

CS FOR HOUSE BILL NO. 535(JUD)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - SECOND SESSION

BY THE HOUSE JUDICIARY COMMITTEE

Offered: 5/7/04

Referred: Finance

Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to liability for expenses of placement in certain mental health facilities;**
2 **relating to the mental health treatment assistance program; and providing for an**
3 **effective date."**

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 *** Section 1.** AS 47.30.910(a) is amended to read:

6 (a) A patient, the patient's spouse, or the patient's parent if the patient is under
7 18 years of age shall pay the charges for the care, transportation, and treatment of the
8 patient when the patient is hospitalized under AS 47.30.670 - 47.30.915 at a state-
9 operated facility, an evaluation facility, or a designated treatment facility providing
10 services under AS 47.30.670 - 47.30.915. The patient, the patient's spouse, or the
11 patient's parent if the patient is under 18 years of age shall make arrangements with a
12 state-operated facility, an evaluation facility, or a designated treatment facility for
13 payment of charges, including providing income information necessary to determine
14 eligibility for benefits under AS 47.31. Charges assessed for services provided under

1 AS 47.30.670 - 47.30.915 when a patient is hospitalized at a state-operated facility
 2 may not exceed the actual cost of care and treatment. The department may, when
 3 assessing charges for services provided at a state-operated facility, consider the ability
 4 to pay of a patient, a patient's spouse, or a patient's parent if the patient is under 18
 5 years of age. In order to impose liability for a patient's cost of care at a state-operated
 6 facility, the department shall issue an order for payment within six months after the
 7 date on which the charge was incurred. The order remains in effect unless modified
 8 by subsequent court order or department order. The department may not impose
 9 liability for a patient's cost of care at a state-operated facility if the patient would **be**
 10 **eligible for financial assistance under** [OTHERWISE MEET THE ELIGIBILITY
 11 CRITERIA, OTHER THAN LOCATION OF SERVICE, IN] AS 47.31.010 **if the**
 12 **care were provided by an evaluation facility or a designated treatment facility.**

13 * **Sec. 2.** AS 47.31 is amended by adding a new section to read:

14 **Sec. 47.31.007. Notification concerning lack of appropriations.** If the
 15 department projects, based on registrations, that the need for financial assistance under
 16 this chapter will exceed the amount of appropriations made for financial assistance
 17 under this chapter, the department shall post notification of the projection on the
 18 department's Internet website and provide electronic notice to evaluation facilities and
 19 designated treatment facilities that have previously served patients who received
 20 assistance under this chapter.

21 * **Sec. 3.** AS 47.31.010 is amended to read:

22 **Sec. 47.31.010. Eligibility for assistance.** (a) The department shall provide
 23 financial assistance under this chapter to a patient who

24 (1) does not have the available means to pay or substantially contribute
 25 to the payment of charges assessed by a facility;

26 (2) has no **insurance or** other **third-party resources, including**
 27 **Medicaid or Medicare,** [THIRD PARTY] to pay for the evaluation or treatment
 28 provided under AS 47.30; [AND]

29 (3) **has been registered under AS 47.37.012; and**

30 **(4)** meets the criteria in this chapter.

31 (b) To be eligible for assistance under this chapter, a patient must have

1 (1) been admitted for inpatient evaluation or treatment at an evaluation
2 facility or a designated treatment facility other than a state-operated hospital after
3 either

4 (A) an involuntary commitment under AS 47.30.700 -
5 47.30.915; or

6 (B) a voluntary admission chosen by the patient after a
7 determination by the patient's treating physician that the patient meets the
8 involuntary commitment criteria in AS 47.30.700 - 47.30.915 and that
9 involuntary commitment proceedings would be initiated if the patient did not
10 choose to be admitted voluntarily; [AND]

11 (2) a gross monthly household income that does not exceed 185
12 percent of the federal poverty guideline for this state for the calendar month in which
13 service was provided;

14 **(3) no insurance or other third-party resources, including**
15 **Medicaid or Medicare, to pay for the cost of evaluation or treatment;**

16 **(4) been timely registered under AS 47.31.012; and**

17 **(5) not become eligible for discharge under AS 47.30.780 during**
18 **the period for which financial assistance is requested.**

19 * **Sec. 4.** AS 47.31 is amended by adding a new section to read:

20 **Sec. 47.31.012. Registration of eligibility for assistance.** (a)

21 Notwithstanding any contrary provision of this chapter, the department may not
22 provide financial assistance under this chapter unless the patient has been registered
23 under this chapter. The registration must be received by the department within 72
24 hours after the patient's admission to the facility. The registration may be made by
25 telephone call, electronic message, or other means approved by the department. In
26 order to register, information specified by the department by regulation must be
27 supplied to demonstrate the patient's eligibility for assistance.

28 (b) Registration under (a) of this section must be made for each admission.

29 (c) Following registration for each admission, a complete application for
30 assistance must be submitted in accordance with AS 47.31.015 and evaluated by the
31 department for eligibility under this chapter.

1 * **Sec. 5.** AS 47.31.015(a) is amended to read:

2 (a) To receive assistance under this chapter, a patient or a patient's legal
3 representative must apply in writing on a form provided by the department. A patient
4 must apply for assistance within 90 [180] days after the date of **admission to**
5 [DISCHARGE FROM] the facility.

6 * **Sec. 6.** AS 47.31.015(b) is amended to read:

7 (b) A patient is considered to have applied for assistance under (a) of this
8 section if the evaluation facility or designated treatment facility notifies the
9 department on a form provided by the department that there is good cause to believe
10 that the patient would be eligible for assistance under this chapter and

11 (1) the patient, the patient's spouse, or the patient's parent if the patient
12 is under 18 years of age failed, within 60 [150] days after the date of **admission to**
13 [DISCHARGE FROM] the facility, to make arrangements to pay the evaluation
14 facility or designated treatment facility; or

15 (2) the patient lacks the mental capacity to apply for benefits under this
16 chapter.

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

19 APPLICABILITY. The provisions of this Act do not apply to applications for
20 assistance under AS 47.31 for admissions occurring on or before the effective date of secs. 1 -
21 6 of this Act.

22 * **Sec. 8.** The uncodified law of the State of Alaska is amended by adding a new section to
23 read:

24 TRANSITION: REGULATIONS. The Department of Health and Social Services
25 may proceed to adopt regulations necessary to implement the changes made by this Act. The
26 regulations take effect under AS 44.62 (Administrative Procedure Act), but not before the
27 effective date of the respective statutory change.

28 * **Sec. 9.** Section 8 of this Act takes effect immediately under AS 01.10.070(c).

29 * **Sec. 10.** Except as provided in sec. 9 of this Act, this Act takes effect July 1, 2004.