



Medicaid Services FY2022 Overview

*Senate Health and Social Services Finance
Subcommittee*

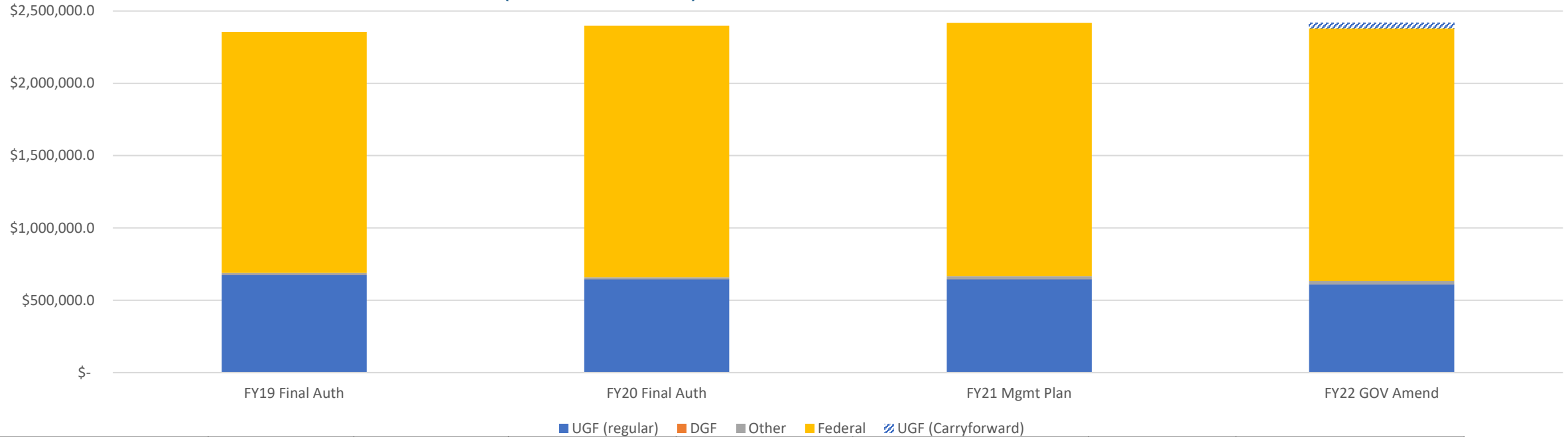
*Albert Wall, Deputy Commissioner
Sylvan Robb, Assistant Commissioner*

March 1, 2021



Medicaid Services Operating Budget Comparison

FY2019-FY2022 (in thousands)



| | FY19 Final Auth | FY20 Final Auth | FY21 Mgmt Plan | FY22 GOV Amend | Difference FY19 and FY22 | % Difference FY19 and FY22 | Difference FY21 and FY22 |
|---------------------------|-----------------|-----------------|----------------|----------------|--------------------------|----------------------------|--------------------------|
| UGF (regular) | \$ 676,215.8 | \$ 644,604.3 | \$ 645,065.6 | \$ 609,972.1 | \$ (66,243.7) | -9.8% | \$ (35,093.5) |
| DGF | \$ 902.3 | \$ 902.3 | \$ 902.3 | \$ 902.3 | \$ - | 0.0% | \$ - |
| Other | \$ 12,479.8 | \$ 13,111.3 | \$ 20,714.1 | \$ 20,714.1 | \$ 8,234.3 | 66.0% | \$ - |
| Federal | \$ 1,666,068.5 | \$ 1,739,957.3 | \$ 1,750,620.4 | \$ 1,750,529.4 | \$ 84,460.9 | 5.1% | \$ (91.0) |
| Subtotal regular | \$ 2,355,666.4 | \$ 2,398,575.2 | \$ 2,417,302.4 | \$ 2,382,117.9 | \$ 26,451.5 | 1.1% | \$ (35,184.5) |
| UGF (Carryforward) | | | | \$ 35,000.0 | \$ 35,000.0 | | \$ 35,000.0 |
| Total | \$ 2,355,666.4 | \$ 2,398,575.2 | \$ 2,417,302.4 | \$ 2,417,117.9 | \$ 61,451.5 | 2.6% | \$ (184.5) |

Alaska Medicaid

- Largest health coverage program in Alaska
- Provides comprehensive coverage for Medicaid-eligible recipients
- Medicaid: a DHSS team effort
 - Medicaid State Plan: Office of the Commissioner
 - Medicaid Eligibility: Division of Public Assistance
 - Medicaid Program Administration: Health Care Services (HCS), Division of Behavioral Health (DBH), Senior and Disabilities Services (SDS)
 - Service Payment: HCS and DBH, through the fiscal agent and Administrative Services Organization
 - Federal reporting and claiming: Finance and Management Services
 - Rate Setting: Office of Rate Review
 - Program Integrity: Medicaid Program Integrity

Medicaid State Plan

- Contract between the 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 the state administers the program
- The State Plan and State Plan Amendments (SPA) to it must be reviewed and approved by CMS
- Federal matching funds are contingent upon approval of the services through the Medicaid State Plan



State SPA Process Flow



Federal Medical Assistance Percentage

- Medicaid is jointly financed from state general funds and federal matching funds
- The portion of federal matching funds for a particular services is governed by the Federal Medical Assistance Percentage (FMAP)
- There are multiple FMAP rates depending on eligibility category and type of service
- FMAP rates vary from 50% federal to 100% federal
- FMAP rates are recalculated annually



FMAP Rates for Alaska

| | |
|---|-------|
| • Indian Health Service (IHS) | 100% |
| • Family Planning | 90% |
| • Breast/Cervical Cancer** | 65% |
| • CHIP** (*changed from 76.5% 10/1/2020) | 65% |
| • Expansion Population | 90% |
| • All other categories* | 50% |
| • 1915(k) Community Choice* | 56% |
| • COVID-19 FMAP enhancement | 6.2% |
| • Indirect CHIP/Breast and Cervical Cancer | 4.34% |

*Programs eligible for COVID-19 FMAP enhancement of 6.2%

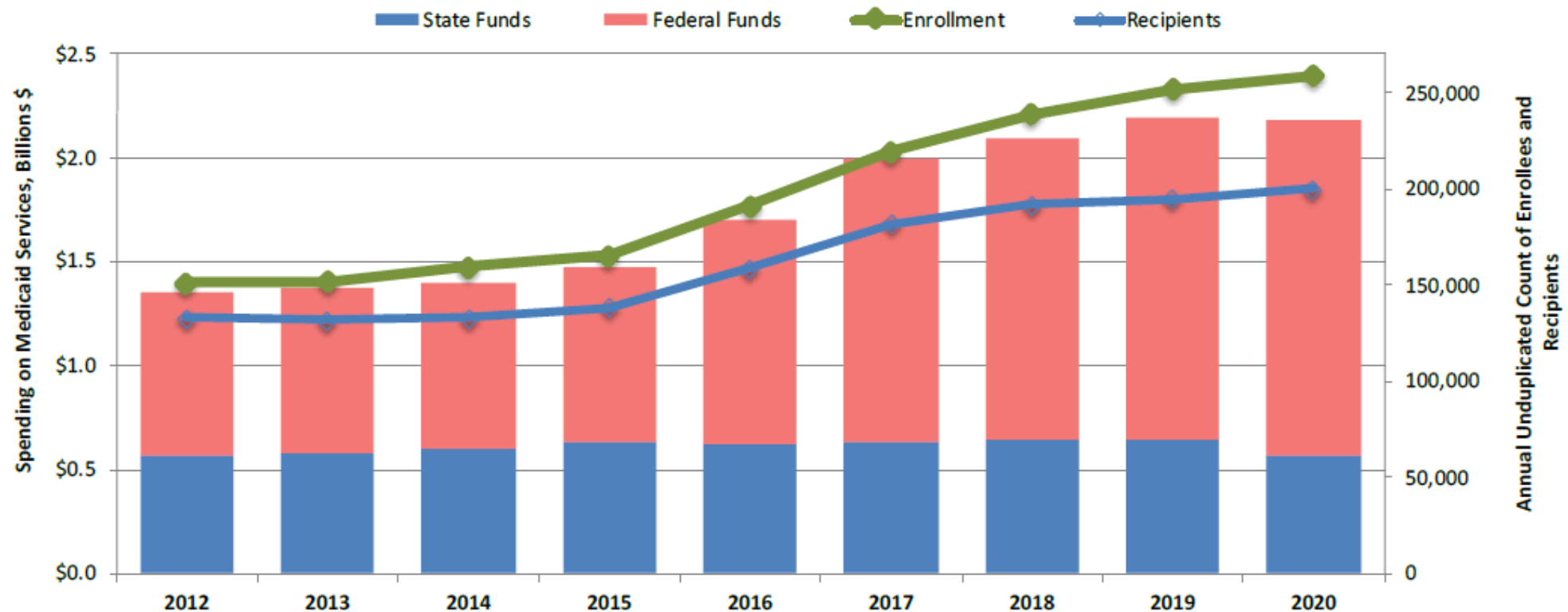
**Programs eligible for indirect FMAP enhancement of 4.34%





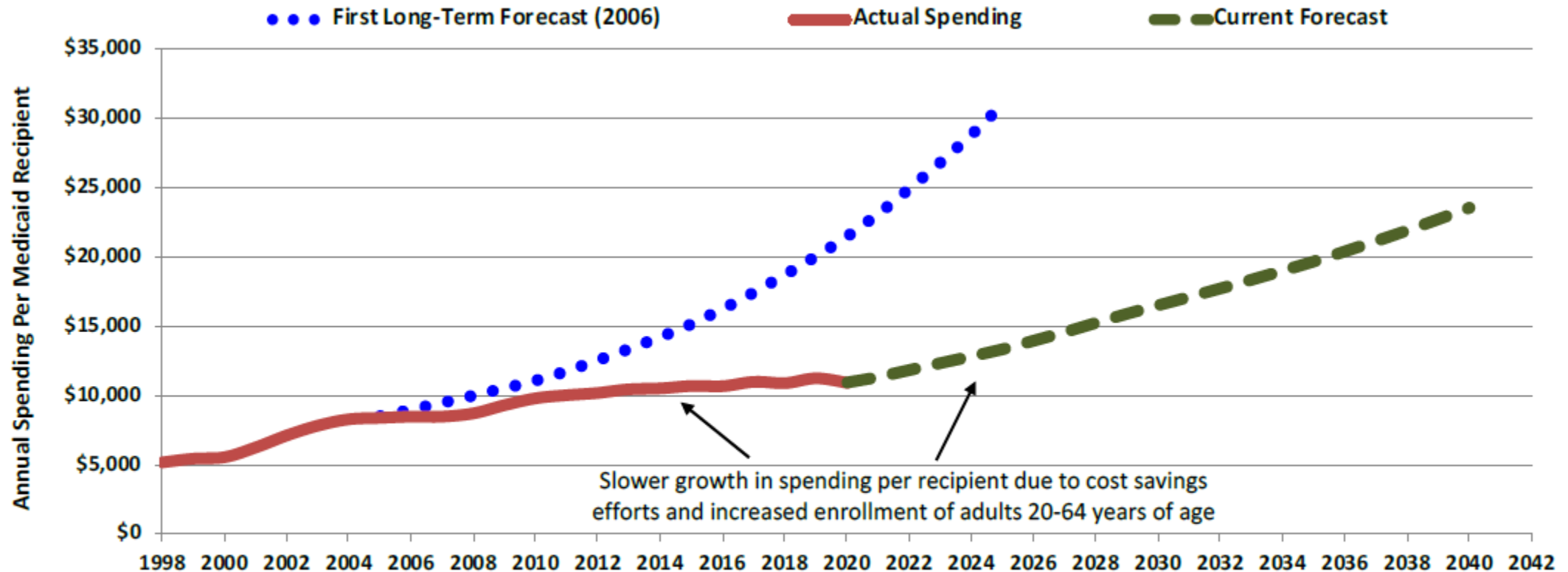
Medicaid Expenditures

Medicaid Enrollment and Spending: 2012 - 2020



Source: Analysis by Evergreen Economics of data provided by the Medicaid Budget Group; 2020 estimated.

Alaska Medicaid Spending per Recipient: 1998 - 2042



Source: Analysis by Evergreen Economics of data provided by the Medicaid Budget Group.

FY2020 Medicaid Claims Processed through the Medicaid Management Information System (MMIS) and the Administrative Services Organization (ASO)

- MMIS Claims: 6,872,019
- MMIS Reimbursement: \$2,191,619,782

| Top 10 Reimbursements by Provider Type | | Top 10 Claim Types | |
|---|---------------|---|-----------|
| General Hospital - Inpatient | \$378,069,154 | Pharmacy | 1,665,624 |
| Home & Community Based Services | \$274,819,408 | Health Professional Group | 1,311,024 |
| General Hospital - Outpatient | \$254,987,573 | Behavioral Health | 824,784 |
| Health Professional Group | \$245,581,529 | Home & Community Based Services | 564,951 |
| Behavioral Health | \$224,337,834 | General Hospital - Outpatient | 456,772 |
| Skilled Nursing Facility/Intermediate Care Facility | \$189,300,818 | Transportation | 438,289 |
| Pharmacy | \$169,453,159 | Federally Qualified Health Center/Rural Health Clinic | 361,375 |
| Federally Qualified Health Center/Rural Health Clinic | \$144,213,967 | Medicare Crossover - Part B | 336,091 |
| Transportation | \$109,576,673 | Dental | 212,468 |
| Dental | \$81,044,925 | Personal Care Agency | 172,184 |

- ASO 1115 Substance Use Disorder Reimbursement: \$4,828,629

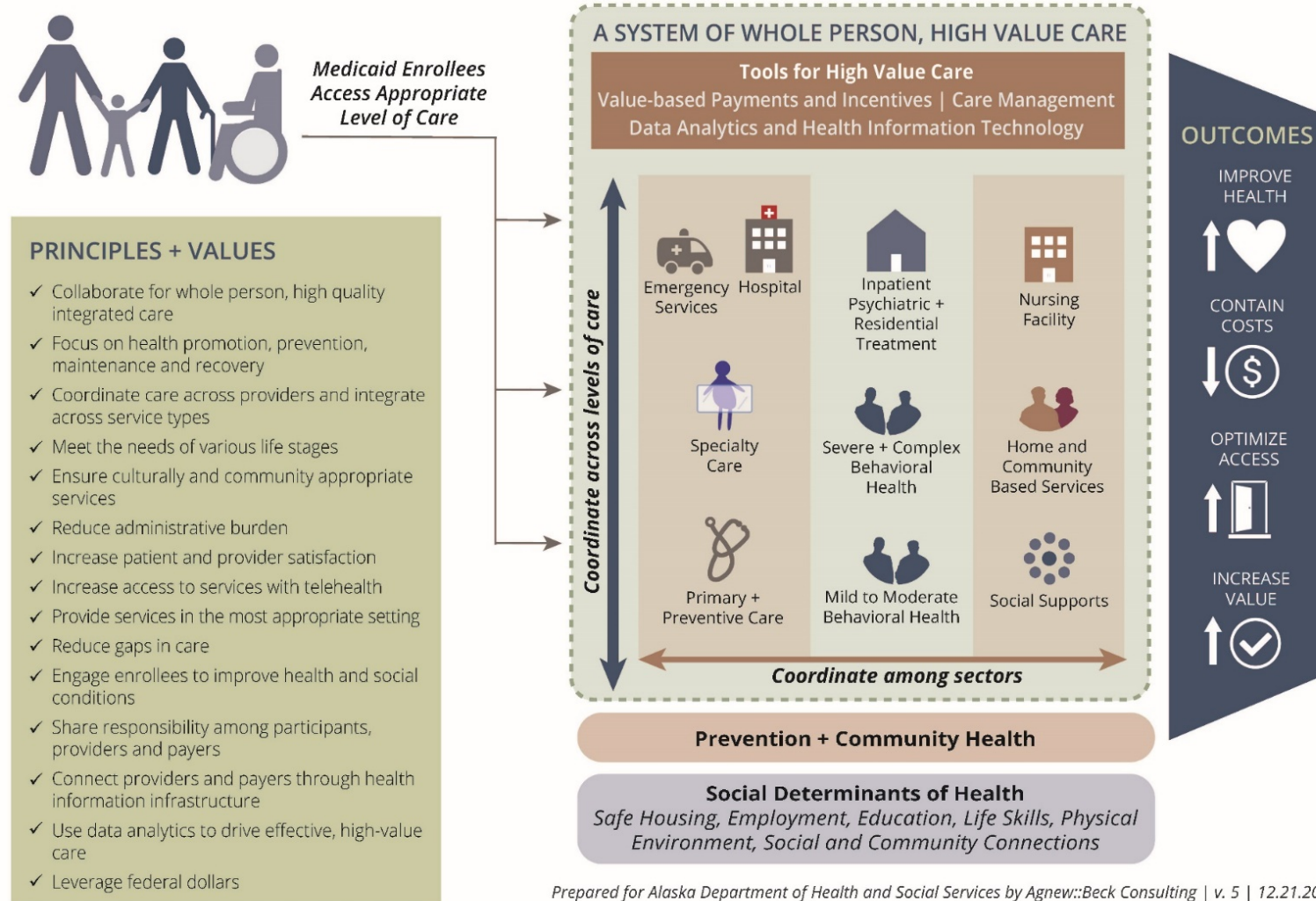




Medicaid Cost Containment

Vision for Medicaid Redesign

The Alaska Medicaid Program improves health and pays for value.



Prepared for Alaska Department of Health and Social Services by Agnew::Beck Consulting | v. 5 | 12.21.2016



Any Questions?