ALASKA STATE LEGISLATURE
SENATE HEALTH AND SOCIAL SERVICES STANDING COMMITTEE
January 27, 2017
1:32 p.m.

MEMBERS PRESENT

Senator David Wilson, Chair
Senator Natasha von Imhof, Vice Chair
Senator Cathy Giessel
Senator Tom Begich

MEMBERS ABSENT

Senator Peter Micciche

COMMITTEE CALENDAR

PRESENTATION: UPDATE ON MEDICAID REFORM

- HEARD

WITNESS REGISTER

VALERIE DAVIDSON, Commissioner
Alaska Department of Health and Social Services
Juneau, Alaska
POSITION STATEMENT: Addressed Medicaid reform.

MONIQUE MARTIN, Health Care Policy Advisor
Alaska Department of Health and Social Services
Juneau, Alaska
POSITION STATEMENT: Addressed Medicaid reform.

RANDALL BURNS, Director
Division of Behavioral Health
Alaska Department of Health and Social Services
Juneau, Alaska
POSITION STATEMENT: Addressed Medicaid reform.

ACTION NARRATIVE

1:32:08 PM

CHAIR DAVID WILSON called the Senate Health and Social Services Standing Committee meeting to order at 1:32 p.m. Present at the call to order were Senators Begich, Giessel, von Imhof, and Chair Wilson.

PRESENTATION: Update on Medicaid Reform

1:32:48 PM
CHAIR WILSON announced that the committee will hear a presentation on Medicaid reform from the Alaska Department of Health and Social Services (DHSS).

1:33:29 PM
At ease.

1:35:05 PM
CHAIR WILSON called the committee back to order.

1:35:15 PM
VALERIE DAVIDSON, Commissioner, Alaska Department of Health and Social Services, Juneau, Alaska, announced that DHSS will address Medicaid redesign and implementation, the progress of SB 74, Medicaid expansion, and the "landscape" on the federal level.

CHAIR WILSON welcomed the Alaska League of Women Voters and Ms. Epstein and her class from the Dzantik'i Henni Middle School for attending the meeting.

COMMISSIONER DAVIDSON exclaimed that one of the highlights of last year's legislative session was the incredible work that went into the bipartisan Medicaid reform bill, [SB 74]. She set forth that workable timelines have been established to take advantage of the impetus for change within the DHSS's and provider community's limitations.

1:37:59 PM
MONIQUE MARTIN, Health Care Policy Advisor, Alaska Department of Health and Social Services, Juneau, Alaska, explained that DHSS broke down the reforms in SB 74 into 16 initiatives in order to stay on time and achieve the savings stated in the bill's fiscal notes. She divulged that DHSS gathered 25-different organizations from across the state in 2015 for assistance with Medicaid redesign and expansion. She pointed out that many of the reforms in SB 74 were the result of the key-partners process. She summarized that the DHSS's presentation is a way to communicate to the public what is really in SB 74 and how

providers or Medicaid recipients might be affected by the reforms in the bill. She referenced "Alaska Medicaid Redesign" as follows:

- Delivery system reforms:
  - Primary care case management and Health Homes;
  - Behavioral health system reform;
  - Coordinated care demonstration project;
  - 1915(i) and (k);
  - Criminal justice reform (SB 91), led by the Department of Corrections;
  - Emergency department care improvement, led by the Alaska State Hospital and Nursing Home Association (ASHNHA).
- Delivery system infrastructure:
  - Telehealth;
  - Health information infrastructure plan;
  - Implementation of tribal claiming policy;
  - Medicaid reform program: quality and cost effectiveness metrics, explanation of benefits;
  - Prescription drug monitoring program (PDMP), led by the Alaska Department of Commerce, Community and Economic Development.
- Internal systems improvements:
  - Regular progress reports to the Legislature and stakeholders;
  - Medicaid fraud and abuse prevention;
  - Eligibility verification system.
- Exploring options:
  - Privatization studies: Alaska Psychiatric Institute, Division, Division of Juvenile Justice facilities, Pioneer Home pharmacy;
  - Health care authority feasibility study, let by the Alaska Department of Administration.

1:39:36 PM

MS. MARTIN said DHSS reconvened the key partners to talk about SB 74 implementation and the need for a vision in what to achieve in Medicaid redesign. She referenced a visual-representation document that summarized the "Vision for Medicaid Redesign" regarding "principles and values" and "key features" pertaining to a "system of whole person" and "high value care" to achieve the desired outcome from SB 74.

She said when putting the initiatives together, the intent was for the two biggest reforms: "behavioral health" and the "coordinated care demonstration projects" to take the lead and

reshape Alaska's health-care delivery system. She noted that implementation deadlines are a bit later to allow the "tip of the spear" to proceed first in order to allow reforms to come in line afterwards.

MS. MARTIN informed that Primary Care Case Management, and Health Homes are the first initiatives. She said the intent for Primary Care Case Management is to allow Behavioral Health Reforms to go through its process and Coordinated Care Demonstration Projects proposals to come forward to do something for Medicaid recipients instead of waiting. She detailed that a program was ramped-up to address super-utilizers that utilize emergency rooms more than five times in a calendar year; that program is called the Alaska Medicaid Coordinate Care Initiative (AMCCI). DHSS sends 30,000 Medicaid-recipient names per month to a contractor to ask individuals if they are interested in participating in AMCCI to assist with navigating the Health Care Delivery System. She revealed that AMCCI has been well received. She summarized that as Coordinated Care Demonstration Projects and behavioral health come on line, Medicaid recipients will transition to the more appropriate program that is focused to their specific health-care needs.

She detailed that Health Homes is the second part of the initiative that allows providers to identify Medicaid recipients in order to "wrap" added services; for example, a recipient that has both a behavioral health and chronic health-care need. She noted that the Affordable Care Act and Social Security Act have specific sections for Health Homes: Section 2703 for the Affordable Care Act and Section 1945 for the Social Security Act. She detailed that DHSS goes through the Centers for Medicare and Medicaid Services (CMS) to identify a health-home project that results in an enhanced federal match. She specified that depending on the program covered by Medicaid, the first 8-quarter matches range from 50-50, 90-10 where the federal government pays 90 percent, up to a 100 percent federal match. She asserted that DHSS is conscientious in maximizing federal matches when rolling out a Health Home in order for a ready-set-go process when identifying a need and ramping up the program with providers.

1:44:18 PM
CHAIR WILSON noted that DHSS rolled out a "patients in their medical home" model in 2008 and asked if the Health Home program was a continuation or a separate model.

MS. MARTIN answered that Health Homes require a patient to have two or more healthcare needs for the model to exist.

CHAIR WILSON asked if the Health Homes model is based on national or state-based models that are currently ongoing.

1:47:39 PM

MS. MARTIN explained that participants in the Medicaid redesign process from the Alaska Primary Care Association see Health Homes as the next step in the patient-centered medical home.

SENATOR BEGICH noted that Ms. Martin referenced federal matching for Health Homes for the first eight-quarters and asked what happens afterwards.

MS. MARTIN answered that the federal match would revert to an individual's qualified Medicaid-match category.

She said one of the biggest concerns about DHSS's behavioral health system was the gaps in the continuum-of-care. She explained that the language in SB 74 allows DHSS the flexibility to design a comprehensive behavioral-health system. She said SB 74 calls out that DHSS work specifically with the Alaska Mental Health Trust Authority and noted that their trustees contributed $10 million over next three years to help implement the reforms in SB 74, funding that is critical to the success of implementing the reforms.

She set forth that the biggest part of behavioral health reform will be the Section 1115 Waiver. She detailed that DHSS submitted a waiver-concept paper in January to CMS that addressed the vision for the new health-care delivery system. She added that DHSS will submit a waiver application to CMS in July. She detailed that the 1115 Waiver must show budget neutrality for the federal government that care can be provided at no additional cost to the federal government. She added that another part of SB 74 requires DHSS to contract with the Administrative Services Organization (ASO) to support systems of care. The Division of Behavioral Health manages the new system of care and focuses on outcomes before there is a problem.

1:51:53 PM

SENATOR GIESSEL pointed out that part of the 1115 Waiver was to increase the latitude of qualified health-care providers to provide mental-health services. She noted that there were regulations in place that constrained service opportunities. She asked if increasing the latitude of health-care providers was

addressed in the DHSS's concept paper and if the concept paper was available for legislative review.

MS. MARTIN answered that the concept paper along with additional initiative information are available online for review. She asked that the Division of Behavioral Health address Senator Giessel's question regarding the 1115 Waiver and the removal of the grantee requirements.

1:53:57 PM
At ease.

1:54:36 PM
CHAIR WILSON called the committee back to order.

1:57:34 PM
RANDALL BURNS, Director, Division of Behavioral Health, Alaska Department of Health and Social Services, Juneau, Alaska, explained that the legislative impact on grantees was fairly dramatic, but not on individual providers. He specified that the Legislature would have to amend the statute to list licensed professional counselors and marriage-and-family therapists as possible Medicaid billers. He said the division is addressing the scope of practices and the cost of the Medicaid system to broaden the ability of mental health and behavioral health professions to join in the work. He set forth that the focus is on the changes that will bring the most access to the individuals who really need the services. He noted that the attorney general's office believes that the regulation needs to be amended. He admitted that the situation with individual therapists is extraordinarily complex.

2:01:15 PM
SENATOR GIESSEL noted her frustration because qualified non-drug prescribing people are available to provide services. She explained that not everyone needs drugs and that is what a psychiatrist does. She said there are psych-mental nurse practitioners that are equally qualified to provide supervision and do not charge the high fees that psychiatrist charge, and are more numerous and assessable in many situations. She noted that her comments are based on testimony from the previous year by a psych-mental nurse practitioner. She opined that state government is "glacial" and often antiquated, a frustrating situation when there are people that can benefit from qualified mental health and family therapist services.

MR. BURNS answered that he agreed. He noted that DHSS tries to balance the Legislature's concern while also maintaining cost neutrality.

2:03:39 PM
SENATOR BEGICH noted that a number of his constituents brought up the supervision issue. He pointed out that Mr. Burns stated that the division is going through a supervision change process and asked if there is a timeline for the change. He stated that he shared Senator Giessel's access concern.

MR. BURNS explained that there is pressure during the 1115 Waiver process to deal with individual systems rather than looking at the whole. He remarked that given the attorney general office's opinion on the physician's clinic, the division is going to move forward and seek a change.

SENATOR BEGICH asked Mr. Burns how long the process might take and if a recommendation will be given to the Legislature to add statutory classes for billing.

MR. BURNS replied that the timing on most regulation projects is six months. He added the Legislature could amend the statute to include professions, but the division would have to prepare a fiscal note and gauging the cost to the Medicaid system would be a best-guess; the division wants to do that as part of the 1115 Waiver process due to concerns regarding the cost neutrality of future Medicaid.

2:07:40 PM
MS. MARTIN said the second of DHSS's two biggest reforms is the Coordinated Care Demonstration Projects, which allows DHSS to test new delivery system and payment models. DHSS issued a request for information in September 2016 with 12 responses received that ranged from a regional accountable-care organization type model to full-risk-statewide managed care, the result allowed DHSS to draft a request for proposal (RFP) that was released in December 2016. She said DHSS anticipates an intensive proposal evaluation process throughout 2017. She noted that Senator Giessel was selected to participate in the proposal-review committee. She noted that the proposal-review committee's time process is extensive due to: possible approval from CMS, waivers, state-plan amendments, or regulations. She summarized that the intent is to have process requirements clarified for both the RFP proposal and the state.

2:11:54 PM

MS. MARTIN said another reform is the 1915 (i) and (k) options that is related to home and community-based services currently provided through the Division of Senior and Disabilities Services. DHSS contracts with Health Management Associates (HMA) to analyze service opportunities to maximize savings and make sure Alaskans are getting the needed service in their homes. She disclosed that a lot of the home and community based services are optional, but the services are in lieu of more costly nursing-level of care where people can stay in their homes or communities.

She detailed that the 1915 (i) and (k) option is an entitlement program that DHSS must provide if an Alaskan qualifies. She pointed out that the current home and community-based services allows DHSS to control the budget by capping the dollar amount or the number of participants. She noted that HMA has assisted DHSS in deciding whether the 1915 (i) and (k) options are good for Alaskans and their potential budget impact. She revealed that HMA suggested moving forward with the 1915 (i) and (k) options with specific recommendations for Alaskans with intellectual and developmental disabilities versus Alaskans with traumatic and acquired brain injury. She disclosed that HMA recommended that the 1915 (i) option may not be the best choice and the state should look at other waiver opportunities such as the 1915 (c) option. She pointed out that savings from the 1915 (i) and (k) options were attached to SB 74, but DHSS is confident that the same savings can also be realized from the 1915 (c) option. She revealed that some of the services are currently provided at 100-percent cost to the state, some are a 50-50 split with the federal government; however, by implementing the 1915 (c) option the state would gain 6-percent for a 44-56 split with the federal government.

2:15:06 PM
She said though not specifically called out in SB 74, DHSS felt it needed to work in conjunction with the criminal justice reforms that were enacted from SB 91. She said integrating criminal justice reforms is one of four reform efforts that is really led by another agency, but DHSS plays a critical role. She revealed that the "SB 74/SB 91 integration work group" meets monthly with other agencies and boards on getting Alaskans about to be released from correctional facilities ready by enrolling them in Medicaid and needed programs for a successful community transition on day-one.

CHAIR WILSON asked to address Medicaid enrollment for inmates that may need enrollment and behavioral health. He pointed out

that Medicaid expansion has not seen increased numbers on the behavioral health side of the sector. He noted that Ms. Martin mentioned that granting agencies have decreased in hopes of making that back on the Medicaid billing side. He inquired how DHSS plans to remedy the situations he described without increased numbers.

MS. MARTIN noted that DHSS publishes a monthly "Medicaid dashboard" that tracks enrollment in Medicaid expansion.

2:17:30 PM
COMMISSIONER DAVIDSON noted that additional information on the dollar amount of claims that have been paid will be provided later in the presentation.

MS. MARTIN disclosed that one of the other reforms that DHSS is not the lead on is the Emergency Department Care Improvement Initiative, which is led by the ASHNHA in conjunction with the Alaska Chapter of the American College of Emergency Physicians. She detailed that program is designed on Washington state's "ER is for Emergencies" program. She detailed that the working group has selected a real-time information exchange called the Emergency Department Information Exchange (EDIE). She disclosed that EDIE is scheduled to go "live" in the Providence system, [Anchorage, Kodiak, Valdez and Seward], in February; other hospitals will review the EDIE system in February 2017 as well. She specified that EDIE is designed to provide emergency room providers real-time information access; for example, people who repeatedly use an emergency room can be identified, and opioid or narcotics abuse can be singled out in the emergency room as well. She noted that the working group also put together some uniformed narcotic prescription guidelines for hospitals, emphasizing that the guidelines are not requirements. She added that consultants from Milliman, Inc. are assisting with a shared-savings model to assist physicians and providers with reducing costs for emergency department care.

2:20:45 PM
She revealed that the Telehealth Workgroup was formed to identify opportunities or barriers to expand telehealth in Alaska. She noted that the workgroup's membership is a cross section of Alaskans across the state. She noted that the workgroup's final report will be included in the annual Medicaid Reform Report that is annually provided to the Legislature in November.

MS. MARTIN revealed that the key-partner process emphasized the real need to enhance the state's health information infrastructure. She detailed that HealthTech Solutions was brought on to assist with designing the Health Information Infrastructure Plan and the programs have an opportunity to get some enhanced funding that is 90 percent reimbursed by the federal government.

2:23:03 PM
COMMISSIONER DAVIDSON revealed that DHSS is working with CMA to make improvements to their tribal-claiming policy. She noted that three things must come together for the state to get a 100-percent federal match:

1. Individual must be an Alaskan native or American Indian;
2. Individual must be a Medicaid beneficiary;
3. Care must be received through an Indian Health Service (IHS) facility.

She disclosed that DHSS is negotiating with CMS for 100 percent federal match for additional tribal-claiming considerations as follows:

- Travel expenses to be considered medically necessary for care access.
- Federal responsibility should continue for referrals that start in IHS facilities and transferred to a non-tribal facility.

She noted that DHSS has been acting as a matchmaker for referral agreements between tribal and non-tribal organizations to ensure CMS claim terms have been satisfied. DHSS believes that extending the level of care available to Alaskans avoids services duplication and provides savings.

2:30:27 PM
MS. MARTIN explained that the Medicaid Reform Program calls out 11-specific reforms for DHSS to undertake, including Electronic Distribution of Explanation of Benefits (EOB) for recipients to understand the cost of the care being received as well as helping DHSS to identify fraud. She added that the Medicaid Reform Program includes an annual report to the Legislature that addresses reform measures, benchmarks and specifically requested data.

SENATOR BEGICH asked if an IHS person could be posted at a juvenile justice facility for referring Alaskan native youth for Medicaid reimbursement eligibility.

2:32:06 PM
COMMISSIONER DAVIDSON pointed out that there are Medicaid eligibility limitations for individuals within facilities. She set forth that DHSS is working to align all the reform packages to yield better results and maximize general fund savings.

MS. MARTIN revealed that the other work group DHSS has is the Quality and Cost Effectiveness Workgroup that is called out by the Medicaid reform program in SB 74; their report and recommendations will be included in the November 2017 report to the Legislature.

She said the Prescription Drug Monitoring Program (PDMP) had significant language included from SB 74 due to recommendations by the Controlled Substances Advisory Committee, including the change in requiring data submission on a weekly rather than a monthly basis. She asserted that the more timely information will help address the opioid epidemic and provide Medicaid pharmacists with data access. She noted that the Internal Systems Improvements Reporting Requirements workgroup makes sure that annual, one-time and time-limited reports are created and posted online.

2:34:49 PM
She explained that SB 74 also created the Alaska Medicaid False Claim and Reporting Act:

- AK Health Reform has a webinar about reporting false claims and ASHNA brought in experts to provide education.
- DHSS assesses interest and penalties on any identified over-payments.
- Providers are required to conduct self-audits every two years.
- The Fraud, Abuse, Waste, Payment and Eligibility Errors Report was transmitted in November 2016 to the Legislature and is accessible online.

2:35:51 PM
SENATOR VON IMHOF asked if Ms. Martin knows what type of savings the state might see once the previously described efforts are implemented.

MS. MARTIN replied that savings are identified in the fiscal notes and additional information will be provided to committee members.

She said another reform in SB 74 is the Eligibility Verification System where a third-party vendor verifies incomes, assets and identities for Alaskans receiving programs through DHSS. She specified that the legislation requires annual savings to exceed the system implementation cost; its intent is to eliminate payment duplication, fraud, waste and abuse in public-assistance programs. She added that DHSS is moving to version-two of the Alaska's Resource for Integrated Enrollment System where a third-party will start performing the work once additional eligibility is moved into the new system.

2:37:44 PM
CHAIR WILSON asked if the public-assistance "hiccups" that were mentioned in the previous committee meeting will be relieved through the version-two implementation or are the issues related to waiting for assistance-eligibility enrollment.

COMMISSIONER DAVIDSON answered that moving into phase two will result in eligibility-processing-time improvements; however, the Eligibility Verification System differs by looking at fraud prevention. She revealed that DHSS faces a significant backlog challenge with phase two due to not having the bodies for providing eligibility processing.

2:39:44 PM
MS. MARTIN reiterated that three privatization studies were identified in SB 74 and the studies were transmitted to the Legislature.

She said DHSS is partnering with the Department of Administration on the Health Care Authority Feasibility Study to look at creating a health-care authority like those found in Washington state or Oregon for coordinating and consolidating the state's health-care purchasing. She added that the PRM Consulting Group is assisting with the feasibility study. She revealed that the first round has been completed with a report due out in February 2017. State and local employees and retirees were surveyed to see what health-care benefits are provided and at what cost. She informed that the second part of the report will look at other Medicaid opportunities as well as the state's health-care purchases for retirees and employees. She divulged that the second-part report will be released in July 2017.

2:41:19 PM

MS. MARTIN set forth that DHSS informs the public on signing up regarding Medicaid redesign and detailed as follows:

- Sign-up emails for the Medicaid Redesign List-Serv update are sent out.
- DHSS fields Medicaid redesign e-mail questions.
- Public Notices for meetings are announced online.
- Reports, webinars and documents for the Medicaid Redesign Planning Process (2015) can be accessed online.

COMMISSIONER DAVIDSON noted that Medicaid is a significant portion of the state's budget and in the interest of transparency, DHSS publishes a monthly point-in-time Medicaid "dashboard" on the DHSS website.

She detailed the information that is presented on the Medicaid dashboard and referenced data that was dated from December 28, 2016 as follows:

- Cumulative number of enrollees since Medicaid expansion starting on September 1, 2015: 27,415 enrollees.
- Includes age group and sex demographics.
- $316.3 million in claims paid.
- Approximately $19 million in mental-health claims paid.
- Approximately 50 percent of all Medicaid beneficiaries are children, 16 percent are covered through expansion; 5-percent seniors; 20-percent parent-caretakers; 9-percent adults with disabilities; 1-percent children with disabilities.
- Includes regional enrollee information.
- 169,999 total enrollees, including the 27,415 covered by Medicaid expansion.

She noted that Medicaid expansion covers Alaskans who are without dependent children. A single Alaskan can be eligible if the individual earns less than $20,000 year.

2:44:07 PM

SENATOR VON IMHOF pointed out that the dashboard lists 169,999 enrollees as being totally covered by Medicaid, approximately 15 to 20 percent of Alaska's total population. She asked how Alaska's Medicaid participation compares with other states.

COMMISSIONER DAVIDSON replied that the number of Medicaid eligible Alaskans is a little bit higher than in other states, especially in areas of high unemployment.

SENATOR VON IMHOF asked how many of the 169,999 Medicaid enrollees have secondary federally-covered insurance.

COMMISSIONER DAVIDSON answered that Medicaid is the secondary payer for individuals with private insurance with an employer or other ways.

2:47:32 PM
She said DHSS has received inquiries on what is happening nationally and its impact on Alaskans in terms of health-care coverage, Medicaid, and Medicaid expansion. She said private insurance, marketplace plans, and Medicaid go hand-in-hand. What impacts one is going to impact the other. She opined that it really is a matter of time before individuals qualify for Medicaid when changes are made that limit insurance availability. She said when looking at marketplace plans, and Medicaid expansion combined, about 50,000 Alaskans are covered through one of the programs. She referenced a meeting where providers and insurance companies all said losing Medicaid expansion would eliminate a cushion that will impact their ability to participate in reform opportunities and to creatively do things.

2:50:00 PM
SENATOR BEGICH remarked that the previous year's work by DHSS, Senator Giessel and the Legislature in getting SB 74 passed had a profound impact that resulted in Commissioner Davidson getting "a seat at the table" in being able to define where the policy goes in the future. He asked if his assertion is true.

COMMISSIONER DAVIDSON concurred and noted that the result was due to DHSS being aggressive and progressive as well as its partnership with the Legislature on reform efforts. She added that Alaska benefits from its political position with Senator Murkowski being on the Health, Education, Labor and Pensions (HELP) Committee. She added that Alaska also benefited from the Affordable Care Act through Section 1945 to demonstration programs like Health Homes, 1915 (k) and (c) options, in addition to the authorities and resources made available to DHSS and its partners to do a better job of community-health surveillance and emergency preparedness. She added that DHSS's instate partner, the Division of Insurance, is pursuing a 1332 Waiver with CMS to allow for high-risk pools, and the

Legislature's passage of critical legislation that allowed DHSS to stabilize insurance plans. She summarized that DHSS recognizes that some change is going to happen, and the department is committed to being at the table to move forward and get the best deal possible for Alaska.

2:52:40 PM
COMMISSIONER DAVIDSON said DHSS is concerned about Medicaid block grants for states. She noted that typical comments in favor of block grants claim the following:

- Great deal for states,
- Flexibility to tailor programs to meet needs,
- Payment based on a per capita rate.

She remarked that the favorable comments may sound great, but DHSS sees block grants as a mechanism to shift federal responsibility to states. She said DHSS has seen Medicaid block-grant proposals that do not favor Alaska and favor states with the following attributes:

- High population,
- Concentrated in a relatively small number of urban centers,
- Travel or access to care is not an issue,
- Health care is provided pretty much the same,
- No large tribal population,
- Relatively stable economy.

She addressed block-grant allocation concerns as follows:

- Alaska's small population dispersed throughout a large geography will always make travel a consideration. Alaska is going to lose under a realm that does not take travel into consideration.
- 20 percent of Alaska's population are IHS beneficiaries and part of the federal trust responsibility should be paid at 100-percent match and not counted against the state's grant allocation.
- Alaska's creative health-care delivery through community-health aides, behavioral-health aides, or dental health aides in small communities, all the way up to advanced-hospital care; those are two very different things.
- Allocations for Medicaid enrollees are made at the beginning of the year and Alaska cannot catch up to

increasing enrollees during a continued economic downturn until the following year.

- Considerations made for high-cost states versus low-cost states.

COMMISSIONER DAVIDSON summarized that Medicaid changes continuously occur.

2:56:34 PM

CHAIR WILSON asked if DHSS has come up with contingency plans.

COMMISSIONER DAVIDSON answered that DHSS is working on contingency plans, but there are several possibilities. She noted that there are three versions of the bill with 400 different possibilities. She said DHSS has asked Alaska's delegation to review all allocations over a five-year period. She opined that block grants will look great for the first year, but allocations for the second through fifth years will diminish.

2:59:06 PM

CHAIR WILSON thanked Commissioner Davidson and reviewed the committee's agenda for future meetings.

2:59:37 PM

There being no further business to come before the committee, Chair Wilson adjourned the Senate Health and Social Services Committee at 2:59 p.m.