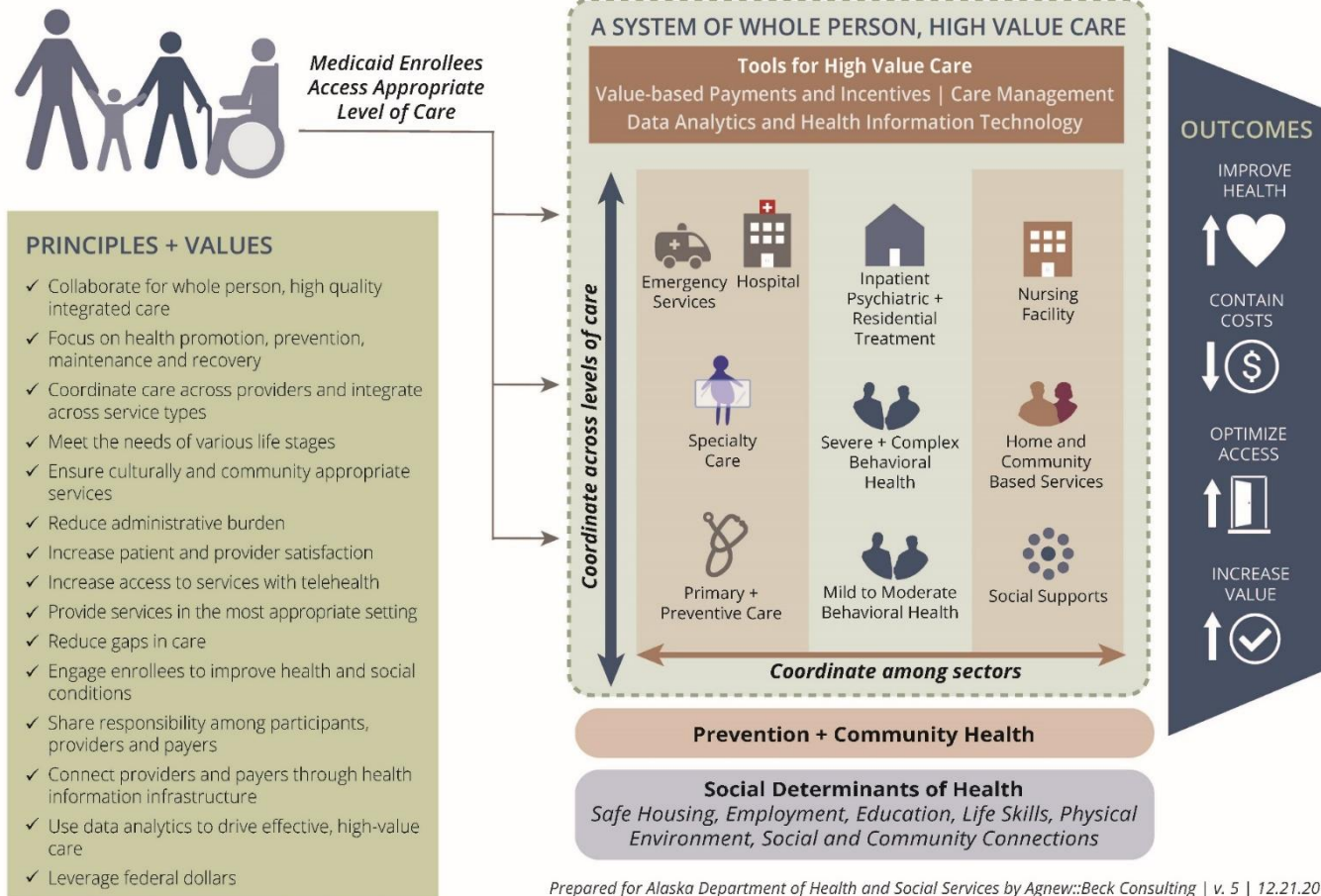
Alaska Medicaid: Ongoing and Future Efforts

Medicaid Redesign



Vision for Medicaid Redesign

The Alaska Medicaid Program improves health and pays for value.





Managing Medicaid Growth

Options for Managing Medicaid Growth

Eligibility	Medicaid Fraud & Abuse Prevention and Detection
Covered Services	Innovations in Service Delivery
Rates	Technology
Utilization Controls	Maximize Revenue



Medical Care Advisory Committee

Purpose

The Medical Care Advisory Committee (MCAC) is a public advisory group charged with advising the Department of Health and Social Services on Medicaid policy and program changes

Members

7 – 13 members, including 6 from the following

- Physician
- Behavioral health provider
- Nurse
- Dentist
- Pharmacist
- Hospital Administrator
- Nursing Home Administrator



Dental Advisory Group

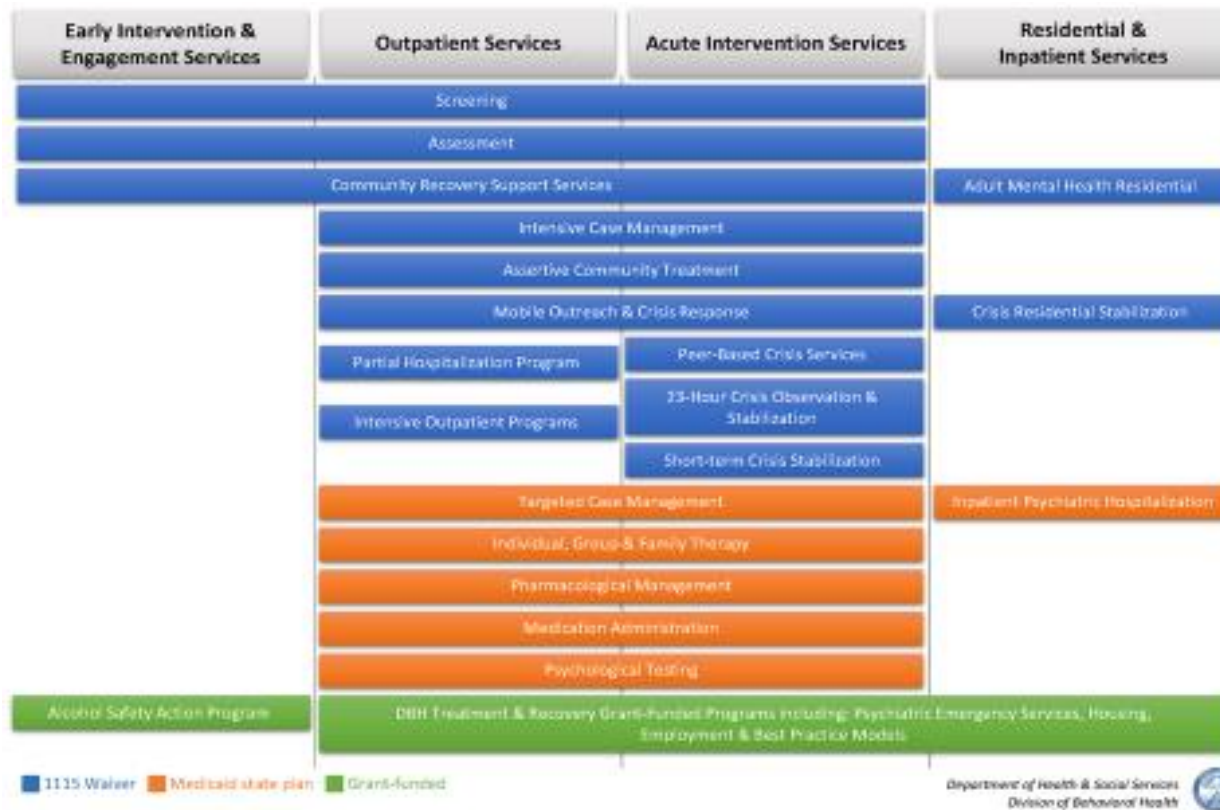
Purpose

The Dental Advisory Group, a subgroup of the Medical Care Advisory Committee, reviews components of the Medicaid dental program and make recommendations for changes to dental regulations, policy, and procedures

Members

- 2 General dentists (both are FA reviewers)
- 3 Pediatric dentists
- 2 Oral surgeons
- 2 dental anesthesiologist
- 1 rural dentist
- 3 HCS reps
- MCAC chair

Mental Health Continuum of Care





Medicaid: Current Regulatory Projects

- DHSS has more than 15 regulatory change proposals in various stages of completion, many of which will result in cost savings for the department
- Five regulatory proposals are currently noticed for public comment on the Online Public Notice page



Thank You

QUESTIONS?