

**CS FOR SENATE BILL NO. 32(HSS)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SIXTH LEGISLATURE - FIRST SESSION

**BY THE SENATE HEALTH AND SOCIAL SERVICES COMMITTEE**

**Offered: 2/27/09**

**Referred: Finance**

**Sponsor(s): SENATORS ELLIS, Davis, Paskvan, McGuire**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to medical assistance payments for home and community-based**  
2 **services, provision of personal care services in a recipient's home, and assisted living**  
3 **homes; and providing for an effective date."**

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

5 \* **Section 1.** AS 47.07 is amended by adding a new section to read:

6 **Sec. 47.07.069. Payment rates for provision of personal care services in a**  
7 **recipient's home, home and community-based services, and assisted living homes.**

8 (a) The department shall, by regulation, set rates of payment for provision of personal  
9 care services in a recipient's home under AS 47.07.030, home and community-based  
10 services under AS 47.07.045, and assisted living homes under AS 47.24.017 and  
11 AS 47.25.195(e) in accordance with 42 U.S.C. 1396 (Title XIX, Social Security Act,  
12 Medical Assistance) and this section. A rate established under this section takes effect  
13 under AS 44.62 (Administrative Procedure Act) but not until approved in writing by  
14 the commissioner. The commissioner may delegate the performance of these

1 functions.

2 (b) The department shall review the rates of payment established under of (a)  
3 of this section for a fiscal year. In reviewing the rates, the department shall, within the  
4 limit of appropriations made by the legislature for the department's programs under  
5 this chapter and under AS 47.25.120 - 47.25.300 for that fiscal year, including  
6 anticipated available federal revenue for that fiscal year, set rates that are based on

7 (1) reasonable costs related to patient care;

8 (2) audit and inspection results and reports, when the audit or  
9 inspection is conducted under AS 47.07.074; and

10 (3) the rate of inflation contained in the home health agency market  
11 basket data of the Centers for Medicare and Medicaid Services, United States  
12 Department of Health and Human Services.

13 (c) As a condition of obtaining payment under this section, a provider of  
14 personal care services in a recipient's home, a provider of home and community-based  
15 services, and an assisted living home shall allow

16 (1) the department reasonable access to the records of medical  
17 assistance recipients and providers; and

18 (2) audit and inspection of the records by state and federal agencies.

19 \* **Sec. 2.** AS 47.24.017(d) is amended to read:

20 (d) If the protective services under this section include the placement of a  
21 vulnerable adult in an assisted living home at the state's expense, the minimum daily  
22 reimbursement rate to the assisted living home for the vulnerable adult is **the amount**  
23 **set under AS 47.07.069 for assisted living homes plus eligible room and board**  
24 **expenses** [\$70]. The department may, under its regulations, provide for a daily rate  
25 higher than **the amount set under this section** [\$70] if the additional care provided to  
26 the vulnerable adult in the assisted living home justifies the additional reimbursement.  
27 In this subsection, "assisted living home" means an assisted living home licensed  
28 under AS 47.32.

29 \* **Sec. 3.** AS 47.25.195(e) is amended to read:

30 (e) Notwithstanding other provisions of this section and the provisions of  
31 AS 47.07, if the assistance provided to a needy person under AS 47.25.120 -

1 47.25.300 includes the initiation or continuation of placement of the person in an  
 2 assisted living home at the state's expense, the department's minimum daily  
 3 reimbursement rate to the assisted living home for the person is **the amount set under**  
 4 **AS 47.07.069 plus eligible room and board expenses** [\$70. THIS MINIMUM RATE  
 5 IS NOT SUBJECT TO REDUCTION UNDER (c) OF THIS SECTION]. The  
 6 department may, under its regulations and under the procedures of AS 47.07.070 -  
 7 47.07.075, provide for a daily rate higher than **the amount set under this section**  
 8 [\$70] if the care provided to the needy person in the assisted living home justifies the  
 9 higher reimbursement. [A DAILY RATE HIGHER THAN \$70 FOR ASSISTED  
 10 LIVING HOMES MAY BE REDUCED UNDER (c) OF THIS SECTION, BUT NOT  
 11 BELOW \$70.]

12 \* **Sec. 4.** The uncodified law of the State of Alaska is amended by adding a new section to  
 13 read:

14 REPORT ON MEDICAL ASSISTANCE PAYMENT RATES. (a) The Department of  
 15 Health and Social Services shall prepare and submit an annual report on medical assistance  
 16 payment rates established under AS 47.07.069 to the governor that

17 (1) identifies trends in established rates of payment;

18 (2) explains how the department has complied with AS 47.07.069(b) in  
 19 establishing the rates; and

20 (3) includes a cross reference to regulations adopted under AS 47.07.069 and  
 21 the availability of the regulations.

22 (b) The department shall notify all legislators of the availability of the report prepared  
 23 under (a) of this section and provide a copy of the report to the

24 (1) presiding officers of each house of the legislature;

25 (2) chairs of the senate and house finance committees; and

26 (3) chairs of the senate and house health and social service committees.

27 \* **Sec. 5.** Section 4 of this Act is repealed June 30, 2014.

28 \* **Sec. 6.** This Act takes effect July 1, 2011.