

HOUSE BILL NO. 16

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-THIRD LEGISLATURE - FIRST SESSION

BY REPRESENTATIVE JOSEPHSON

Introduced: 1/19/23

Referred: Health and Social Services, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act requiring the state medical assistance program to provide certain services;**
2 **relating to cost containment measures for the state medical assistance program; relating**
3 **to payment for adult dental services; and providing for an effective date."**

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

5 * **Section 1.** AS 47.07.030(b) is amended to read:

6 (b) In addition to the mandatory services specified in (a) of this section and the
7 services provided under (d) of this section, the department **shall** [MAY] offer [ONLY]
8 the following optional services: case management services for traumatic or acquired
9 brain injury; case management and nutrition services for pregnant women; personal
10 care services in a recipient's home; emergency hospital services; long-term care
11 noninstitutional services; medical supplies and equipment; advanced practice
12 registered nurse services; clinic services; rehabilitative services for children eligible
13 for services under AS 47.07.063, substance abusers, and emotionally disturbed or
14 chronically mentally ill adults; targeted case management services; inpatient

1 psychiatric facility services for individuals 65 years of age or older and individuals
 2 under 21 years of age; psychologists' services; clinical social workers' services; marital
 3 and family therapy services; professional counseling services; midwife services;
 4 prescribed drugs; physical therapy; occupational therapy; chiropractic services; low-
 5 dose mammography screening, as defined in AS 21.42.375(e); hospice care; treatment
 6 of speech, hearing, and language disorders; adult dental and dental hygiene services;
 7 prosthetic devices and eyeglasses; optometrists' services; intermediate care facility
 8 services, including intermediate care facility services for persons with intellectual and
 9 developmental disabilities; skilled nursing facility services for individuals under 21
 10 years of age; and reasonable transportation to and from the point of medical care.

11 * **Sec. 2.** AS 47.07.036(b) is amended to read:

12 (b) The department, in implementing this section, **may not** [SHALL TAKE
 13 ALL REASONABLE STEPS TO] implement cost containment measures that [DO
 14 NOT] eliminate program eligibility or **reduce** the scope of services required or
 15 authorized under AS 47.07.020 and 47.07.030 [BEFORE IMPLEMENTING COST
 16 CONTAINMENT MEASURES UNDER (c) OF THIS SECTION THAT DIRECTLY
 17 AFFECT PROGRAM ELIGIBILITY OR COVERAGE OF SERVICES]. The
 18 **department may take** cost containment measures **that** [TAKEN UNDER THIS
 19 SUBSECTION MAY] include new utilization review procedures, changes in provider
 20 payment rates, precertification requirements for coverage of services, **or** [AND]
 21 agreements with federal officials under which the federal government will assume
 22 responsibility for coverage of some individuals or some services for some individuals
 23 through such federal programs as the Indian Health Service or Medicare.

24 * **Sec. 3.** AS 47.07.036(d) is amended to read:

25 (d) Notwithstanding **(a) and (b)** [(a) - (c)] of this section, the department may
 26 (1) apply for a section 1915(i) option under 42 U.S.C. 1396n to
 27 improve services and care through home and community-based services to obtain, at a
 28 minimum, a 50 percent federal match;
 29 (2) apply for a section 1915(k) option under 42 U.S.C. 1396n to
 30 provide home and community-based services and support to increase the federal match
 31 for these programs from 50 percent to 56 percent;

1 (3) apply for a section 1945 option under 42 U.S.C. 1396w-4 to
 2 provide coordinated care through health homes for individuals with chronic conditions
 3 and to increase the federal match for the services to 90 percent for the first eight
 4 quarters the required state plan amendment is in effect;

5 (4) evaluate and seek permission from the United States Department of
 6 Health and Human Services, Centers for Medicare and Medicaid Services, to
 7 participate in various demonstration projects, including payment reform, care
 8 management programs, workforce development and innovation, and innovative
 9 services delivery models; and

10 (5) provide incentives for telehealth, including increasing the
 11 capability for and reimbursement of telehealth for recipients.

12 * **Sec. 4.** AS 47.07.036(e) is amended to read:

13 (e) Notwithstanding **(a) and (b)** [(a) - (c)] of this section, and in addition to
 14 the projects and services described under (d) and (f) of this section, the department
 15 shall apply for a section 1115 waiver under 42 U.S.C. 1315(a) to establish one or more
 16 demonstration projects focused on innovative payment models for one or more groups
 17 of medical assistance recipients in one or more specific geographic areas. The
 18 demonstration project or projects may include

19 (1) managed care organizations as described under 42 U.S.C. 1396u-2;

20 (2) community care organizations;

21 (3) patient-centered medical homes as described under 42 U.S.C. 256a-
 22 1; or

23 (4) other innovative payment models that ensure access to health care
 24 without reducing the quality of care.

25 * **Sec. 5.** AS 47.07.036(f) is amended to read:

26 (f) Notwithstanding **(a) and (b)** [(a) - (c)] of this section, and in addition to the
 27 projects and services described under (d) and (e) of this section, the department shall
 28 apply for a section 1115 waiver under 42 U.S.C. 1315(a) to establish one or more
 29 demonstration projects focused on improving the state's behavioral health system for
 30 medical assistance recipients. The department shall engage stakeholders and the
 31 community in the development of a project or projects under this subsection. The

1 demonstration project or projects must

2 (1) be consistent with the comprehensive and integrated behavioral
3 health program described under AS 47.05.270(b); and

4 (2) include continuing cooperation with the grant-funded community
5 mental health clinics and drug and alcohol treatment centers that have historically
6 provided care to recipients of behavioral health services.

7 * **Sec. 6.** AS 47.07.067(a) is amended to read:

8 (a) **The** [SUBJECT TO APPROPRIATION, THE] department shall pay for
9 minimum treatment and for preventative and restorative adult dental services provided
10 under AS 47.07.030(b) and under regulations adopted by the commissioner **of health**
11 in conformity with applicable federal requirements and this chapter. Regulations
12 adopted under this section must include the following:

13 (1) [EXCEPT AS PROVIDED IN (d) OF THIS SECTION,] a
14 maximum amount of benefits for preventative and restorative adult dental services of
15 \$1,150 for each eligible recipient in a fiscal year; and

16 (2) specification of the scope of coverage for preventative and
17 restorative adult dental services.

18 * **Sec. 7.** AS 47.07.067(d) is amended to read:

19 (d) **The** [IF THE DEPARTMENT AUTHORIZES OR APPROVES
20 PAYMENT FOR COMPLETE OR PARTIAL DENTURES FOR AN ELIGIBLE
21 RECIPIENT, THE] department may authorize the payment **for complete or partial**
22 **dentures for an eligible recipient** in one fiscal year of the maximum payment amount
23 for not more than two fiscal years. [A RECIPIENT IS NOT ELIGIBLE FOR
24 ADDITIONAL BENEFITS UNDER THIS SECTION FOR A TWO-YEAR
25 PERIOD.]

26 * **Sec. 8.** AS 47.07.036(c) is repealed.

27 * **Sec. 9.** AS 47.07.067(b) and 47.07.067(c) are repealed.

28 * **Sec. 10.** The uncodified law of the State of Alaska is amended by adding a new section to
29 read:

30 MEDICAID STATE PLAN FEDERAL APPROVAL. The commissioner of health
31 shall amend and submit to the United States Department of Health and Human Services for

1 approval the state plan for medical assistance coverage consistent with AS 47.07.030(b), as
2 amended by sec. 1 of this Act, AS 47.07.036, as amended by secs. 2 - 5 and 8 of this Act, and
3 AS 47.07.067, as amended by secs. 6, 7, and 9 of this Act.

4 * **Sec. 11.** The uncodified law of the State of Alaska is amended by adding a new section to
5 read:

6 CONDITIONAL EFFECT; NOTIFICATION. (a) Section 1 of this Act takes effect
7 only if, on or before January 1, 2026, the United States Department of Health and Human
8 Services approves an amendment to the state plan for medical assistance coverage
9 corresponding to the amendment to AS 47.07.030(b) in sec. 1 of this Act or determines that
10 approval is not necessary.

11 (b) Sections 2 - 5 and 8 of this Act take effect only if, on or before January 1, 2026,
12 the United States Department of Health and Human Services approves an amendment to the
13 state plan for medical assistance coverage corresponding to the amendments to AS 47.07.036
14 in secs. 2 - 5 and 8 of this Act or determines that approval is not necessary.

15 (c) Sections 6, 7, and 9 of this Act take effect only if, on or before January 1, 2026,
16 the United States Department of Health and Human Services approves an amendment to the
17 state plan for medical assistance coverage corresponding to the amendments to AS 47.07.067
18 in secs. 6, 7, and 9 of this Act or determines that approval is not necessary.

19 (d) The commissioner of health shall notify the revisor of statutes when the United
20 States Department of Health and Human Services approves or disapproves an amendment to
21 the state plan for medical assistance submitted under sec. 10 of this Act.

22 * **Sec. 12.** If, under sec. 11(a) of this Act, sec. 1 of this Act takes effect, it takes effect on the
23 day after the date the United States Department of Health and Human Services approves the
24 corresponding amendment to the state plan or determines that approval is not necessary.

25 * **Sec. 13.** If, under sec. 11(b) of this Act, secs. 2 - 5 and 8 of this Act take effect, they take
26 effect on the day after the date the United States Department of Health and Human Services
27 approves the corresponding amendment to the state plan or determines that approval is not
28 necessary.

29 * **Sec. 14.** If, under sec. 11(c) of this Act, secs. 6, 7, and 9 of this Act take effect, they take
30 effect on the day after the date the United States Department of Health and Human Services
31 approves the corresponding amendment to the state plan or determines that approval is not

1 necessary.