

**SPONSOR SUBSTITUTE FOR SENATE BILL NO. 5
IN THE LEGISLATURE OF THE STATE OF ALASKA
EIGHTEENTH LEGISLATURE - FIRST SESSION**

BY SENATORS ELLIS, Salo, Lincoln, Duncan

**Offered: 3/19/93
Referred: HES, STA, FIN**

A BILL

FOR AN ACT ENTITLED

1 "An Act implementing an option available under federal law to extend Medicaid
2 eligibility to certain persons who are eligible to be institutionalized but who are
3 not in institutions; relating to Medicaid waivers; reordering the priorities assigned
4 to groups of persons served under the Medicaid program; and providing for an
5 effective date."

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

7 * Section 1. AS 47.07.020(b) is amended to read:

8 (b) In addition to the persons specified in (a) of this section, the following
9 optional groups of persons for whom the state may claim federal financial participation
10 are eligible for medical assistance:

11 (1) persons eligible for but not receiving assistance under any plan of
12 the state approved under 42 U.S.C. 601 - 615 (Title IV-A, Social Security Act, Aid to
13 Families with Dependent Children) or 42 U.S.C. 1381 - 1383c (Title XVI, Social

- 1 **Security Act, Supplemental Security Income);**
- 2 (2) **persons in a general hospital, skilled nursing facility or intermediate**
- 3 **care facility, who, if they left the facility, would be eligible for assistance under one**
- 4 **of the federal programs specified in (1) of this subsection;**
- 5 (3) **persons under age 21 who are under supervision of the department,**
- 6 **for whom maintenance is being paid in whole or in part from public funds, and who**
- 7 **are in foster homes or private child-care institutions;**
- 8 (4) **aged, blind, or disabled persons, who, because they do not meet**
- 9 **income and resources requirements, do not receive supplemental security income under**
- 10 **42 U.S.C. 1381 - 1383c (Title XVI, Social Security Act), and who do not receive a**
- 11 **mandatory state supplement, but who are eligible, or would be eligible if they were not**
- 12 **in a skilled nursing facility or intermediate care facility to receive an optional state**
- 13 **supplementary payment;**
- 14 (5) **persons under age 21 who are in an institution designated as an**
- 15 **intermediate care facility for the mentally retarded and who are financially eligible as**
- 16 **determined by the standards of the federal aid to families with dependent children**
- 17 **program;**
- 18 (6) **persons in a medical or intermediate care facility whose income**
- 19 **while in the facility does not exceed 300 percent of the supplemental security income**
- 20 **benefit rate under 42 U.S.C. 1381 - 1383c (Title XVI, Social Security Act) but who**
- 21 **would not be eligible for an optional state supplementary payment if they left the**
- 22 **hospital or other facility;**
- 23 (7) **persons under age 21 who are receiving active treatment in a**
- 24 **psychiatric hospital and who are financially eligible as determined by the standards of**
- 25 **42 U.S.C. 601 - 615 (Title IV-A, Social Security Act, Aid to Families with Dependent**
- 26 **Children);**
- 27 (8) **persons under age 21 and not covered under (a) of this section, who**
- 28 **would be eligible for benefits under the federal aid to families with dependent children**
- 29 **program, except that they have the care and support of both their natural and adoptive**
- 30 **parents;**
- 31 (9) **pregnant women not covered under (a) of this section and who meet**

1 the income and resource requirements of the federal aid to families with dependent
2 children program;

3 (10) persons who can be considered under 42 U.S.C. 1396a(e)(3)
4 (Title XIX, Social Security Act, Medical Assistance) to be individuals with respect
5 to whom a supplemental security income is being paid under 42 U.S.C. 1381 -
6 1383c (Title XVI, Social Security Act) because they meet all of the following
7 criteria:

8 (A) they are 18 years of age or younger and qualify as
9 disabled individuals under 42 U.S.C. 1382c(a) (Title XVI, Social Security
10 Act);

11 (B) the department has determined that

12 (i) they require a level of care provided in a hospital,
13 nursing facility, or intermediate care facility for the mentally
14 retarded;

15 (ii) it is appropriate to provide their care outside of
16 an institution; and

17 (iii) the estimated amount that would be spent for
18 medical assistance for their individual care outside an institution is
19 not greater than the estimated amount that would otherwise be
20 expended individually for medical assistance within an appropriate
21 institution;

22 (C) if they were in a medical institution, they would be
23 eligible for medical assistance under other provisions of this chapter; and

24 (D) home and community-based services under a waiver
25 approved by the federal government are not available to them under this
26 chapter [REPEALED].

27 * Sec. 2. AS 47.07.030 is amended by adding a new subsection to read:

28 (c) Notwithstanding (b) of this section, the department may offer a service for
29 which the department has received a waiver from the federal government if the
30 department was authorized, directed, or requested to apply for the waiver by law or by
31 a concurrent or joint resolution of the legislature.

1 * **Sec. 3. AS 47.07.035 is amended to read:**

2 **Sec. 47.07.035. PRIORITY OF MEDICAL ASSISTANCE.** If the department
3 finds that the cost of medical assistance for all persons eligible under this chapter will
4 exceed the amount allocated in the state budget for that assistance for the fiscal year,
5 the department shall eliminate coverage for optional medical services and optionally
6 eligible groups of individuals in the following order:

- 7 (1) clinical social workers' services;
- 8 (2) psychologists' services;
- 9 (3) chiropractic services;
- 10 (4) advanced nurse practitioner services;
- 11 (5) adult dental services;
- 12 (6) emergency hospital services;
- 13 (7) treatment of speech, hearing, and language disorders;
- 14 (8) optometrists' services and eyeglasses;
- 15 (9) occupational therapy;
- 16 (10) mammography screening;
- 17 (11) prosthetic devices;
- 18 (12) medical supplies and equipment;
- 19 (13) targeted case management services;
- 20 (14) rehabilitative services for substance abusers and emotionally
21 disturbed or chronically mentally ill adults;
- 22 (15) clinic services;
- 23 (16) physical therapy;
- 24 (17) personal care services in a recipient's home;
- 25 (18) prescribed drugs;
- 26 (19) long-term care noninstitutional services;
- 27 (20) inpatient psychiatric facility services;
- 28 (21) intermediate care facility services for the mentally retarded;
- 29 (22) intermediate care facility services;
- 30 (23) individuals described in AS 47.07.020(b)(10);
- 31 (24) individuals under age 21 who are not eligible for benefits under

1 the federal aid to families with dependent children program because they are not
2 deprived of one or more of their natural or adoptive parents;

3 (25) [(24)] skilled nursing facility services for persons under age 21;

4 (26) [(25)] aged, blind, and disabled individuals who, because they do
5 not meet the income requirements, do not receive supplemental security income under
6 Title XVI of the Social Security Act, but who are eligible, or would be eligible if they
7 were not in a skilled nursing facility or intermediate care facility, to receive an
8 optional state supplementary payment;

9 (27) [(26)] individuals in a hospital, skilled nursing facility, or
10 intermediate care facility whose income while in the facility does not exceed 300
11 percent of the supplemental security income benefit rate under Title XVI of the Social
12 Security Act, but who, because of income, are not eligible for the optional state
13 supplementary payment;

14 (28) [(27)] individuals under age 21 under supervision of the
15 department, for whom maintenance is being paid in whole or in part from public
16 money and who are in foster homes or private child-care institutions.

17 * Sec. 4. (a) Sections 1 and 3 of this Act take effect on the 180th day after the effective
18 date of Medicaid plan amendments approved by the federal government under which the state
19 would implement a waiver for home and community-based services under 42 U.S.C. 1396n
20 for persons who are Medicaid eligible and who would otherwise require a level of care
21 provided in a hospital, nursing facility, or intermediate care facility for the mentally retarded
22 in the absence of home and community-based services.

23 (b) The Department of Health and Social Services shall notify the revisor of statutes
24 as to the effective date of the plan amendments referred to in (a) of this section.

25 * Sec. 5. Section 2 of this Act takes effect immediately under AS 01.10.070(c).