

HOUSE FINANCE COMMITTEE
May 1, 2023
10:07 a.m.

10:07:58 AM

CALL TO ORDER

Co-Chair Foster called the House Finance Committee meeting to order at 10:07 a.m.

MEMBERS PRESENT

Representative Neal Foster, Co-Chair
Representative DeLena Johnson, Co-Chair
Representative Bryce Edgmon, Co-Chair
Representative Julie Coulombe
Representative Mike Cronk
Representative Alyse Galvin
Representative Sara Hannan
Representative Andy Josephson
Representative Dan Ortiz
Representative Will Stapp
Representative Frank Tomaszewski

MEMBERS ABSENT

None

ALSO PRESENT

Brodie Anderson, Staff, Representative Foster; Tony Newman, Director, Senior and Disabilities Services, Department of Health.

SUMMARY

SB 57 ADULT HOME CARE; MED ASSISTANCE

HCS CSSB 57(FIN) was REPORTED out of committee with a "do pass" recommendation and with five previously published fiscal notes: FN3 (DOH), FN4 (DOH), FN5 (DOH), FN6 (DOH), and FN7 (DOH).

Co-Chair Foster reviewed the meeting agenda.

#sb57

SENATE BILL NO. 57

"An Act relating to medical assistance for recipients of Medicaid waivers; establishing an adult care home license and procedures; providing for the transition of individuals from foster care to adult home care settings; and providing for an effective date."

[10:08:49 AM](#)

Co-Chair Foster invited a motion to adopt the proposed committee substitute.

Co-Chair Johnson MOVED to ADOPT proposed committee substitute for SB 57, Work Draft 33-GS1708\U (Dunmire, 4/28/23).

Co-Chair Foster OBJECTED for the purpose of discussion.

[10:09:37 AM](#)

BRODIE ANDERSON, STAFF, REPRESENTATIVE FOSTER, explained the changes in the CS, which were requested on behalf of the Department of Health and were technical in nature. Each of the changes related to home and community-based service [Section 1 of SB 57]. Previously, four subsections had been deleted from SB 57 by the Department of Health in collaboration with the original sponsor of the home and community-based service bill [SB 106, sponsored by Senator Cathy Giessel]. The reason for the deletion was that the Centers for Medicare and Medicaid Services (CMS) had indicated that the legislature did not need the permission of CMS to implement Section 1 of the bill. If the language stayed in the bill, it could impact the implementation of services.

Mr. Anderson continued that an older proposed committee substitute for the bill [Version S.A] included under Section 7(a) the requirement for a state Medicaid plan to be submitted prior to implementation of home and community-based services. He noted that Section 7(a) had been deleted in Version U. Additionally, Section 8(a) and Section 8(b) had been deleted, which were related to a conditional effective date for Section 1 which would require the state to seek federal approval prior to implementation. A portion of Section 9 had also been deleted which would have required federal approval in order to implement Section 1.

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Representative Galvin stated her understanding that some of the changes were related to the effective dates and whether there was permission from the federal government. She wondered if the changes were related to the program's eligibility for federal funding. She asked for clarification.

Mr. Anderson responded that the deleted Section 8(a) and Section 8(b) were the conditional effective dates and would have mandated that Section 1 only go into effect if approved by federal law. He reiterated that CMS had told the legislature that it did not need federal approval in order to implement Section 1.

Representative Galvin recalled that there was a bill related to extending maternal care with an effective date of 2025. She thought that the reasoning for the extended effective date was similar. She wanted to ensure that the changes in the CS would make it easier for the bill to pass rather than making it more difficult. She asked if the changes in the CS were made in order to expedite the process.

Mr. Anderson responded in the affirmative, but wanted clarification from the department to ensure that his understanding was correct.

10:14:43 AM

TONY NEWMAN, DIRECTOR, SENIOR AND DISABILITIES SERVICES, DEPARTMENT OF HEALTH, responded that Mr. Anderson was correct. The deleted language would have asked the department to seek approval when it did not need to, which would have delayed the implementation process.

Representative Galvin commented that it was a wise move.

Representative Stapp asked what the expected timeline would be to implement the changes.

Mr. Newman responded that the department still needed to develop regulations to allow for the changes within the bill. The department had pledged that the regulatory

changes would be made through a public and participatory process.

Representative Galvin asked for details on a typical timeline inclusive of a public process.

Mr. Newman responded that the department anticipated an enactment date of the bill on July 1, 2024. The department expected to spend about three months gathering public input.

[10:16:47 AM](#)

Representative Josephson understood that the changes made in the CS would allow the state to grow its workforce by paying individuals to care for family members who receive home and community-based services. He asked for more detail on the associated costs of the changes.

Mr. Newman responded that the department did not anticipate any increased Medicaid services costs to implement the changes in the bill. He explained that the bill would not make more people eligible for Medicaid but would simply open up a wider availability of care providers by allowing individuals already providing care to be reimbursed for their services.

Representative Josephson asked what it would cost.

Mr. Newman responded that it was difficult to know the costs because every person would have different needs; however, it was not anticipated to impact many people.

Co-Chair Foster WITHDREW his OBJECTION to the adoption of the CS [Work Draft 33-GS1708\U (Dunmire, 4/28/23)]. There being NO further OBJECTION, it was so ordered.

Co-Chair Foster suggested that the committee hear a short synopsis of the bill.

Mr. Newman explained that SB 57 would provide elderly Alaskans with a new care option called adult home care. The option would be provided through a new licensed residential setting called an adult care home and through a corresponding service called adult home care. The department would develop a process through which individuals on Medicaid home and community-based waivers

could apply to receive adult home care. In addition, the language inserted into SB 57 from SB 106 [Section 1] would allow "prohibited individuals" or "legally responsible individuals" to provide personal care services under a new program called the Community First Choice Program. The program was a flexibility that was permitted during the COVID-19 pandemic and it proved to be a successful method to allow for more individuals to provide care.

[10:20:44 AM](#)

Co-Chair Foster stated he would entertain a motion to move the bill.

Co-Chair Johnson MOVED to REPORT HCS CSSB 57(FIN) out of committee with individual recommendations and the accompanying fiscal note. There being NO OBJECTION, it was so ordered.

HCS CSSB 57(FIN) was REPORTED out of committee with a "do pass" recommendation and with five previously published fiscal notes: FN3 (DOH), FN4 (DOH), FN5 (DOH), FN6 (DOH), and FN7 (DOH).

Co-Chair Foster reviewed the agenda for the afternoon meeting.

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ADJOURNMENT

[10:23:44 AM](#)

The meeting was adjourned at 10:23 a.m.