

COMMITTEE REPORT
HOUSE

FURTHER:

(11)

5/1/75

Date: 2/12/75

The Committee on FINANCE has had CS 100 (HESH)

"An Act relating to provision of chiropractic services under the Medicaid program"

under consideration and recommends:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for _____ same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation Zero Fiscal Note Attached
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

CHAIRMAN

Offered: 4/3/85
Referred: Finance

Original sponsors: Josephson, Abood
and Fahrenkamp

1 IN THE SENATE

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

2

CS FOR SENATE BILL NO. 109 (HESS)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act related to provision of chiropractic services
under the medicaid program."

7

8

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

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* Section 1. AS 47.07.030 is amended to read:

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Sec. 47.07.030. MEDICAL SERVICES TO BE PROVIDED. Medical, ser-
vices to be offered to eligible persons include inpatient hospital,
outpatient hospital, rural health clinic, outpatient surgical care
centers, laboratory and X-ray, refractions and eye examinations by
ophthalmologists or optometrists, eyeglasses prescribed by a physician
skilled in diseases of the eye or by an optometrist, inpatient psy-
chiatric hospital for persons age 65 or older and persons under age
21, skilled and intermediate nursing home, physician, nurse midwife,
home health care services, early periodic screening diagnosis and
treatment of persons under 21 years of age, clinic services, treatment
of speech, hearing and language disorders, physical therapy, occupa-
tional therapy, chiropractic services, prosthetic devices and medical
supplies, long-term care noninstitutional services, and reasonable
transportation to and from the point of medical care. Additional
services may not be provided unless approved by the legislature.

25

* Sec. 2. AS 47.07.035 is amended to read:

26

Sec. 47.07.035. PRIORITY OF SERVICES. If the funding in a
fiscal year is inadequate to finance the total medical assistance
program under this chapter, the department shall, to the extent that
federal law and funding permits, provide medical assistance in the

29

1 following order:

2 (1) aged, blind, or disabled persons who

3 (A) do not receive supplemental security income under
4 42 U.S.C. 1381 - 1383c (Title XVI, Social Security Act) because
5 they do not meet income and resources requirements; and

6 (B) are eligible to receive an optional state supple-
7 mentary payment;

8 (2) persons in a medical or intermediate care facility

9 (A) whose income while in the facility does not exceed
10 300 percent of the supplemental security income benefit rate
11 under 42 U.S.C. 1381 - 1383c (Title XVI, Social Security Act);
12 and

13 (B) who would not be eligible for an optional state
14 supplementary payment if they left the facility;

15 (3) persons under 21 years of age

16 (A) who are under the supervision of the department;

17 (B) whose maintenance is paid in whole or in part from
18 public funds; and

19 (C) who are in foster homes or private child-care
20 institutions;

21 (4) persons under 21 years of age who

22 (A) receive treatment in a psychiatric hospital; and

23 (B) are financially eligible as determined by the
24 standards of 42 U.S.C. 601 - 615 (Title IV-A, Social Security
25 Act, Aid to Families with Dependent Children);

26 (5) persons under 21 years of age who are

27 (A) in an institution designated by the department as
28 an intermediate care facility for the mentally retarded; and

29 (B) financially eligible as determined by the

1 standards of the federal aid to families with dependent children
2 program;

3 (6) women who are pregnant;

4 (7) persons under 21 years of age who do not qualify for
5 benefits under the federal aid to families with dependent children
6 program because they are not dependent children;

7 (8) intermediate nursing home services;

8 (9) eye examinations by an ophthalmologist or optometrist;
9 or eyeglasses prescribed by a physician skilled in the diseases of the
10 eye or by an optometrist;

11 (10) treatment of speech, hearing, or language disorders;

12 (11) physical or occupational therapy;

13 (12) care at an intermediate care facility for the mentally
14 retarded;

15 (13) care at an inpatient psychiatric facility;

16 (14) community mental health clinic services;

17 (15) surgical care center services;

18 (16) nurse midwife services;

19 (17) medical supplies and equipment;

20 (18) long-term care noninstitutional services;

21 (19) chiropractic services.

22 * Sec. 3. AS 47.07.900 is amended by adding a new paragraph to read:

23 (7) "chiropractic services" includes only services that are
24 provided by a chiropractor licensed under AS 08.20 that consist of
25 treatment by means of manual manipulation of the spine and x-rays
26 necessary for treatment.

**STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE**

Revision Date : 2/11/86

REQUEST

Bill/Resolution No. : CSSB109 (HESS)
 Title : An Act relating to provision
of chiropractic services under Med.
Asst.
 Sponsor : Josephson, Abood, Fahrenkamp
 Requestor : _____
 Date of Request : 2/86

FISCAL DETAIL

Agency Affected : Health & Social Services
 BRU : Medical Assistance -
Non Facility
 Components : Medicaid Non-Facility

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	-0-	20.0	-0-	-0-	-0-	-0-
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	-0-	153.0	160.0	166.4	173.0	180.0
MISCELLANEOUS						
TOTAL OPERATING	-0-	173.0	160.0	166.4	173.0	180.0

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
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REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
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FUNDING : (Thousands of Dollars)

GENERAL FUND	-0-	86.5	80.0	83.2	86.5	90.0
FEDERAL FUNDS	-0-	86.5	80.0	83.2	86.5	90.0
OTHER						
TOTAL	-0-	173.0	160.0	166.4	173.0	180.0

POSITIONS :

FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME	-0-	-0-	-0-	-0-	-0-	-0-
TEMPORARY	-0-	-0-	-0-	-0-	-0-	-0-

ANALYSIS : Attach a separate page if necessary

Please see attached analysis for method used to determine FY87 cost of \$173.0. A 4% inflator was used to estimate cost for FY88 and each year thereafter.

Prepared by : Rod Betit, Director *R Betit*
 Division : Division of Medical Assistance

Phone : 465-3355
 Date : _____ *JCC*

Approved by Commissioner : _____ *John A. King*
 Agency : Department of Health & Social Services

Date : 2/11/86

Distribution (by Agency preparing fiscal note) :

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

CSSB 109
Fiscal Note Attachment
Cost Analysis for Chiropractic Services

Additional Contractual Costs

The Alaska Medical Payments System will require modification to pay chiropractors as a new services. The contractual costs include the following: provider manuals, training, a new claims form tables included in the system for chiropractic services, computer programming, computer reports, the addition of collocation codes, the provision of notice to providers, provider relations, and a computer system test.

Additional Grants/Claims Costs

These figures were adjusted by an inflation factor of 4%. This is the average percent increase experienced during the past two years in chiropractic services. These costs are for only manual manipulation of the spine and the x-rays necessary for diagnosis. Again, these are the only chiropractic services for which federal reimbursement is available. The federal match for Medicaid is 50%.

We did not develop a fiscal note for the full range of chiropractic services included in SB 109. We used the following formula to develop our cost estimates:

$$\left(\frac{\# \text{Recipients}}{\text{Month}} \times \frac{\# \text{Services}}{\text{Month}} \times \frac{\text{Cost/Service}}{\text{Month}} + \frac{\# \text{Recipients}}{\text{mth}} \times \frac{\# \text{X-Rays}}{\text{Month}} \times \text{Cost/X-Ray} \times 12 \text{ mths} \right)$$

$$[50 \times 2 \times \$30] + (50 \times 3 \times \$65)] 12 = \$153.0 + 1 \text{ time Administrative Cost } \$20.0 = \$173.0$$

Assumption #1:

Alaska's ratio of recipients to eligibles is similar to the ratio of recipients to eligibles in Idaho.

Idaho averaged 75 chiropractic recipients and 30,000 eligibles per month. Therefore we estimate Alaska would average 50 chiropractic recipients out of 20,000 eligibles per month.

Assumption #2:

Services would be limited to 2 visits per month per recipient.

Assumption #3:

X-rays would be limited to three x-ray per month per recipient.

Assumption #4:

Manual manipulation of the spine costs \$30. An x-ray costs \$65.00.

This is all part of the file

R. P. Bell
2/10/86

BILL

IN THE LEGISLATURE OF THE STATE OF ALASKA

LEGISLATURE

A BILL

For an Act entitled: "An Act relating to payments to health facilities."

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

* Section 1. 47.07.040 is amended to read:

Sec. 47.07.040. STATE PLAN FOR PROVISION OF MEDICAL ASSISTANCE. The department shall prepare a state plan in accordance with the provisions of 42 U.S.C. 1396 -- 1396p (Title XIX, Social Security Act, Medical Assistance) and submit it for approval to the United States Department of Health and Human Services. The plan shall designate that the Department of Health and Social Services is the single state agency to administer this plan. The department shall act for the state in any negotiations relative to the submission and approval of the plan. The department, including the medicaid rate commission, may make those arrangements, or regulatory changes, not inconsistent with law, as may be required under federal law to obtain and retain approval of the United States Department of Health and Human Services to secure for the state the optimum federal participation under the provisions of 42 U.S.C. 1396 -- 1396p (Title XIX, Social Security Act, Medical Assistance). In addition, the department shall provide a report to the legislature no later than March 15 of each year concerning the status of this program and recommendations,

1 with supporting fiscal data, as to any changes in the
2 coverage of eligible persons or services to be provided.

3 * Sec. 2. 47.07.070(a) is amended to read:

4 Sec. 47.07.070(a). PAYMENT TO HEALTH FACILITIES. (a)

5 The Commission shall determine prospectively the rate of
6 payment to a health facility under this chapter and
7 AS 47.25.120 - 47.25.300 based on a fixed rate, not to
8 exceed the facility's customary charges, for reasonable
9 costs incurred by the facility. The commission shall by
10 regulation list the factors it considers in making its rate
11 determinations under this section.

12 * Sec. 3. 47.07.070 is amended by adding new subsections:

13 Sec. 47.07.070(d) In determining rates of payment to
14 health facilities, the commission shall consider the appro-
15 priation limit set by the legislature for the department's
16 programs under this chapter and under AS 47.25.120 --
17 47.25.300. The commission shall set rates for facilities in
18 the state so that, taking into account projected rates of
19 utilization, the aggregate state payments to health facil-
20 ities will not exceed the budgeted amounts for the state
21 fiscal year.

22 (e) For the state fiscal year 1987, beginning July 1,
23 1986, the commission may establish new prospective payment
24 rates for any facility whose rate for any part of state
25 fiscal year 1987 was set before the effective date of this
26 amendment, if a new rate is necessary to allow the commis-
27 sion to carry out the intent of subsection (d) above.

28 * Sec. 4. 47.07.180 is amended to read:
29

1 Sec. 47.07.180. DUTIES. (a) The commission shall
2 review proposed payment rates [AND BUDGETS] of health
3 facilities and establish payment rates for health facilities
4 under this chapter and AS 47.25.120 -- 47.25.300.

5 (b) The commission shall consult with the department
6 on the state plan as it relates to health facilities, and
7 shall coordinate the payment rate methods used by the
8 commission with the state plan and with the administrative
9 needs of the department's medical assistance payment
10 program.

11 (c) The commission will make available facility-
12 reported budget data to any health facility which has need
13 of budgeting or management assistance, including assistance
14 by the commission in a facility's request to the United
15 States Department of Health and Social Services for a waiver
16 of federal reimbursement rules or limits.

17 (d) By March 1 of each year, the commission shall
18 adopt a target dollar amount estimating state medical
19 assistance program utilization, revenues, and payment rates
20 of facilities for the state fiscal year beginning the next
21 July 1. The methodology used by the commission to develop
22 the target shall be the basis used for establishing payment
23 rates for the facilities during the applicable state fiscal
24 year.

POSITION PAPER
CSSB 109

"An act relating to provision of chiropractic services under the Medical Assistance program".

I. Background

CSSB 109 would modify the Medicaid program to add chiropractic services. Currently, approximately 29 states include chiropractic services in their Medicaid program. In addition, many major private insurance programs include chiropractic coverage. Generally, chiropractors and advocates of their services contend that chiropractic services are an alternative to other, potentially more costly medical treatments. However, States that have chiropractic services as part of their Medicaid programs have not reported reductions in the utilization of other health care services.

CSSB 109 limits coverage to the two services covered under federal Medicaid rules i.e., manual manipulation of the spine and x-rays necessary for treatment. The added FY87 costs to include chiropractic services if limited to these two services is anticipated to be \$173.0, (\$86.5 in state funds).

II. Departmental Position:

Chiropractic services would be a good addition to the medical services currently offered under Medicaid, but the added cost associated with this new service is not in the Governor's budget and would have to be added by the Legislature.

Recommended By: Rod Betit
Rod Betit, Director
Division of Medical Assistance

Date: 2/10/86

Approved By: John P. Pugh
John P. Pugh, Commissioner
Department of Health & Social
Services

Date: 2/11/86

(Tying Medicaid rates to Budget Process) -

Offered: 4/29/85
Referred: Rules

See Section 4,
p. 4. Action taken
in House Finance
in 1985

Original sponsor: Rules/Governor

1 IN THE HOUSE BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 98 (Finance)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FOURTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to medical assistance; and providing
7 for an effective date."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

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

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

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

18 (2) persons in a general hospital, skilled nursing facility
19 or intermediate care facility, who, if they left the facility, would
20 be eligible for assistance under one of the federal programs specified
21 in (1) of this subsection;

22 (3) persons under age 21 who are [YEARS OF AGE] under
23 supervision of the department, for whom maintenance is being paid in
24 whole or in part from public funds, and who are in foster homes or
25 private child-care institutions;

26 (4) aged, blind, or disabled persons, who, because they do
27 not meet income and resources requirements, do not receive supple-
28 mental security income under 42 U.S.C. 1381 - 1383c (Title XVI, Social
29 Security Act), and who do not receive a mandatory state supplement,

1 but who are eligible, or would be eligible if they were not in a
2 general hospital or skilled nursing facility or intermediate care
3 facility to receive an optional state supplementary payment;

4 (5) persons under age 21 who are [YEARS OF AGE] in an
5 institution designated as an intermediate care facility for the
6 mentally retarded and who are financially eligible as determined by
7 the standards of the federal aid to families with dependent children
8 program;

9 (6) persons in a medical or intermediate care facility
10 whose income while in the facility does not exceed 300 percent of the
11 supplemental security income benefit rate under 42 U.S.C. 1381 - 1383c
12 (Title XVI, Social Security Act) but who would not be eligible for an
13 optional state supplementary payment if they left the hospital or
14 other facility;

15 (7) persons under age 21 who are [YEARS OF AGE] receiving
16 active treatment in a psychiatric hospital and who are financially
17 eligible as determined by the standards of 42 U.S.C. 601 - 615 (Title
18 IV-A, Social Security Act, Aid to Families with Dependent Children);

19 (8) persons age five and over, but under age 21, [YEARS OF
20 AGE] who would be eligible for benefits under the federal aid to
21 families with dependent children program, but who do not qualify
22 because they are not dependent children [;

23 (9) WOMEN WHO ARE PREGNANT].

24 * Sec. 2. AS 47.07.030 is repealed and reenacted to read:

25 Sec. 47.07.030. MEDICAL SERVICES TO BE PROVIDED. (a) The de-
26 partment shall offer all mandatory services required under 42 U.S.C.
27 1396 - 1396p (Title XIX of the Social Security Act).

28 (b) In addition to the mandatory services specified in (a) of
29 this section, the department may offer only the following optional

1 services: emergency hospital services; long-term care noninstitutional
2 services; medical supplies and equipment; clinic services; inpatient
3 psychiatric facility services for individuals age 65 or older and
4 individuals under age 21; physical therapy; occupational therapy;
5 treatment of speech, hearing, and language disorders; prosthetic
6 devices and eyeglasses; optometrists' services; intermediate care
7 facility services; skilled nursing facility services for individuals
8 under age 21; and reasonable transportation to and from the point of
9 medical care.

10 * Sec. 3. AS 47.07.035 is repealed and reenacted to read:

11 Sec. 47.07.035. PRIORITY OF MEDICAL ASSISTANCE. If the depart-
12 ment finds that the cost of medical assistance for all persons eligi-
13 ble under this chapter will exceed the amount allocated in the state
14 budget for that assistance for the fiscal year, the department shall
15 eliminate coverage for optional medical services and optionally
16 eligible groups of individuals in the following order:

- 17 (1) emergency hospital services;
- 18 (2) long-term care noninstitutional services;
- 19 (3) medical supplies and equipment;
- 20 (4) clinic services;
- 21 (5) inpatient psychiatric facility services;
- 22 (6) intermediate care facility services for the mentally
23 retarded;
- 24 (7) physical therapy and occupational therapy;
- 25 (8) treatment of speech, hearing, and language disorders;
- 26 (9) prosthetic devices and eyeglasses;
- 27 (10) optometrists' services;
- 28 (11) intermediate care facility services;
- 29 (12) individuals age five and over, but under age 21, who are

1 not eligible for benefits under the federal aid to families with
2 dependent children program because they do not meet the definition of
3 dependent children;

4 (13) individuals under age 21 under supervision of the de-
5 partment, for whom maintenance is being paid in whole or in part from
6 public money and who are in foster homes or private child-care insti-
7 tutions;

8 (14) individuals in a health facility whose income while in
9 the facility does not exceed 300 percent of the supplemental security
10 income benefit rate under Title XVI of the Social Security Act, and
11 who would not be eligible for the optional state supplementary payment
12 if they left the facility;

13 (15) aged, blind, and disabled individuals who, because they
14 do not meet the income and resource requirements, do not receive
15 supplemental security income under Title XVI of the Social Security
16 Act, and who are not eligible to receive a mandatory state supplement
17 but who are eligible, or would be eligible if they were not in a
18 general hospital or skilled nursing facility or intermediate care
19 facility, to receive an optional state supplementary payment;

20 (16) skilled nursing facility services for persons under age
21 21.

22 * Sec. 4. AS 47.07.070 is amended by adding a new subsection to read:

23 (d) Notwithstanding (a) - (c) of this section, the commission
24 shall also consider available state and federal revenue when making
25 rate decisions.

26 * Sec. 5. AS 47.07.900(1) is amended to read:

27 (1) "clinic services" means services provided by state-
28 approved outpatient community mental health clinics that receive
29 grants under AS 47.30.520 - 47.30.620, state-operated community mental

1 health clinics, outpatient surgical care center services, and physi-
2 cian clinics;

3 * Sec. 6. AS 47.07.900 is amended by adding a new paragraph to read:

4 (7) "emergency hospital services" means services that

5 (A) are necessary to prevent the death or serious
6 impairment of the health of the individual; and

7 (B) because of the threat to the life or health of the
8 individual, necessitate the use of the most accessible hospital
9 available that is equipped to furnish the services, even if the
10 hospital does not currently meet

11 (i) the conditions for participation under Medi-
12 care; or

13 (ii) the definitions of inpatient or outpatient
14 hospital services under 42 C.F.R. secs. 440.10 and 440.20.

15 * Sec. 7. This Act takes effect immediately in accordance with AS 01.-
16 10.070(c).

DHSS proposed
language: 1986

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BILL
IN THE LEGISLATURE OF THE STATE OF ALASKA
LEGISLATURE
A BILL

For an Act entitled: "An Act relating to payments to health facilities."

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

* Section 1. 47.07.040 is amended to read:

Sec. 47.07.040. STATE PLAN FOR PROVISION OF MEDICAL ASSISTANCE. The department shall prepare a state plan in accordance with the provisions of 42 U.S.C. 1396 -- 1396p (Title XIX, Social Security Act, Medical Assistance) and submit it for approval to the United States Department of Health and Human Services. The plan shall designate that the Department of Health and Social Services is the single state agency to administer this plan. The department shall act for the state in any negotiations relative to the submission and approval of the plan. The department, including the medicaid rate commission, may make those arrangements, or regulatory changes, not inconsistent with law, as may be required under federal law to obtain and retain approval of the United States Department of Health and Human Services to secure for the state the optimum federal participation under the provisions of 42 U.S.C. 1396 -- 1396p (Title XIX, Social Security Act, Medical Assistance). In addition, the department shall provide a report to the legislature no later than March 15 of each year concerning the status of this program and recommendations.

1 with supporting fiscal data, as to any changes in the
2 coverage of eligible persons or services to be provided.

3 * Sec. 2. 47.07.070(a) is amended to read:

4 Sec. 47.07.070(a). PAYMENT TO HEALTH FACILITIES. (a)
5 The Commission shall determine prospectively the rate of
6 payment to a health facility under this chapter and
7 AS 47.25.120 - 47.25.300 based on a fixed rate, not to
8 exceed the facility's customary charges, for reasonable
9 costs incurred by the facility. The commission shall by
10 regulation list the factors it considers in making its rate
11 determinations under this section.

12 * Sec. 3. 47.07.070 is amended by adding new subsections:

13 Sec. 47.07.070(d) In determining rates of payment to
14 health facilities, the commission shall consider the appro-
15 riation limit set by the legislature for the department's
16 programs under this chapter and under AS 47.25.120 --
17 47.25.300. The commission shall set rates for facilities in
18 the state so that, taking into account projected rates of
19 utilization, the aggregate state payments to health facil-
20 ities will not exceed the budgeted amounts for the state
21 fiscal year.

22 (e) For the state fiscal year 1987, beginning July 1,
23 1986, the commission may establish new prospective payment
24 rates for any facility whose rate for any part of state
25 fiscal year 1987 was set before the effective date of this
26 amendment, if a new rate is necessary to allow the commis-
27 sion to carry out the intent of subsection (d) above.

28 * Sec. 4. 47.07.180 is amended to read:
29

1 Sec. 47.07.180. DUTIES. (a) The commission shall
2 review proposed payment rates [AND BUDGETS] of health
3 facilities and establish payment rates for health facilities
4 under this chapter and AS 47.25.120 -- 47.25.300.

5 (b) The commission shall consult with the department
6 on the state plan as it relates to health facilities, and
7 shall coordinate the payment rate methods used by the
8 commission with the state plan and with the administrative
9 needs of the department's medical assistance payment
10 program.

11 (c) The commission will make available facility-
12 reported budget data to any health facility which has need
13 of budgeting or management assistance, including assistance
14 by the commission in a facility's request to the United
15 States Department of Health and Social Services for a waiver
16 of federal reimbursement rules or limits.

17 (d) By March 1 of each year, the commission shall
18 adopt a target dollar amount estimating Medicaid
19 utilization, revenues, and payment rates of facilities for
20 the state fiscal year beginning the next July 1. The
21 methodology used by the commission to develop the target
22 shall be the basis used for establishing payment rates for
23 the facilities during the applicable state fiscal year.
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current work draft for HB 98

(page 3, line 20)

Hein
2/1/86

Original sponsor: Rules/Governor

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IN THE HOUSE
BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE
SENATE CS FOR CS FOR HOUSE BILL NO. 98 (HESS)
IN THE LEGISLATURE OF THE STATE OF ALASKA
FOURTEENTH LEGISLATURE - SECOND SESSION
A BILL

For an Act entitled: "An Act relating to medical assistance; and providing
for an effective date."

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

* Section 1. AS 44.77 is amended by adding a new section to read:

Sec. 44.77.015. CLAIMS FOR MEDICAL SERVICES. (a) For the
purposes of filing claims for medical services provided under AS 47.07
or 47.25.120 - 47.25.300, "promptly," in AS 44.77.010(a), means (1)
within six months after the date of service, or as provided in (b) of
this section, if there is no third-party claim, or (2) within 12
months after the date of service if there is a third-party claim.
Except as provided in (c) of this section, a claim may not be paid if
it is not filed promptly; an inference to the contrary may not be
drawn from AS 09.10.050, AS 09.50.250 - 09.50.300, or AS 37.25.010.

(b) In accordance with (a) of this section, a claim may be
considered to be filed promptly if (1) the claim was filed more than
six months after the date of service because the medical provider had
reason to believe that the beneficiary was ineligible for service
under AS 47.07 or AS 47.25.120 - 47.25.300; (2) a court of competent
jurisdiction or an administrative hearing officer finds that the
beneficiary was eligible for service under AS 47.07 or AS 47.25.120 -
47.25.300 on the date of service; and (3) the claim is filed within
six months after the date that the court or administrative finding is
rendered. The beneficiary is responsible for notifying the medical
provider of the judicial or administrative finding.

1 (c) The commissioner of health and social services may authorize
2 payment to a medical provider of a claim not promptly filed, upon good
3 cause shown. Payments under this subsection may not exceed 50 percent
4 of the allowable charges presented in the claim. In this subsection,
5 "good cause" does not include a beneficiary's failure to notify a
6 provider of a judicial or administrative finding of eligibility.

7 (d) In this section,

8 (1) "beneficiary" means a person who is found to be eligi-
9 ble to receive medical services under AS 47.07 or AS 47.25.121 -
10 47.25.300;

11 (2) "medical provider" means a person, firm, corporation,
12 association, or institution that, on the date of service, was approved
13 to provide medical assistance, in accordance with regulations adopted
14 by the Department of Health and Social Services.

15 * Sec. 2. AS 47.05 is amended by adding a new section to read:

16 Sec. 47.05.070. SUBROGATION. (a) If the department provides or
17 pays for medical assistance for injury or illness under this title,
18 the department is subrogated to the rights of the recipient of that
19 medical assistance for any claim arising from the injury or illness
20 and to the proceeds of an insurance policy covering the injury or
21 illness to the extent of the value of the medical assistance provided.

22 (b) If a recipient of medical assistance under this title set-
23 tles a claim or obtains an award or judgment arising from the injury
24 or illness for which the medical assistance was received, the depart-
25 ment shall reimburse the recipient for attorney fees and costs commen-
26 surate with the amount of the settlement, award, or judgment to which
27 the department is entitled under (a) of this section. Regardless of
28 the manner in which the amount of the attorney fees is derived, reim-
29 bursement of attorney fees shall be in accordance with the applicable

rules of court governing the award of attorney fees in civil matters.

* Sec. 3. AS 47.07.020(b) is amended to read:

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

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

(2) persons in a general hospital, skilled nursing facility or intermediate care facility, who, if they left the facility, would be eligible for assistance under one of the federal programs specified in (1) of this subsection;

(3) persons under age 21 who are [YEARS OF AGE] under supervision of the department, for whom maintenance is being paid in whole or in part from public funds, and who are in foster homes or private child-care institutions;

(4) aged, blind, or disabled persons, who, because they do not meet income [REDACTED] requirements, do not receive supplemental security income under 42 U.S.C. 1381 - 1383c (Title XVI, Social Security Act), and who do not receive a mandatory state supplement, but who are eligible, or would be eligible if they were not in a [GENERAL HOSPITAL OR] skilled nursing facility or intermediate care facility to receive an optional state supplementary payment;

(5) persons under age 21 who are [YEARS OF AGE] in an institution designated as an intermediate care facility for the mentally retarded and who are financially eligible as determined by the standards of the federal aid to families with dependent children

1 program;

2 (6) persons in a medical or intermediate care facility
3 whose income while in the facility does not exceed 300 percent of the
4 supplemental security income benefit rate under 42 U.S.C. 1381 - 1383c
5 (Title XVI, Social Security Act) but who would not be eligible for an
6 optional state supplementary payment if they left the hospital or
7 other facility;

8 (7) persons under age 21 who are [YEARS OF AGE] receiving
9 active treatment in a psychiatric hospital and who are financially
10 eligible as determined by the standards of 42 U.S.C. 601 - 615 (Title
11 IV-A, Social Security Act, Aid to Families with Dependent Children);

12 (8) persons under age 21 and not covered under (a) of this
13 section, [YEARS OF AGE] who would be eligible for benefits under the
14 federal aid to families with dependent children program, except that
15 they have the care and support of both their natural and adoptive
16 parents [BUT WHO DO NOT QUALIFY BECAUSE THEY ARE NOT DEPENDENT CHILD-
17 REN];

18 (9) [WOMEN WHO ARE] pregnant women not covered under (a) of
19 this section and who meet the income and resource requirements of the
20 federal aid to families with dependent children program.

21 * Sec. 4. AS 47.07.030 is repealed and reenacted to read:

22 Sec. 47.07.030. MEDICAL SERVICES TO BE PROVIDED. (a) The de-
23 partment shall offer all mandatory services required under 42 U.S.C.
24 1396 - 1396p (Title XIX of the Social Security Act).

25 (b) In addition to the mandatory services specified in (a) of
26 this section, the department may offer only the following optional
27 services: personal care services in a recipient's home; emergency
28 hospital services; long-term care noninstitutional services; medical
29 supplies and equipment; clinic services; inpatient psychiatric

1 facility services for individuals age 65 or older and individuals
2 under age 21; physical therapy; occupational therapy; treatment of
3 speech, hearing, and language disorders; prosthetic devices and
4 eyeglasses; optometrists' services; intermediate care facility
5 services, including intermediate care facility services for the
6 mentally retarded; skilled nursing facility services for individuals
7 under age 21; and reasonable transportation to and from the point of
8 medical care.

9 * Sec. 5. AS 47.07.035 is repealed and reenacted to read:

10 Sec. 47.07.035. PRIORITY OF MEDICAL ASSISTANCE. If the depart-
11 ment finds that the cost of medical assistance for all persons eligi-
12 ble under this chapter will exceed the amount allocated in the state
13 budget for that assistance for the fiscal year, the department shall
14 eliminate coverage for optional medical services and optionally eligi-
15 ble groups of individuals in the following order:

- 16 (1) personal care services in a recipient's home;
- 17 (2) emergency hospital services;
- 18 (3) long-term care noninstitutional services;
- 19 (4) medical supplies and equipment;
- 20 (5) clinic services;
- 21 (6) inpatient psychiatric facility services;
- 22 (7) intermediate care facility services for the mentally
23 retarded;
- 24 (8) physical therapy and occupational therapy;
- 25 (9) treatment of speech, hearing, and language disorders;
- 26 (10) prosthetic devices and eyeglasses;
- 27 (11) optometrists' services;
- 28 (12) intermediate care facility services;
- 29 (13) individuals age five and over, but under age 21, who are

1 not eligible for benefits under the federal aid to families with
2 dependent children program because they do not meet the definition of
3 dependent children;

4 (14) individuals under age 21 under supervision of the de-
5 partment, for whom maintenance is being paid in whole or in part from
6 public money and who are in foster homes or private child-care insti-
7 tutions;

8 (15) individuals in a health facility whose income while in
9 the facility does not exceed 300 percent of the supplemental security
10 income benefit rate under Title XVI of the Social Security Act, and
11 who would not be eligible for the optional state supplementary payment
12 if they left the facility;

13 (16) aged, blind, and disabled individuals who, because they
14 do not meet the income and resource requirements, do not receive
15 supplemental security income under Title XVI of the Social Security
16 Act, and who are not eligible to receive a mandatory state supplement
17 but who are eligible, or would be eligible if they were not in a
18 general hospital or skilled nursing facility or intermediate care
19 facility, to receive an optional state supplementary payment;

20 (17) skilled nursing facility services for persons under age
21 21.

22 * Sec. 6. AS 47.07.070 is amended by adding a new subsection to read:

23 (d) Notwithstanding (a) - (c) of this section, the commission
24 shall also consider available state and federal revenue when making
25 rate decisions.

26 * Sec. 7. AS 47.07.900(1) is amended to read:

27 (1) "clinic services" means services provided by state-
28 approved outpatient community mental health clinics that receive
29 grants under AS 47.30.520 - 47.30.620, state-operated community mental

1 health clinics, outpatient surgical care centers, and physician
2 clinics;

3 * Sec. 8. AS 47.07.900 is amended by adding new paragraphs to read:

4 (7) "emergency hospital services" means services that

5 (A) are necessary to prevent the death or serious
6 impairment of the health of the individual; and

7 (B) because of the threat to the life or health of the
8 individual, necessitate the use of the most accessible hospital
9 available that is equipped to furnish the services, even if the
10 hospital does not currently meet

11 (i) the conditions for participation under Medi-
12 care; or

13 (ii) the definitions of inpatient or outpatient
14 hospital services under 42 C.F.R. secs. 440.10 and 440.20.

15 (8) "personal care services in a recipient's home" means
16 services prescribed by a physician in accordance with the recipient's
17 plan of treatment and provided by an individual who is

18 (A) qualified to provide the services;

19 (B) supervised by a registered nurse; and

20 (C) not a member of the recipient's family.

21 * Sec. 9. AS 44.77.010(b) is repealed.

22 * Sec. 10. This Act takes effect immediately in accordance with AS 01.-
23 10.070(c).
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28
29

Introduced: 1/30/85
Referred: Health, Education and
Social Services and
Finance

BY JOSEPHSON, ABOOD
AND FAHRENKAMP

1 IN THE SENATE

2 SENATE BILL NO. 109

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act related to provision of chiropractic services
7 under the medicaid program."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. AS 47.07.030 is amended to read:

10 Sec. 47.07.030. MEDICAL SERVICES TO BE PROVIDED. Medical ser-
11 vices to be offered to eligible persons include inpatient hospital,
12 outpatient hospital, rural health clinic, outpatient surgical care
13 centers, laboratory and X-ray, refractions and eye examinations by
14 ophthalmologists or optometrists, eyeglasses prescribed by a physician
15 skilled in diseases of the eye or by an optometrist, inpatient psy-
16 chiatric hospital for persons age 65 or older and persons under age
17 21, skilled and intermediate nursing home, physician, nurse midwife,
18 home health care services, early periodic screening diagnosis and
19 treatment of persons under 21 years of age, clinic services, treatment
20 of speech, hearing and language disorders, physical therapy, occupa-
21 tional therapy, chiropractic services, prosthetic devices and medical
22 supplies, long-term care noninstitutional services, and reasonable
23 transportation to and from the point of medical care. Additional
24 services may not be provided unless approved by the legislature.

25 * Sec. 2. AS 47.07.035 is amended to read:

26 Sec. 47.07.035. PRIORITY OF SERVICES. If the funding in a
27 fiscal year is inadequate to finance the total medical assistance
28 program under this chapter, the department shall, to the extent that
29 federal law and funding permits, provide medical assistance in the

1 following order:

2 (1) aged, blind, or disabled persons who

3 (A) do not receive supplemental security income under
4 42 U.S.C. 1381 - 1383c (Title XVI, Social Security Act) because
5 they do not meet income and resources requirements; and

6 (B) are eligible to receive an optional state supple-
7 mentary payment;

8 (2) persons in a medical or intermediate care facility

9 (A) whose income while in the facility does not exceed
10 300 percent of the supplemental security income benefit rate
11 under 42 U.S.C. 1381 - 1383c (Title XVI, Social Security Act);
12 and

13 (B) who would not be eligible for an optional state
14 supplementary payment if they left the facility;

15 (3) persons under 21 years of age

16 (A) who are under the supervision of the department;
17 (B) whose maintenance is paid in whole or in part from
18 public funds; and

19 (C) who are in foster homes or private child-care
20 institutions;

21 (4) persons under 21 years of age who

22 (A) receive treatment in a psychiatric hospital; and
23 (B) are financially eligible as determined by the
24 standards of 42 U.S.C. 601 - 615 (Title IV-A, Social Security
25 Act, Aid to Families with Dependent Children);

26 (5) persons under 21 years of age who are

27 (A) in an institution designated by the department as
28 an intermediate care facility for the mentally retarded; and

29 (B) financially eligible as determined by the

- 1 standards of the federal aid to families with dependent children
2 program;
- 3 (6) women who are pregnant;
- 4 (7) persons under 21 years of age who do not qualify for
5 benefits under the federal aid to families with dependent children
6 program because they are not dependent children;
- 7 (8) intermediate nursing home services;
- 8 (9) eye examinations by an ophthalmologist or optometrist;
9 or eyeglasses prescribed by a physician skilled in the diseases of the
10 eye or by an optometrist;
- 11 (10) treatment of speech, hearing, or language disorders;
- 12 (11) physical or occupational therapy;
- 13 (12) care at an intermediate care facility for the mentally
14 retarded;
- 15 (13) care at an inpatient psychiatric facility;
- 16 (14) community mental health clinic services;
- 17 (15) surgical care center services;
- 18 (16) nurse midwife services;
- 19 (17) medical supplies and equipment;
- 20 (18) long-term care noninstitutional services;
- 21 (19) chiropractic services.
- 22 * Sec. 3. AS 47.07.900 is amended by adding a new paragraph to read:
23 (7) "chiropractic" has the meaning given in AS 08.20.220.