

HOUSE CS FOR CS FOR SENATE BILL NO. 364(JUD)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - SECOND SESSION

BY THE HOUSE JUDICIARY COMMITTEE

Offered: 5/9/04

Referred: Finance

Sponsor(s): SENATE 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 **and 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 **an**
7 **unemancipated minor** [UNDER 18 YEARS OF AGE] shall pay the charges for the
8 care, transportation, and treatment of the patient when the patient is hospitalized under
9 AS 47.30.670 - 47.30.915 at a state-operated facility, an evaluation facility, or a
10 designated treatment facility providing services under AS 47.30.670 - 47.30.915. The
11 patient, the patient's spouse, or the patient's parent if the patient is **an unemancipated**
12 **minor** [UNDER 18 YEARS OF AGE] shall make arrangements with a state-operated
13 facility, an evaluation facility, or a designated treatment facility for payment of
14 charges, including providing income information necessary to determine eligibility for

1 benefits under AS 47.31. Charges assessed for services provided under AS 47.30.670
 2 - 47.30.915 when a patient is hospitalized at a state-operated facility may not exceed
 3 the actual cost of care and treatment. The department may, when assessing charges
 4 for services provided at a state-operated facility, consider the ability to pay of a
 5 patient, a patient's spouse, or a patient's parent if the patient is **an unemancipated**
 6 **minor** [UNDER 18 YEARS OF AGE]. In order to impose liability for a patient's cost
 7 of care at a state-operated facility, the department shall issue an order for payment
 8 within six months after the date on which the charge was incurred. The order remains
 9 in effect unless modified by subsequent court order or department order. The
 10 department may not impose liability for a patient's cost of care at a state-operated
 11 facility if the patient would **be eligible for financial assistance under** [OTHERWISE
 12 MEET THE ELIGIBILITY CRITERIA, OTHER THAN LOCATION OF SERVICE,
 13 IN] AS 47.31.010 **if the care were provided by an evaluation facility or a**
 14 **designated treatment facility.**

15 * **Sec. 2.** AS 47.30.910(b) is amended to read:

16 (b) The department, the evaluation facility, or a designated treatment facility
 17 shall make reasonable efforts to determine whether the patient, the patient's spouse, or
 18 the patient's parent if the patient is **an unemancipated minor** [UNDER 18 YEARS
 19 OF AGE] has a third-party payor or has the available means to substantially contribute
 20 to the payment of charges, or whether the patient is eligible for assistance under
 21 AS 47.31.

22 * **Sec. 3.** AS 47.30.910(c) is amended to read:

23 (c) If a patient is hospitalized at a state-operated facility and the patient, the
 24 patient's spouse, or the patient's parent if the patient is **an unemancipated minor**
 25 [UNDER 18 YEARS OF AGE] fails to provide to the department information
 26 necessary to determine whether there is a third-party payor or available means to
 27 substantially contribute to the payment of charges, or whether the patient would, if not
 28 hospitalized at a state-operated facility, be eligible for assistance under AS 47.31, the
 29 department may issue an administrative order imposing full liability for the patient's
 30 actual cost of care on the patient, the patient's spouse, or the patient's parent if the
 31 patient is **an unemancipated minor** [UNDER 18 YEARS OF AGE]. The order

1 remains in effect unless modified by subsequent court order or department order.

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

3 **Sec. 47.31.007. Notification concerning lack of appropriations.** If the
4 department projects, based on registrations, that the need for financial assistance under
5 this chapter will exceed the amount of appropriations made for financial assistance
6 under this chapter, the department shall post notification of the projection on the
7 department's Internet website and provide electronic notice to evaluation facilities and
8 designated treatment facilities that have previously served patients who received
9 assistance under this chapter.

10 * **Sec. 5.** AS 47.31.010 is amended to read:

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

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

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

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

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

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

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

24 (A) an involuntary commitment under AS 47.30.700 -
25 47.30.915; or

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

31 (2) a gross monthly household income that does not exceed 185

1 percent of the federal poverty guideline for this state for the calendar month in which
2 service was provided;

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

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

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

8 * **Sec. 6.** AS 47.31 is amended by adding a new section to read:

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

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

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

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

21 * **Sec. 7.** AS 47.31.015 is amended to read:

22 **Sec. 47.31.015. Application for assistance. (a)** To receive assistance under
23 this chapter, a patient or a patient's legal representative must apply in writing on a
24 form provided by the department. A patient must apply for assistance within **90** [180]
25 days after the date of **admission to** [DISCHARGE FROM] the facility.

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

30 (1) the patient, the patient's spouse, or the patient's parent if the patient
31 is **an unemancipated minor** [UNDER 18 YEARS OF AGE] failed, within **60** [150]

1 days after the date of **admission to** [DISCHARGE FROM] the facility, to make
 2 arrangements to pay the evaluation facility or designated treatment facility; or

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

5 (c) A patient who applies or is considered to have applied for assistance under
 6 this chapter, the patient's spouse, the patient's parent if the patient is **an**
 7 **unemancipated minor** [UNDER 18 YEARS OF AGE], or a person in the patient's
 8 household shall release records and information to the department necessary to verify
 9 eligibility for the assistance.

10 (d) If a patient, the patient's spouse, the patient's parent if the patient is **an**
 11 **unemancipated minor** [UNDER 18 YEARS OF AGE], or a person in the patient's
 12 household fails to provide records and information to the department necessary to
 13 verify eligibility, the department may issue an administrative order imposing full
 14 liability for the patient's cost of care and treatment to the evaluation facility or
 15 designated treatment facility.

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

18 **APPLICABILITY.** The provisions of this Act do not apply to applications for
 19 assistance under AS 47.31 for admissions occurring on or before the effective date of secs. 1 -
 20 7 of this Act.

21 * **Sec. 9.** The uncodified law of the State of Alaska is amended by adding a new section to
 22 read:

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

27 * **Sec. 10.** Section 9 of this Act takes effect immediately under AS 01.10.070(c).

28 * **Sec. 11.** Except as provided in sec. 10 of this Act, this Act takes effect July 1, 2004.