

ALASKA LEGISLATURE COMMITTEE FILES 1901 1902

1553 SHESS SB 817

55

that of prospective data.

The Alaska State Hospital Association has labored over the interim to develop a reasonable prospective system for Medicaid. We believe that SB 698 is worthy of your favorable consideration.

We have, attached, several technical amendments which should be considered and are prepared to respond to any questions you may have.

Proposed Amendments to SB 698

1. Page 1, line 14 after "meet" insert "their fair share of". This clarifies the fact that the Medicaid program will pay the full cost of care for its patients only.
2. Page 2, after line 12 insert "(E) Retirement of debt". This is necessary to permit funding such items as balloon payments within a debt structure.
3. On page 2, line 20 strike "medical services". This makes the sentence read properly.
4. On page 2, line 24 strike "approve or deny the proposed rates" and insert "shall establish the rates to be paid pursuant to Section 47.07.070". This clarifies the purpose of the Commission and specifies that the rates established are the rates paid by the Medicaid and General Relief/Medical programs.

BACKGROUND INFORMATION FOR FISCAL NOTES  
ON SPONSOR SUBSTITUTE FOR HOUSE BILL 41

MEDICAID

| Component/New<br>Service Groups | FY 82 Request | New Categorically<br>Needy Groups | New Medically<br>Groups | Total with Cate-<br>gorically Needy | Total with all<br>New Groups |
|---------------------------------|---------------|-----------------------------------|-------------------------|-------------------------------------|------------------------------|
| Hospital                        | 11,826.7      | 2,614.9                           | 1,287.9                 | 14,441.6                            | 15,729.5                     |
| Physician                       | 6,415.2       | 1,418.4                           | 698.6                   | 7,833.6                             | 8,532.2                      |
| Other Services                  | 1,759.6       | 389.1                             | 191.6                   | 2,148.7                             | 2,340.3                      |
| EPSDT                           | 3,455.5       | 2,315.2                           | 1,140.3                 | 5,770.7                             | 6,911.0                      |
| Nursing Homes                   | 21,521.0      |                                   |                         | 21,521.0                            | 21,521.0                     |
| Subtotal                        | 44,978.0      | 6,737.6                           | 3,318.4                 | 51,715.6                            | 55,034.0                     |
| Indian Health                   | 7,239.1       | 4,850.2                           | 2,388.9                 | 12,089.3                            | 14,479.2                     |
| Subtotal                        | 52,217.1      | 11,587.8                          | 5,707.3                 | 63,804.9                            | 69,513.2                     |
| New Other Serv.                 |               | 2,323.0                           | 1,144.1                 | 2,323.0                             | 3,467.1                      |
| New Dental Serv.                |               | 1,843.6                           | 908.1                   | 1,843.6                             | 2,751.7                      |
| New Drug Serv.                  |               | 2,138.6                           | 1,053.4                 | 2,138.6                             | 3,192.0                      |
| Total                           | 52,217.1      | 17,893.0                          | 8,812.9                 | 70,110.1                            | 78,924.0                     |

BACKGROUND INFORMATION FOR FISCAL NOTES  
ON SPONSOR SUBSTITUTE FOR HOUSE BILL 41  
(CONTINUED)

GENERAL RELIEF MEDICAL

| <u>Component</u> | <u>FY 82 Request</u> | <u>Fiscal Note</u> | <u>Total Remaining</u> |
|------------------|----------------------|--------------------|------------------------|
| Hospital         | 7,102.7              | (2,343.9)          | 4,758.8                |
| Physician        | 2,954.6              | ( 975.0)           | 1,979.6                |
| Other Services   | 2,600.4              | (1,300.2)          | 1,300.2                |
| Nursing Homes    | 305.9                |                    | 305.9                  |
| Catastrophic     | 930.2                |                    | 930.2                  |
| Residential      | 189.7                |                    | 189.7                  |
| Total            | 14,133.5             | (4,619.1)          | 9,514.4                |

CASELOAD ESTIMATES FOR FISCAL NOTES  
ON SPONSOR SUBSTITUTE FOR HOUSE BILL 41

| Program Category | Current Caseload | GRM Reduction | Categorically Needy | Medically Needy | Total with Categorically Needy | Total with all New Groups |
|------------------|------------------|---------------|---------------------|-----------------|--------------------------------|---------------------------|
| AFDC             | 6665             |               | 3752                | 534             | 10,417                         | 10,951                    |
| CAA              | 2421             |               |                     | 193             | 2421                           | 2614                      |
| AB/FD            | 2398             |               |                     | 193             | 2398                           | 2591                      |
| GRM              | 4464             | (1607)        |                     |                 | 2857                           | 2857                      |
| Total            | 15,948           | (1607)        | 3752                | 920             | 18,093                         | 19,013                    |

- 4- see 3 SB 817
- 5- sec. 1 (9)
- 6- services
- 7- GRM limits raised.

*Services to Medicaid  
 add preg. women  
 see 1 modification to  
 same income level as  
 GRM*

By: Rod Betit 3/15/82  
 Rod Betit  
 Director, DPA  
 DHSS

*3 of cost  
 for kids*

| SB 817<br>Reference                                 | Medicaid/GRM Modifications                                 | State Funds Only |                   | New<br>Cases<br>Covered |
|---|--|------------------|-------------------|-------------------------|
|   |  | GRM<br>Costs     | Medicaid<br>Costs |                         |
| (Section 1)   | * Move AFDC U.P. (Including Ribicoff Kids) to Medicaid BRU | (5076.6)         | 6377.6            | 3561                    |
| (Section 1)   | * Add Pregnant Women to Medicaid                           | (155.3)          | 252.6             | 191                     |
| (Section 2)   | * Cover APA & Certain Other Medically Needy Kids           | ---              | 1736.1            | 400                     |
| (Section 3)   | * Move Certain Services from GRM to Medicaid               | (1200.0)         | 900.0             | -0-                     |
| <u>Net Savings and New Persons Added</u>            |  | <u>(6431.9)</u>  | <u>9266.3</u>     | <u>4152</u>             |
| <u>Other Medicaid Needs Not Addressed By SB 817</u> |  |                  |                   |                         |
|   | a) 1 Cover travel costs dropped by AANHS                   | 250.0            | 500.0             | -0-                     |
|   | b) 2 Cover penalty assessment in Medicaid                  | ---              | 1260.0            | -0-                     |
|   | c) 3 Cover FY83 GR Medical shortfall                       | 500.0            | ---               | -0-                     |
|   | d) Cover Medicare Part B for certain elderly               | 306.7            | ---               | 2130                    |
|   | e) Raise GRM limits to Medicaid standard                   | -----            | Not Known         | -----                   |
|   | (f) Cover AFDC medically needy adults except U.P.          | ---              | 3300.0            | 534                     |
|   | (g) Cover AFDC-U.P. medically needy adults                 | -----            | Not Known         | -----                   |

*gov's budget short for Medicaid*

*Medically necessary*

*\*12/pcr person/per month*

FISCAL NOTE SUMMARY

SENATE BILL NO. 817

|   | <u>TOTAL NEW<br/>MEDICAID</u> | <u>NEW<br/>STATE</u> | <u>NEW<br/>FEDERAL</u> | <u>NEW<br/>POSITIONS</u> |
|---|-------------------------------|----------------------|------------------------|--------------------------|
| 1.a. Addition of New<br>Medicaid Eligibles;<br>Transfer of Services | \$17860.5                     | \$ 6377.6            | \$11482.9              | 11                       |
| 1.b. Addition of<br>Pregnant Women as<br>Medicaid Eligibles         | 467.6                         | 252.6                | 215.0                  | 0                        |
| 2. Decrease in GRM<br>Due to Transfer of<br>Services and Eligibles  |                               | (5531.9)             | 0                      | 0                        |
| 3. Addition of Clinic<br>Services under<br>Medicaid                 | 1500.0                        | 0                    | 1500.0                 | 0                        |
| SUBTOTAL  | <u>\$19828.1</u>              | <u>\$ 1098.3</u>     | <u>\$13197.9</u>       | <u>11</u>                |
| 4. Addition of New<br>Medicaid Medically<br>Needy Eligibles         | 3338.6                        | <u>1736.1</u>        | 1602.5                 | 1                        |
| TOTAL   | <u>\$23166.7</u>              | <u>\$ 2834.4</u>     | <u>\$14800.4</u>       | <u>12</u>                |

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Senate Bill 817  
Title An Act relating to medical assistance for needy persons  
Requested by Senate HESS Committee Date 3/15/82

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services  
Program Category Affected Health/Social and Economic Assistance  
BRU, Program, Or Subprogram(s) Affected Medicaid/Elig. Deter./PA Admin.  
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

|                          | FY 82 | FY 83          | FY 84          | FY 85          | FY 86          | FY 87          |
|--------------------------|-------|----------------|----------------|----------------|----------------|----------------|
| 100 PERSONAL SERVICES    |       | 350.4          | 385.4          | 423.9          | 466.3          | 512.9          |
| 200 TRAVEL               |       | 12.8           | 14.1           | 15.5           | 17.0           | 18.7           |
| 300 CONTRACTUAL          |       | 132.5          | 145.7          | 160.3          | 176.3          | 193.9          |
| 400 COMMODITIES          |       | 6.5            | 7.1            | 7.8            | 8.6            | 9.5            |
| 500 EQUIPMENT            |       | 13.1           | 0              | 0              | 0              | 0              |
| 600 LAND & STRUCTURES    |       | 0              | 0              | 0              | 0              | 0              |
| 700 GRANTS, CLAIMS, ETC. |       | 17812.8        | 20484.8        | 23557.6        | 27091.2        | 31154.9        |
| <b>TOTAL</b>             |       | <b>18328.1</b> | <b>21037.1</b> | <b>24165.1</b> | <b>27759.4</b> | <b>31889.9</b> |

FUNDING (Thousands of Dollars)

*Kids & AFDC UP*

|                        |  |         |         |         |         |         |
|------------------------|--|---------|---------|---------|---------|---------|
| GENERAL FUND           |  | 6630.2  | 7603.8  | 8730.0  | 10023.7 | 11509.8 |
| FEDERAL FUNDS          |  | 11697.9 | 13433.3 | 15435.1 | 17735.7 | 20380.1 |
| OTHER (Specify Source) |  |         |         |         |         |         |
|                        |  |         |         |         |         |         |

POSITIONS

|           |  |    |    |    |    |    |
|-----------|--|----|----|----|----|----|
| FULL TIME |  | 11 | 11 | 11 | 11 | 11 |
| PART TIME |  |    |    |    |    |    |
| TEMPORARY |  |    |    |    |    |    |

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

IV. DATE \_\_\_\_\_ PREPARED BY \_\_\_\_\_  
AGENCY \_\_\_\_\_  
Original: Legislative Finance PHONE \_\_\_\_\_  
cc: Budget and Management  
Prime Sponsor (First Legislator Named)  
33-001 (Rev. 12/81)

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Senate Bill 817  
 Title An Act relating to medical assistance for needy persons  
 Requested by Senate HESS Committee Date 3/15/82

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services  
 Program Category Affected Health  
 BRU, Program, Or Subprogram(s) Affected Medicaid  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

|                          | FY 82 | FY 83  | FY 84  | FY 85  | FY 86  | FY 87  |
|--------------------------|-------|--------|--------|--------|--------|--------|
| 100 PERSONAL SERVICES    |       |        |        |        |        |        |
| 200 TRAVEL               |       |        |        |        |        |        |
| 300 CONTRACTUAL          |       |        |        |        |        |        |
| 400 COMMODITIES          |       |        |        |        |        |        |
| 500 EQUIPMENT            |       |        |        |        |        |        |
| 600 LAND & STRUCTURES    |       |        |        |        |        |        |
| 700 GRANTS, CLAIMS, ETC. |       | 1500.0 | 1725.0 | 1983.7 | 2281.3 | 2623.5 |
| TOTAL                    |       | 1500.0 | 1725.0 | 1983.7 | 2281.3 | 2623.5 |

FUNDING (Thousands of Dollars)

|                        | FY 82 | FY 83  | FY 84  | FY 85  | FY 86  | FY 87  |
|------------------------|-------|--------|--------|--------|--------|--------|
| GENERAL FUND           |       | 0      | 0      | 0      | 0      | 0      |
| FEDERAL FUNDS          |       | 1500.0 | 1725.0 | 1983.7 | 2281.3 | 2623.5 |
| OTHER (Specify Source) |       |        |        |        |        |        |

POSITIONS

|           | FY 82 | FY 83 | FY 84 | FY 85 | FY 86 | FY 87 |
|-----------|-------|-------|-------|-------|-------|-------|
| FULL TIME |       |       |       |       |       |       |
| PART TIME |       |       |       |       |       |       |
| TEMPORARY |       |       |       |       |       |       |

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

IV. DATE \_\_\_\_\_ PREPARED BY \_\_\_\_\_  
 AGENCY \_\_\_\_\_  
 Original: Legislative Finance PHONE \_\_\_\_\_  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)  
 33-001 (Rev. 12/81)

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Senate Bill 817  
 Title An Act relating to medical assistance for needy persons  
 Requested by Senate HFSS Committee Date 3/15/82

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services  
 Program Category Affected Health  
 BRU, Program, Or Subprogram(s) Affected General Relief Medical  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

*GRM*

|                          | FY 82 | FY 83    | FY 84    | FY 85    | FY 86    | FY 87    |
|--------------------------|-------|----------|----------|----------|----------|----------|
| 100 PERSONAL SERVICES    |       |          |          |          |          |          |
| 200 TRAVEL               |       |          |          |          |          |          |
| 300 CONTRACTUAL          |       |          |          |          |          |          |
| 400 COMMODITIES          |       |          |          |          |          |          |
| 500 EQUIPMENT            |       |          |          |          |          |          |
| 600 LAND & STRUCTURES    |       |          |          |          |          |          |
| 700 GRANTS, CLAIMS, ETC. |       | (5531.9) | (6361.7) | (7316.0) | (8413.4) | (9150.7) |
| TOTAL                    |       | (5531.9) | (6361.7) | (7316.0) | (8413.4) | (9150.7) |

FUNDING (Thousands of Dollars)

|                        |  |          |          |          |          |          |
|------------------------|--|----------|----------|----------|----------|----------|
| GENERAL FUND           |  | (5531.9) | (6361.7) | (7316.0) | (8413.4) | (9150.7) |
| FEDERAL FUNDS          |  |          |          |          |          |          |
| OTHER (Specify Source) |  |          |          |          |          |          |
|                        |  |          |          |          |          |          |

POSITIONS

|           |  |  |  |  |  |  |
|-----------|--|--|--|--|--|--|
| FULL TIME |  |  |  |  |  |  |
| PART TIME |  |  |  |  |  |  |
| TEMPORARY |  |  |  |  |  |  |

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

IV. DATE \_\_\_\_\_ PREPARED BY \_\_\_\_\_  
 AGENCY \_\_\_\_\_  
 Original: Legislative Finance PHONE \_\_\_\_\_  
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II. FISCAL DETAIL

Agency Affected Department of Health and Social Services  
 Program Category Affected Health/Social and Economic Assistance  
 BRU, Program, Or Subprogram(s) Affected Medicaid/PA Admin/Eliq. Deter.  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

|                          | FY 82 | FY 83  | FY 84  | FY 85  | FY 86  | FY 87  |
|--------------------------|-------|--------|--------|--------|--------|--------|
| 100 PERSONAL SERVICES    |       | 35.0   | 38.5   | 42.3   | 46.5   | 51.1   |
| 200 TRAVEL               |       | 2.0    | 2.2    | 2.4    | 2.6    | 2.9    |
| 300 CONTRACTUAL          |       | 13.3   | 14.6   | 16.1   | 17.7   | 19.5   |
| 400 COMMODITIES          |       | .6     | .7     | .8     | .9     | 1.0    |
| 500 EQUIPMENT            |       | 1.3    | 0      | 0      | 0      | 0      |
| 600 LAND & STRUCTURES    |       | 0      | 0      | 0      | 0      | 0      |
| 700 GRANTS, CLAIMS, ETC. |       | 3286.4 | 3779.4 | 4346.3 | 4998.2 | 5747.9 |
| TOTAL                    |       | 3338.6 | 3835.4 | 4407.9 | 5065.9 | 5822.4 |

FUNDING (Thousands of Dollars)

*Medically needy*

|                        |  |        |        |        |        |        |
|------------------------|--|--------|--------|--------|--------|--------|
| GENERAL FUND           |  | 1736.1 | 1994.4 | 2292.1 | 2634.3 | 3027.6 |
| FEDERAL FUNDS          |  | 1602.5 | 1841.0 | 2115.8 | 2431.6 | 2794.8 |
| OTHER (Specify Source) |  |        |        |        |        |        |
|                        |  |        |        |        |        |        |

POSITIONS

|           |  |   |   |   |   |   |
|-----------|--|---|---|---|---|---|
| FULL TIME |  | 1 | 1 | 1 | 1 | 1 |
| PART TIME |  |   |   |   |   |   |
| TEMPORARY |  |   |   |   |   |   |

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

IV. DATE \_\_\_\_\_ PREPARED BY \_\_\_\_\_  
 AGENCY \_\_\_\_\_  
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LEGISLATIVE INTENT:

To implement changes in coverage caused by passage of SB 817, the Department has the authority to transfer funds between components as needed to cover new categories of service and groups of eligibles under the Medicaid program, to reduce the scope of the General Relief Medical program, and to make up the Medicaid penalty.

LEGISLATIVE INTENT:

The Department has the authority to transfer funds from the Medical Assistance BRU to the Eligibility Determination BRU to provide funding for up to 7 new field positions when they are needed to determine eligibility for new Medicaid eligibles under SB 817.



MEDICAID/GRM EVALUATION WORKSHEET

MEDICAID

GENERAL RELIEF MEDICAL

| <u>Eligibility Groups</u> |                        | <u>Service Categories</u> |                     | <u>Rate Schemes</u> |                        | <u>Eligibility Groups</u> |                    | <u>Service Categories</u> |                     | <u>Rate Schemes</u>     |  |
|---------------------------|------------------------|---------------------------|---------------------|---------------------|------------------------|---------------------------|--------------------|---------------------------|---------------------|-------------------------|--|
| CATEGORICALLY NEEDY       |                        | FED MANDATORY             |                     | ¢                   | Raise/lower APA        | 1                         | AFDC-UP children   | 1                         | Hospital            | Raise/lower standards   |  |
| #                         | AFDC cash household    | \$                        | Hospital            | ¢                   | Raise/lower AFDC       | 2                         | Single employables | 2                         | Physician           | Raise/lower resources   |  |
| #                         | SSI cash household     | \$                        | Physician           |                     | Hospital rates         | 3                         | Employable couples | 3                         | Prescribed drugs    | Hospital rates          |  |
| 1                         | APA cash household     | \$                        | Skilled nursing     |                     | LTC rates              | 4                         |                    | 4                         | Lab and X-ray       | LTC rates               |  |
| 2                         | 300% Institutional     | \$                        | Lab and X-ray       |                     | Raise/lower phys pymt  | 5                         |                    | 5                         | PT/OT               | Raise/lower phys pymt   |  |
| 3                         | DHSS foster children   | \$                        | Medical trans       |                     | Raise/lower others     | 6                         |                    | 6                         | Medical trans       | Raise/lower pymt--other |  |
| 4                         | API under 21 class     | \$                        | Home health care    |                     | Limit access to svcs   | 7                         |                    | 7                         | Emergency dental    | Limit access to svcs    |  |
| 5                         | ICF/MR under 21 class  | \$                        | EPSDT/incl dental   |                     | Prior auth of IP svcs  | 8                         |                    | 8                         | Med supplies & eqpt | Prior auth of IP svcs   |  |
| *                         | Pregnant women         | \$                        | Family planning     |                     | Prior auth of OP svcs  | 9                         |                    | 9                         | Eye care/glasses    | Prior auth of OP svcs   |  |
| *                         | Non-AFDC children      | \$                        | Rural hlth clinic   |                     | Limit IP svcs to emgcy | 10                        |                    | 10                        | Family planning     | Limit IP svcs to emgcy  |  |
| *                         | Noninstitutional 300%  |                           |                     |                     | Limit OP svcs to emgcy | 11                        |                    | 11                        | Abortions           | Limit OP svcs to emgcy  |  |
| *                         | AFDC-UP household      |                           | FED OPTIONAL        |                     | Copymt on opt svcs     | 12                        |                    | 12                        | Surgical care ctrs  |                         |  |
| *                         | Caretaker relatives    | 1                         | Intermed nursing    |                     | Copymt on mand svcs    | 13                        |                    | 13                        | Speech, hearing     |                         |  |
|                           |                        | 2                         | Prescribed drugs    |                     |                        | 14                        |                    | 14                        | Skilled nursing     |                         |  |
|                           | MEDICALLY NEEDY        | 3                         | Eye care/glasses    |                     |                        | 15                        |                    | 15                        | Intermed nursing    |                         |  |
| *                         | Non-AFDC children      | 4                         | Speech, hearing     |                     |                        |                           |                    |                           |                     |                         |  |
| *                         | Pregnant women         | 5                         | PT/OT               |                     |                        |                           |                    |                           |                     |                         |  |
| *                         | DHSS foster children   | 6                         | ICF/MR              |                     |                        |                           |                    |                           |                     |                         |  |
| *                         | APA-type adults        | 7                         | Psych facility      |                     |                        |                           |                    |                           |                     |                         |  |
| *                         | AFDC-type household    |                           | Clinic services:    |                     |                        |                           |                    |                           |                     |                         |  |
| *                         | AFDC-UP-type household | 8                         | Mental health       |                     |                        |                           |                    |                           |                     |                         |  |
| *                         | Caretaker relatives    | *                         | Birthing ctrs       |                     |                        |                           |                    |                           |                     |                         |  |
|                           |                        | *                         | Physician (IHS)     |                     |                        |                           |                    |                           |                     |                         |  |
|                           |                        | 9                         | Surgical care ctrs  |                     |                        |                           |                    |                           |                     |                         |  |
|                           |                        | 10                        | Nurse midwife       |                     |                        |                           |                    |                           |                     |                         |  |
|                           |                        | 11                        | Med supplies & eqpt |                     |                        |                           |                    |                           |                     |                         |  |
|                           |                        | *                         | Noninstl LTC        |                     |                        |                           |                    |                           |                     |                         |  |
|                           |                        | *                         | Personal care       |                     |                        |                           |                    |                           |                     |                         |  |
|                           |                        | *                         | Podiatrist          |                     |                        |                           |                    |                           |                     |                         |  |
|                           |                        | *                         | Dentures            |                     |                        |                           |                    |                           |                     |                         |  |
|                           |                        | *                         | Dental              |                     |                        |                           |                    |                           |                     |                         |  |
|                           |                        | *                         | Chiropractic        |                     |                        |                           |                    |                           |                     |                         |  |
|                           |                        | *                         | Diag, rehab, etc    |                     |                        |                           |                    |                           |                     |                         |  |
|                           |                        | *                         | Pvt duty nursing    |                     |                        |                           |                    |                           |                     |                         |  |
|                           |                        | *                         | Physician assts     |                     |                        |                           |                    |                           |                     |                         |  |
|                           |                        | *                         | Pvt psychologists   |                     |                        |                           |                    |                           |                     |                         |  |
|                           |                        | *                         | Nurse practitioners |                     |                        |                           |                    |                           |                     |                         |  |

\*--Not covered under Alaska Medicaid program

#--Federally-mandated groups of eligibles--not ranked

Columns with numbers are ranked from most important to least important--no rankings are indicated for changes in rate schemes

\$--Federally-mandated categories of service--not ranked

¢--Payment rates established by Alaska Legislature

alaska  
state  
hospital  
association

319 Seward St., Juneau, Alaska 99801 • (907) 586-1790  
REPRESENTING ACUTE, LONG TERM AND OUTPATIENT FACILITIES

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Anchorage

Alternate Trustee Delegate  
to American Hospital  
Association  
Robert Jensen  
Central Peninsula Hospital  
Soldotna

President  
Dennis L. DeWitt  
Juneau

March 29, 1982

The Honorable Charles H. Parr  
Alaska State Senate  
Pouch V, State Capitol Building  
Juneau, Alaska 99811


Dear Senator Parr:

The Alaska State Hospital Association wishes to encourage your consideration of the amendments that the Department of Health and Social Services has proposed to Senate Bill 817.

This Association has long advocated an overhaul of the relationship of Medicaid and General/Relief Medical to maximize federal financial participation and increase Alaska's ability to offer health care to its needy residents. The proposal by the Department of Health and Social Services is a bold and forthright step in recognizing the importance of prudent fiscal approach to providing health care. We believe that it is imperative that the legislature make those changes needed to maximize federal financial participation in indigent health care in Alaska before it adjourns the Second Session of the Twelfth Legislature.

We stand ready to lend our assistance to this activity.

Sincerely,

  
Dennis L. DeWitt  
President

DLD:bf

cc: Friday Mailing  
Governor Hammond  
Lt. Governor Miller  
Commissioner Beirne  
Members Senate HESS

By:

Rod Betit

3/15/82

Rod Betit  
Director, DPA  
DHSS

| SB 817<br>Reference                                | Medicaid/GRM Modifications                                    | State Funds Only |                   | New<br>Cases<br>Covered |
|--|---|------------------|-------------------|-------------------------|
|  |   | GRM<br>Costs     | Medicaid<br>Costs |                         |
| (Section 1)  | * Move AFDC U.P. (Including Ribicoff Kids)<br>to Medicaid BRU | (5076.6)         | 6377.6            | 3561                    |
| (Section 1)  | * Add Pregnant Women to Medicaid                              | (155.3)          | 252.6             | 191                     |
| (Section 2)  | * Cover APA & Certain Other Medically<br>Needy Kids           | ---              | 1736.1            | 400                     |
| (Section 3)  | * Move Certain Services from GRM to<br>Medicaid               | (1200.0)         | 900.0             | -0-                     |
| <u>Net Savings and New Persons Added</u>           |   | <u>(6431.9)</u>  | <u>9266.3</u>     | <u>4152</u>             |
| <u>Other Medical Needs Not Addressed By SB 817</u> |   |                  |                   |                         |
| a)   | Cover travel costs dropped by AANHS                           | 250.0            | 500.0             | -0-                     |
| b)   | Cover penalty assessment in Medicaid                          | ---              | 1260.0            | -0-                     |
| c)   | Cover FY83 GR Medical shortfall                               | 500.0            | ---               | -0-                     |
| d)   | Cover Medicare Part B for certain elderly                     | 306.7            | ---               | 2130                    |
| e)   | Raise GRM limits to Medicaid standard                         | -----            | Not Known         | -----                   |
| f)   | Cover AFDC medically needy adults<br>except U.P.              | ---              | 3300.0            | 534                     |
| g)   | Cover AFDC-U.P. medically needy adults                        | -----            | Not Known         | -----                   |

FISCAL NOTE SUMMARY

SENATE BILL NO. 817

|   | <u>TOTAL NEW<br/>MEDICAID</u> | <u>NEW<br/>STATE</u> | <u>NEW<br/>FEDERAL</u> | <u>NEW<br/>POSITIONS</u> |
|---|-------------------------------|----------------------|------------------------|--------------------------|
| 1.a. Addition of New<br>Medicaid Eligibles;<br>Transfer of Services | \$17860.5                     | \$ 6377.6            | \$11482.9              | 11                       |
| 1.b. Addition of<br>Pregnant Women as<br>Medicaid Eligibles         | 467.6                         | 252.6                | 215.0                  | 0                        |
| 2. Decrease in GRM<br>Due to Transfer of<br>Services and Eligibles  |                               | (5531.9)             | 0                      | 0                        |
| 3. Addition of Clinic<br>Services under<br>Medicaid                 | 1500.0                        | 0                    | 1500.0                 | 0                        |
| SUBTOTAL  | <u>\$19828.1</u>              | <u>\$ 1098.3</u>     | <u>\$13197.9</u>       | <u>11</u>                |
| 4. Addition of New<br>Medicaid Medically<br>Needy Eligibles         | 3338.0                        | 1736.1               | 1602.5                 | 1                        |
| TOTAL   | <u>\$23166.7</u>              | <u>\$ 2834.4</u>     | <u>\$14800.4</u>       | <u>12</u>                |

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Senate Bill 817  
 Title An Act relating to medical assistance for needy persons  
 Requested by Senate HESS Committee Date 3/15/82

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services  
 Program Category Affected Health/Social and Economic Assistance  
 BRU, Program, Or Subprogram(s) Affected Medicaid/Elig. Deter./PA Admin.  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

|                          | FY 82 | FY 83   | FY 84   | FY 85   | FY 86   | FY 87   |
|--------------------------|-------|---------|---------|---------|---------|---------|
| 100 PERSONAL SERVICES    |       | 350.4   | 385.4   | 423.9   | 466.3   | 512.9   |
| 200 TRAVEL               |       | 12.8    | 14.1    | 15.5    | 17.0    | 18.7    |
| 300 CONTRACTUAL          |       | 132.5   | 145.7   | 160.3   | 176.3   | 193.9   |
| 400 COMMODITIES          |       | 6.5     | 7.1     | 7.8     | 8.6     | 9.5     |
| 500 EQUIPMENT            |       | 13.1    | 0       | 0       | 0       | 0       |
| 600 LAND & STRUCTURES    |       | 0       | 0       | 0       | 0       | 0       |
| 700 GRANTS, CLAIMS, ETC. |       | 17812.8 | 20484.8 | 23557.6 | 27091.2 | 31154.9 |
| TOTAL                    |       | 18328.1 | 21037.1 | 24165.1 | 27759.4 | 31889.9 |

FUNDING (Thousands of Dollars)

|                        |  |         |         |         |         |         |
|------------------------|--|---------|---------|---------|---------|---------|
| GENERAL FUND           |  | 6630.2  | 7603.8  | 8730.0  | 10023.7 | 11509.8 |
| FEDERAL FUNDS          |  | 11697.9 | 13433.3 | 15435.1 | 17735.7 | 20380.1 |
| OTHER (Specify Source) |  |         |         |         |         |         |
|                        |  |         |         |         |         |         |

POSITIONS

|           |  |    |    |    |    |    |
|-----------|--|----|----|----|----|----|
| FULL TIME |  | 11 | 11 | 11 | 11 | 11 |
| PART TIME |  |    |    |    |    |    |
| TEMPORARY |  |    |    |    |    |    |

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

IV. DATE \_\_\_\_\_ PREPARED BY \_\_\_\_\_  
 AGENCY \_\_\_\_\_  
 Original: Legislative Finance PHONE \_\_\_\_\_  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)  
 33-001 (Rev. 12/81)

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Senate Bill 817  
 Title An Act relating to medical assistance for needy persons  
 Requested by Senate HESS Committee Date 3/15/82

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services  
 Program Category Affected Health  
 BRU, Program, Or Subprogram(s) Affected Medicaid  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

|                          | FY 82 | FY 83  | FY 84  | FY 85  | FY 86  | FY 87  |
|--------------------------|-------|--------|--------|--------|--------|--------|
| 100 PERSONAL SERVICES    |       |        |        |        |        |        |
| 200 TRAVEL               |       |        |        |        |        |        |
| 300 CONTRACTUAL          |       |        |        |        |        |        |
| 400 COMMODITIES          |       |        |        |        |        |        |
| 500 EQUIPMENT            |       |        |        |        |        |        |
| 600 LAND & STRUCTURES    |       |        |        |        |        |        |
| 700 GRANTS, CLAIMS, ETC. |       | 1500.0 | 1725.0 | 1983.7 | 2281.3 | 2623.5 |
| TOTAL                    |       | 1500.0 | 1725.0 | 1983.7 | 2281.3 | 2623.5 |

FUNDING (Thousands of Dollars)

|                        |  |        |        |        |        |        |
|------------------------|--|--------|--------|--------|--------|--------|
| GENERAL FUND           |  | 0      | 0      | 0      | 0      | 0      |
| FEDERAL FUNDS          |  | 1500.0 | 1725.0 | 1983.7 | 2281.3 | 2623.5 |
| OTHER (Specify Source) |  |        |        |        |        |        |
|                        |  |        |        |        |        |        |

POSITIONS

|           |  |  |  |  |  |  |
|-----------|--|--|--|--|--|--|
| FULL TIME |  |  |  |  |  |  |
| PART TIME |  |  |  |  |  |  |
| TEMPORARY |  |  |  |  |  |  |

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

IV. DATE \_\_\_\_\_ PREPARED BY \_\_\_\_\_  
 AGENCY \_\_\_\_\_  
 Original: Legislative Finance PHONE \_\_\_\_\_  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)  
 33-001 (Rev. 12/81)

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Senate Bill 817  
Title An Act relating to medical assistance for needy persons  
Requested by Senate HESS Committee Date 3/15/82

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services  
Program Category Affected Health  
BRU, Program, Or Subprogram(s) Affected General Relief Medical  
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

|                          | FY 82 | FY 83    | FY 84    | FY 85    | FY 86    | FY 87    |
|--------------------------|-------|----------|----------|----------|----------|----------|
| 100 PERSONAL SERVICES    |       |          |          |          |          |          |
| 200 TRAVEL               |       |          |          |          |          |          |
| 300 CONTRACTUAL          |       |          |          |          |          |          |
| 400 COMMODITIES          |       |          |          |          |          |          |
| 500 EQUIPMENT            |       |          |          |          |          |          |
| 600 LAND & STRUCTURES    |       |          |          |          |          |          |
| 700 GRANTS, CLAIMS, ETC. |       | (5531.9) | (6361.7) | (7316.0) | (8413.4) | (9150.7) |
| TOTAL                    |       | (5531.9) | (6361.7) | (7316.0) | (8413.4) | (9150.7) |

FUNDING (Thousands of Dollars)

|                        |  |          |          |          |          |          |
|------------------------|--|----------|----------|----------|----------|----------|
| GENERAL FUND           |  | (5531.9) | (6361.7) | (7316.0) | (8413.4) | (9150.7) |
| FEDERAL FUNDS          |  |          |          |          |          |          |
| OTHER (Specify Source) |  |          |          |          |          |          |
|                        |  |          |          |          |          |          |

POSITIONS

|           |  |  |  |  |  |  |
|-----------|--|--|--|--|--|--|
| FULL TIME |  |  |  |  |  |  |
| PART TIME |  |  |  |  |  |  |
| TEMPORARY |  |  |  |  |  |  |

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

IV. DATE \_\_\_\_\_ PREPARED BY \_\_\_\_\_  
AGENCY \_\_\_\_\_  
Original: Legislative Finance PHONE \_\_\_\_\_  
cc: Budget and Management  
Prime Sponsor (First Legislator Named)  
33-001 (Rev. 12/81)

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Senate Bill 817  
Title An Act relating to medical assistance for needy persons  
Requested by Senate HESS Committee Date 3/15/82

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services  
Program Category Affected Health/Social and Economic Assistance  
BRU, Program, Or Subprogram(s) Affected Medicaid/PA Admin/Eliq. Deter.  
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

|                          | FY 82 | FY 83  | FY 84  | FY 85  | FY 86  | FY 87  |
|--------------------------|-------|--------|--------|--------|--------|--------|
| 100 PERSONAL SERVICES    |       | 35.0   | 38.5   | 42.3   | 46.5   | 51.1   |
| 200 TRAVEL               |       | 2.0    | 2.2    | 2.4    | 2.6    | 2.9    |
| 300 CONTRACTUAL          |       | 13.3   | 14.6   | 16.1   | 17.7   | 19.5   |
| 400 COMMODITIES          |       | .6     | .7     | .8     | .9     | 1.0    |
| 500 EQUIPMENT            |       | 1.3    | 0      | 0      | 0      | 0      |
| 600 LAND & STRUCTURES    |       | 0      | 0      | 0      | 0      | 0      |
| 700 GRANTS, CLAIMS, ETC. |       | 3286.4 | 3779.4 | 4346.3 | 4998.2 | 5747.9 |
| TOTAL                    |       | 3338.6 | 3835.4 | 4407.9 | 5065.9 | 5822.4 |

FUNDING (Thousands of Dollars)

|                        |  |        |        |        |        |        |
|------------------------|--|--------|--------|--------|--------|--------|
| GENERAL FUND           |  | 1736.1 | 1994.4 | 2292.1 | 2634.3 | 3027.6 |
| FEDERAL FUNDS          |  | 1602.5 | 1841.0 | 2115.8 | 2431.6 | 2794.8 |
| OTHER (Specify Source) |  |        |        |        |        |        |
|                        |  |        |        |        |        |        |

POSITIONS

|           |  |   |   |   |   |   |
|-----------|--|---|---|---|---|---|
| FULL TIME |  | 1 | 1 | 1 | 1 | 1 |
| PART TIME |  |   |   |   |   |   |
| TEMPORARY |  |   |   |   |   |   |

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

IV. DATE \_\_\_\_\_ PREPARED BY \_\_\_\_\_  
AGENCY \_\_\_\_\_  
Original: Legislative Finance PHONE \_\_\_\_\_  
cc: Budget and Management  
Prime Sponsor (First Legislator Named)  
33-001 (Rev. 12/81)

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Senate Bill 817  
 Title An Act relating to medical assistance for needy persons  
 Requested by Senate HESS Committee Date 3/19/82

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services  
 Program Category Affected Health  
 BRU, Program, Or Subprogram(s) Affected General Relief Medical  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

|                          | FY 82 | FY 83     | FY 84     | FY 85     | FY 86     | FY 87     |
|--------------------------|-------|-----------|-----------|-----------|-----------|-----------|
| 100 PERSONAL SERVICES    |       |           |           |           |           |           |
| 200 TRAVEL               |       |           |           |           |           |           |
| 300 CONTRACTUAL          |       |           |           |           |           |           |
| 400 COMMODITIES          |       |           |           |           |           |           |
| 500 EQUIPMENT            |       |           |           |           |           |           |
| 600 LAND & STRUCTURES    |       |           |           |           |           |           |
| 700 GRANTS, CLAIMS, ETC. |       | (11603.0) | (13330.9) | (15321.9) | (17610.9) | (20241.9) |
| TOTAL                    |       | (11603.0) | (13330.9) | (15321.9) | (17610.9) | (20241.9) |

FUNDING (Thousands of Dollars)

|                        |  |           |           |           |           |           |
|------------------------|--|-----------|-----------|-----------|-----------|-----------|
| GENERAL FUND           |  | (11603.0) | (13330.9) | (15321.9) | (17610.9) | (20241.9) |
| FEDERAL FUNDS          |  |           |           |           |           |           |
| OTHER (Specify Source) |  |           |           |           |           |           |

POSITIONS

|           |  |  |  |  |  |  |
|-----------|--|--|--|--|--|--|
| FULL TIME |  |  |  |  |  |  |
| PART TIME |  |  |  |  |  |  |
| TEMPORARY |  |  |  |  |  |  |

III ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

Entire General Relief Medical budget transferred to new budget request unit titled "Medical Assistance" and to the Eligibility Determination budget request unit to provide funding for administrative costs associated with the addition of new eligibles to the Medicaid program.

IV. DATE 3/22/82 PREPARED BY David M. Davidson *DM*  
 AGENCY Division of Public Assistance  
 Original: Legislative Finance PHONE 465-3347  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)  
 33-001 (Rev. 12/81)

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST  
 Bill/Resolution No. Senate Bill 817  
 Title An Act relating to medical assistance for needy persons  
 Requested by Senate HESS Committee Date 3/19/82

II. FISCAL DETAIL  
 Agency Affected Department of Health and Social Services  
 Program Category Affected Health  
 BRU, Program, Or Subprogram(s) Affected Medicaid\*  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

|                          | FY 82 | FY 83   | FY 84   | FY 85   | FY 86   | FY 87   |
|--------------------------|-------|---------|---------|---------|---------|---------|
| 100 PERSONAL SERVICES    |       |         |         |         |         |         |
| 200 TRAVEL               |       |         |         |         |         |         |
| 300 CONTRACTUAL          |       |         |         |         |         |         |
| 400 COMMODITIES          |       |         |         |         |         |         |
| 500 EQUIPMENT            |       |         |         |         |         |         |
| 600 LAND & STRUCTURES    |       |         |         |         |         |         |
| 700 GRANTS, CLAIMS, ETC. |       | 22068.5 | 25378.7 | 29185.5 | 33563.4 | 38597.9 |
| TOTAL                    |       | 22068.5 | 25378.7 | 29185.5 | 33563.4 | 38597.9 |

FUNDING (Thousands of Dollars)

|                        |  |         |         |         |         |         |
|------------------------|--|---------|---------|---------|---------|---------|
| GENERAL FUND           |  | 11442.3 | 13158.6 | 15132.4 | 17402.3 | 20012.6 |
| FEDERAL FUNDS          |  | 10626.2 | 12220.1 | 14053.1 | 16161.1 | 18585.3 |
| OTHER (Specify Source) |  |         |         |         |         |         |
|                        |  |         |         |         |         |         |

POSITIONS

|           |  |  |  |  |  |  |
|-----------|--|--|--|--|--|--|
| FULL TIME |  |  |  |  |  |  |
| PART TIME |  |  |  |  |  |  |
| TEMPORARY |  |  |  |  |  |  |

III. ANALYSIS (See Fiscal Note Preparation Instruction., Section III)

Transfer of State General Funds from General Relief Medical budget request unit and claiming of federal matching funds.

\*The Medicaid budget request unit will be changed to the "Medical Assistance" budget request unit to reflect inclusion of Medicaid and General Relief Medical in one budget request unit.

IV. DATE 3/22/82 PREPARED BY David M. Davidson  
 AGENCY Division of Public Assistance  
 Original: Legislative Finance PHONE 465-3347  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)  
 33-001 (Rev. 12/81)

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Senate Bill 817  
Title An Act relating to medical assistance for needy persons  
Requested by Senate HESS Committee Date 3/19/82

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services  
Program Category Affected Social and Economic Assistance  
BRU, Program, Or Subprogram(s) Affected Eligibility Determination  
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

|                          | FY 82 | FY 83 | FY 84 | FY 85 | FY 86 | FY 87 |
|--------------------------|-------|-------|-------|-------|-------|-------|
| 100 PERSONAL SERVICES    |       | 210.2 | 231.2 | 254.3 | 279.8 | 307.7 |
| 200 TRAVEL               |       | 7.7   | 8.5   | 9.3   | 10.3  | 11.3  |
| 300 CONTRACTUAL          |       | 79.5  | 87.4  | 96.1  | 105.8 | 116.3 |
| 400 COMMODITIES          |       | 3.9   | 4.3   | 4.7   | 5.2   | 5.7   |
| 500 EQUIPMENT            |       | 7.9   |       |       |       |       |
| 600 LAND & STRUCTURES    |       |       |       |       |       |       |
| 700 GRANTS, CLAIMS, ETC. |       |       |       |       |       |       |
| TOTAL                    |       | 309.2 | 331.4 | 364.4 | 401.1 | 441.0 |

FUNDING (Thousands of Dollars)

|                        |  |       |       |       |       |       |
|------------------------|--|-------|-------|-------|-------|-------|
| GENERAL FUND           |  | 160.7 | 172.3 | 189.5 | 208.6 | 229.3 |
| FEDERAL FUNDS          |  | 148.5 | 159.1 | 174.9 | 192.5 | 211.7 |
| OTHER (Specify Source) |  |       |       |       |       |       |
|                        |  |       |       |       |       |       |

POSITIONS

|           |  |   |   |   |   |   |
|-----------|--|---|---|---|---|---|
| FULL TIME |  | 6 | 6 | 6 | 6 | 6 |
| PART TIME |  |   |   |   |   |   |
| TEMPORARY |  |   |   |   |   |   |

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

State General Funds transferred from General Relief Medical budget request unit to Eligibility Determination to provide funding for administrative costs associated with the addition of new eligibles to the Medicaid program.

IV. DATE 3/19/82 PREPARED BY David M. Davidson  
AGENCY Division of Public Assistance  
Original: Legislative Finance PHONE 465-3347  
cc: Budget and Management  
Prime Sponsor (First Legislator Named)  
33-001 (Rev. 12/81)

MEDICAID/GRM EVALUATION WORKSHEET

MEDICAID

| <u>Eligibility Groups</u> |                        | <u>Service Categories</u> |                     | <u>Rate Schemes</u> |                        |
|---------------------------|------------------------|---------------------------|---------------------|---------------------|------------------------|
| CATEGORICALLY NEEDED      |                        | FED MANDATORY             |                     | ¢                   | Raise/lower APA        |
| #                         | AFDC cash household    | \$                        | Hospital            | ¢                   | Raise/lower AFDC       |
| #                         | SSI cash household     | \$                        | Physician           |                     | Hospital rates         |
| 1                         | APA cash household     | \$                        | Skilled nursing     |                     | LTC rates              |
| 2                         | 300% institutional     | \$                        | Lab and X-ray       |                     | Raise/lower phys pymt  |
| 3                         | DHSS foster children   | \$                        | Medical trans       |                     | Raise/lower others     |
| 4                         | API under 21 class     | \$                        | Home health care    |                     | Limit access to svcs   |
| 5                         | ICF/MR under 21 class  | \$                        | EPSDT/incl dental   |                     | Prior auth of IP svcs  |
| *                         | Pregnant women         | \$                        | Family planning     |                     | Prior auth of OP svcs  |
| *                         | Non-AFDC children      | \$                        | Rural hlth clinic   |                     | Limit IP svcs to emgcy |
| *                         | Noninstitutional 300%  |                           |                     |                     | Limit OP svcs to emgcy |
| *                         | AFDC-UP household      |                           | FED OPTIONAL        |                     | Copymt on opt svcs     |
| *                         | Caretaker relatives    | 1                         | Intermed nursing    |                     | Copymt on mand svcs    |
|                           |                        | 2                         | Prescribed drugs    |                     |                        |
|                           |                        | 3                         | Eye care/glasses    |                     |                        |
|                           | MEDICALLY NEEDED       | 4                         | Speech, hearing     |                     |                        |
| *                         | Non-AFDC children      | 5                         | PT/OT               |                     |                        |
| *                         | Pregnant women         | 6                         | ICF/MR              |                     |                        |
| *                         | DHSS foster children   | 7                         | Psych facility      |                     |                        |
| *                         | APA-type adults        |                           | Clinic services:    |                     |                        |
| *                         | AFDC-type household    | 8                         | Mental health       |                     |                        |
| *                         | AFDC-UP-type household | *                         | Birthing ctrs       |                     |                        |
| *                         | Caretaker relatives    | *                         | Physician (IHS)     |                     |                        |
|                           |                        | 9                         | Surgical care ctrs  |                     |                        |
|                           |                        | 10                        | Nurse midwife       |                     |                        |
|                           |                        | 11                        | Med supplies & eqpt |                     |                        |
|                           |                        | *                         | Noninstl LTC        |                     |                        |
|                           |                        | *                         | Personal care       |                     |                        |
|                           |                        | *                         | Podiatrist          |                     |                        |
|                           |                        | *                         | Dentures            |                     |                        |
|                           |                        | *                         | Dental              |                     |                        |
|                           |                        | *                         | Chiropractic        |                     |                        |
|                           |                        | *                         | Diag, rehab, etc    |                     |                        |
|                           |                        | *                         | Pvt duty nursing    |                     |                        |
|                           |                        | *                         | Physician assts     |                     |                        |
|                           |                        | *                         | Pvt psychologists   |                     |                        |
|                           |                        | *                         | Nurse practitioners |                     |                        |

GENERAL RELIEF MEDICAL

| <u>Eligibility Groups</u> |                    | <u>Service Categories</u> |                     | <u>Rate Schemes</u> |                         |
|---------------------------|--------------------|---------------------------|---------------------|---------------------|-------------------------|
| 1                         | AFDC-UP children   | 1                         | Hospital            |                     | Raise/lower standards   |
| 2                         | Single employables | 2                         | Physician           |                     | Raise/lower resources   |
| 3                         | Employable couples | 3                         | Prescribed drugs    |                     | Hospital rates          |
|                           |                    | 4                         | Lab and X-ray       |                     | LTC rates               |
|                           |                    | 5                         | PT/OT               |                     | Raise/lower phys pymt   |
|                           |                    | 6                         | Medical trans       |                     | Raise/lower pymt--other |
|                           |                    | 7                         | Emergency dental    |                     | Limit access to svcs    |
|                           |                    | 8                         | Med supplies & eqpt |                     | Prior auth of IP svcs   |
|                           |                    | 9                         | Eye care/glasses    |                     | Prior auth of OP svcs   |
|                           |                    | 10                        | Family planning     |                     | Limit IP svcs to emgcy  |
|                           |                    | 11                        | Abortions           |                     | Limit OP svcs to emgcy  |
|                           |                    | 12                        | Surgical care ctrs  |                     |                         |
|                           |                    | 13                        | Speech, hearing     |                     |                         |
|                           |                    | 14                        | Skilled nursing     |                     |                         |
|                           |                    | 15                        | Intermed nursing    |                     |                         |

\*--Not covered under Alaska Medicaid program

#--Federally-mandated groups of eligibles--not ranked

Columns with numbers are ranked from most important to least important--no

\$--Federally-mandated categories of service--not ranked

¢--Payment rates established by Alaska Legislature

Columns with numbers are ranked from most important to least important--no rankings are indicated for changes in rate schemes

MEDICAID/GENERAL RELIEF MEDICAL  
FISCAL AND PROGRAM ADJUSTMENTS--FY 83

| TOTAL MEDICAID | STATE FUNDS | FEDERAL FUNDS | DESCRIPTION OF PROGRAM CHANGE  | GEN RELIEF MEDICAL | NEW PERSONS COVERED |
|----------------|-------------|---------------|--|--------------------|---------------------|
| \$50559.4      | \$23154.0   | \$27405.4     | FY 83 Budget Request after reductions  | \$11603.0          |                     |
|                |             |               | Deduction for Catastrophic Illness   | (2158.4)           |                     |
| 50559.4        | 23154.0     | 27405.4       |  | 9444.6             |                     |
| 3102.6         | 1613.4      | 1489.2        | Transfer of services from GRM to Medicaid (increase GRM amount by 50% for potential crossover) | (1613.4)           |                     |
| 53662.0        | 24767.4     | 28894.6       |  | 7831.2             |                     |
| 467.6          | 243.2       | 224.4         | Addition of coverage for pregnant women  | ( 243.2)           | 191                 |
| 54129.6        | 25010.6     | 29119.0       |  | 7588.0             |                     |
| 1500.0         |             | 1500.0        | Addition of IHS clinic services  |                    |                     |
| 55629.6        | 25010.6     | 30619.0       |  | 7588.0             |                     |
| 6520.5         | 3390.7      | 3129.8        | Addition of matchable children   | (3390.7)           | 700                 |
| 62150.1        | 28401.3     | 33748.8       |  | 4197.3             |                     |
| 3346.6         |             | 3346.6        | Addition of 100% federal match children  |                    | 3300                |
| 65496.7        | 28401.3     | 37095.4       |  | 4197.3             |                     |
| 220.2          | 111.5       | 108.7         | GRM savings from Alaska participation in Medicare Part B buy-in                                | (111.5)            |                     |
| 65716.9        | 28512.8     | 37204.1       |  | 4085.8             |                     |
| 1355.2         | 1007.7      | 347.5         | Elimination of Medicaid penalty caused by change in rate of federal funding                    | (1007.7)           |                     |
| 67072.1        | 29520.5     | 37551.6       |  | 3078.1             |                     |
| 1000.0         | 520.0       | 480.0         | Medicaid trans due to IHS funding cuts   | ( 520.0)           |                     |
| 68072.1        | 30040.5     | 38031.6       |  | 2558.1             |                     |
| 309.2          | 160.7       | 148.5         | Admin costs of adding children   | (160.7)            |                     |
| 68381.3        | 30201.2     | 38180.1       | Balance after adjustments  | 2397.4             |                     |

7 AAC 43.005(c) is amended to read:

(c) Payment will be available through the General Relief Medical program, 7 AAC 47, for medicaid beneficiaries for the medical services and supplies listed below when those services are not otherwise available under the medicaid program

~~(Inpatient/outpatient)~~  
*dental*

- (1) repealed 5/17/82;
- (2) family planning services;
- (3) prescribed pharmaceuticals;

(4) repealed 5/17/82;

*PT/OT*  
~~IC/IT~~  
*prosthetic/medical supplies*

(5) repealed 5/17/82;

NEW (~~Physician services~~)

(6) emergency medical services as defined in 7 AAC 47.900(18). Eff. 8/18/79, Reg. 71; am 5/17/82, Reg. 82)

Authority: AS 47.05.010  
AS 47.07.030  
AS 47.07.050

*If not covered, can apply 1 week after emerg. care for print.*  
7 AAC 47.030. APPLICATION EXCEPTION. Repealed 5/17/82.

7 AAC 47.050 is amended to read:

7 AAC 47.050. ELIGIBILITY DECISION. The division will render an eligibility decision upon each identifiable application for assistance and will forward to the applicant a written notice-of-eligibility decision no later than 60 days from the receipt of the application by a district office. In this section, "identifiable" application means one which contains at least the applicant's name, mailing address, and signature or witness mark. In order for assistance to be granted, the applicant must complete all portions of the application. (Eff. 3/23/78, Reg. 65; am 5/17/82, Reg. 82)

*was 30 days* →

Authority: AS 47.05.010  
AS 47.25.170

7 AAC 47.060. PERIOD OF ELIGIBILITY. Repealed 5/17/82.

*6 mos. elig. period*

7 AAC 47.070 is amended to read:

7 AAC 47.070. AVAILABILITY OF HEARING. Any applicant or recipient whose application is not acted upon within 60 days after receipt, whose application is modified or denied, or whose assistance is reduced or discontinued, shall, upon presentation of an oral or written request to any employee of the division, be granted an opportunity for a prompt hearing before a representative of the division. This hearing must be conducted under the procedures established by 7 AAC 49. (Eff. 3/23/78, Reg. 65; am 5/17/82, Reg. 82)

*was 60 days*

Authority: AS 47.05.010  
AS 47.25.180

7 AAC 47.110 is amended to read:

7 AAC 47.110. VENDOR PAYMENTS. With the exception of the payments authorized under 7 AAC 47.120 of this chapter, General Relief payments for rent, food, fuel, clothing, utilities, house repair, transportation, or funeral and burial expenses, as well as all General Relief Medical assistance payments, may be made only to the vendor or provider and not to the recipient of assistance. No General Relief vendor payments may be made for services or goods provided before the month of application. (Eff. 3/23/78, Reg. 65; am 5/17/82, Reg. 82)

Authority: AS 47.05.010  
AS 47.25.170

7 AAC 47.180. PROVISION OF MEDICAL BENEFITS. Repealed 5/17/82.

7 AAC 47.200 is amended to read:

7 AAC 47.200. GENERAL RELIEF MEDICAL COVERAGE. (a) The General Relief Medical program provides payment on behalf of persons eligible under this chapter for emergency medical services.

(b) The General Relief Medical program provides payment on behalf of persons eligible under 7 AAC 43 for the services set out in 7 AAC 43.005(c). (Eff. 3/23/78, Reg. 65; am 5/2/79, Reg. 70; am 5/17/82, Reg. 82)

Authority: AS 47.05.010  
AS 47.25.120

7 AAC 47.210 is amended to read:

7 AAC 47.210. EXCLUSIONS FROM GENERAL RELIEF MEDICAL PROGRAM. Payment will not be made for more than 30 days of hospitalization, skilled nursing care, or both, during any single illness or injury regardless of the need for continued care. (Eff. 3/23/78, Reg. 65; am 5/2/79, Reg. 70; am 5/17/82, Reg. 82)

Authority: AS 47.05.010  
AS 47.25.120

7 AAC 47.220. RESPONSIBILITY OF RECIPIENT. Repealed 5/17/82.

7 AAC 47.900 is amended to read:

7 AAC 47.900. DEFINITIONS. In this chapter

(1) "central office" means the Juneau office of the division of public assistance;

(2) "district office" means one of the local offices of the division of public assistance which is staffed to accept applications for cash, food, medical and adult residential care assistance;

(3) "division" means the division of public assistance of the Department of Health and Social Services;

*deleted:  
GRM may pay  
for services in  
month before  
application.*

*written out. to  
recipient of GRM  
Eligib.*

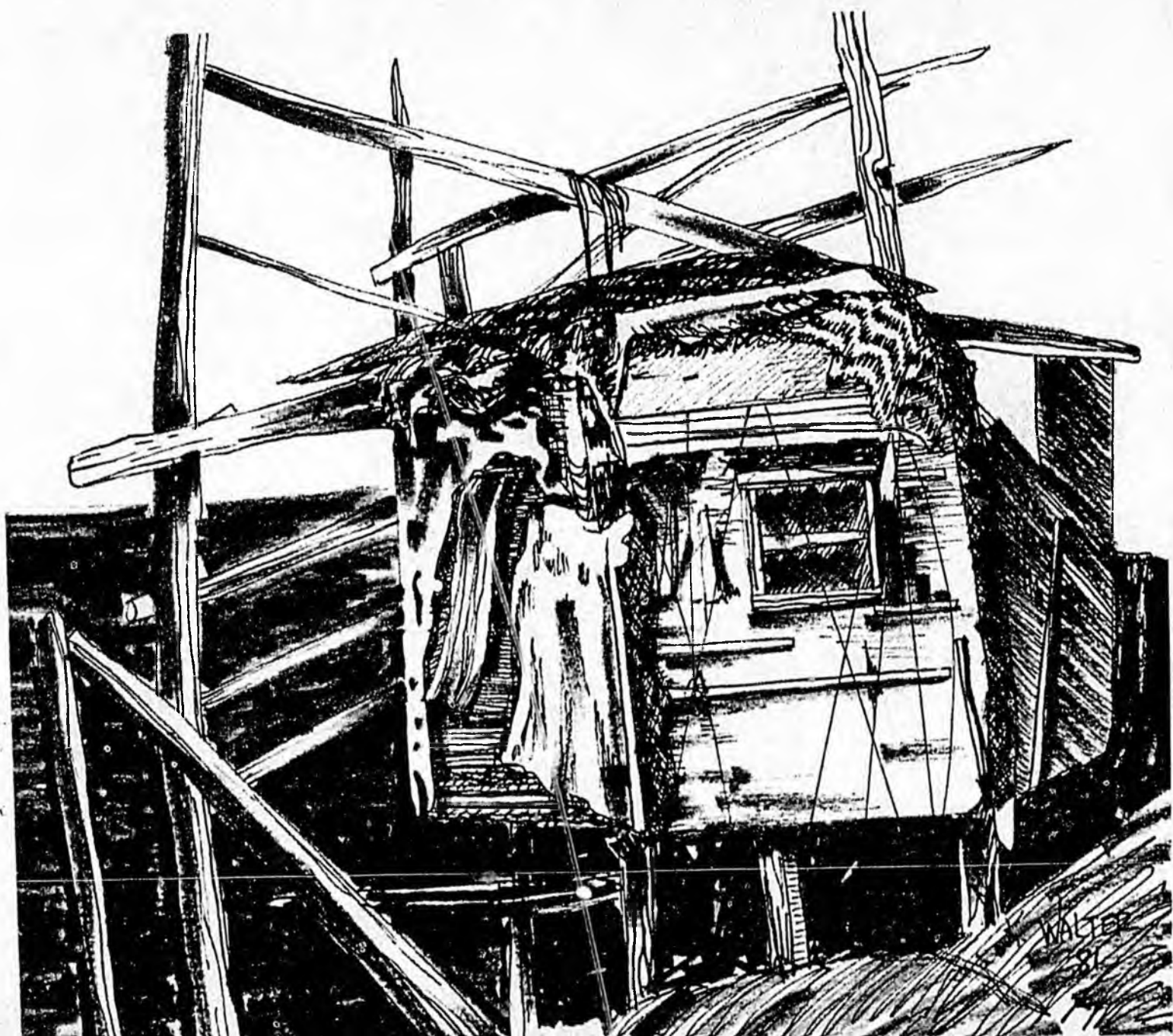
*deleted list of  
14 services  
emrg. only*

- (4) repealed 5/17/82;
- (5) repealed 5/17/82;
- (6) "provider" means a person, business, or private or public agency or institution which offers goods or services of a medical, dental or pharmaceutical nature to the public;
- (7) "regional manager" means an employee of the division of public assistance who has direct administrative responsibility for the operation of district offices within his geographic region of the state;
- (8) "APA" means the Adult Public Assistance program administered by the division of public assistance under 42 USC 601 - 611 and AS 47.25.310 - 47.25.420;
- (9) "Alaska longevity bonus" means the cash benefit program administered by the Department of Administration under AS 47.45.010 - 47.45.170;
- (10) "department" means the Department of Health and Social Services;
- (11) "division of mental health and developmental disabilities" means the division of mental health and developmental disabilities of the Department of Health and Social Services;
- (12) "division of public assistance" means the division of public assistance in the Department of Health and Social Services.
- (13) "division of social services" means the division of social services of the Department of Health and Social Services;
- (14) "division of vocational rehabilitation" means the division of vocational rehabilitation of the department of education;
- (15) "general relief medical" means the medical assistance program administered by the division of public assistance under AS 47.25.120 - 47.25.300;
- (16) "medicaid" means the medical assistance program administered by the division of public assistance under 42 USC 1396 - 1396k and AS 47.07.010 - 47.07.080;
- (17) "SSI" means the Supplemental Security Income program administered by the federal government under 42 USC 1381 - 1383c;
- (18) "emergency medical services" means medical and dental services and supplies which are necessary to prevent death or serious health impairment and which, because of the threat to life or health, necessitate immediate action. (Ei<sup>f</sup>. 3/23/78, Reg. 65; am 11/23/80, Reg. 76; am 5/17/82, Reg. 82)

# Medicaid

## annual report

### FY 80-81



## PUBLIC INFORMATION DOCUMENT

The following documents have been compiled to increase the reader's understanding of the Medicaid Program in Alaska. The documents contain information highlighting eligibility, services, and expenditures. It is hoped this information will aide the Legislature in formulating policy for the continued operation of the Medicaid Program.

### Section A

The first set of policy questions deals with the Federal-State relationship in the administration of the Medicaid Program. The Omnibus Budget Reconciliation Act of 1981 changed some of the requirements of the program and established funding limitations and incentives to limit the amount of "federal" funds spent on Medicaid. A summary of these changes can be seen in Section C. The following are some of the more important changes and their potential impact on the Alaska Medicaid Program.

1. Foremost is the potential reduction in the FFP matching rate. The amount of FFP that a state claims will be reduced on a quarterly basis by the following percentages: FY 82, 3 percent; FY 83, 4 percent; and FY84, 4.5 percent. However, a state may recover all or part of that reduction. If a state's actual claim (before the percentage reduction) does not exceed the target amount for the fiscal year, the state will be entitled to a return of the total amount withheld. For FY 82, the target is 109 percent of a state's quarterly estimate made in February 1981 for FY 81. For FY 83 and FY 84, the target amount will increase or decrease by the percentage change in the index of the medical care expenditure component of the consumer price index (rather than the GNP deflator that was being pushed by the Senate). Just so nobody thinks that this is the end of the talk of placing a cap on Medicaid expenditures, the Act requires that the GAO study the medical assistance percentage with an eye toward revising it to assure equitable distribution of federal funds. For the present, states that exceed their projected target amounts will receive a lower matching rate with no limit placed on the amount of federal funds that can be claimed.

2. Medicaid payments of physician services and other medical supplies and laboratory services are not longer required to be limited to the Medicare payment for the same service. This will permit Alaska considerable latitude in determining how and how much we pay physicians and other providers.

3. States are permitted to seek waivers to establish pre-admission screening programs and make payment for community-based care as alternatives to long term care, so long as the alternative services do not exceed the cost that would have been incurred if the person had been institutionalized. Medicaid payment would be permitted for homemaker/home health aide services, adult day health, habilitation, case management, respite care, and other services approved by HCFA. In addition, the cost of a state assessment program would be eligible for FFP.

Also of considerable concern this year is the apparent decision of the Indian Health Service to discontinue paying the non-emergency medically related transportation costs of Alaska Natives travelling from their home to a Public Health Service facility for treatment. The Department has had a memorandum of agreement with the Indian Health Service (IHS) which held that the medically related transportation costs of Alaskan Natives eligible for Medicaid would be paid by IHS when the Native was travelling to or from his house to a IHS facility. The IHS decision to no longer fund transportation means that more state dollars may be required.

### Section B

The above policy changes by the Federal Government and the IHS requires that the state reevaluate its program and develop regulations and policy and/or procedures to cope with these changes. Congress will control Medicaid over the long term either through a CAP or through incrementally larger penalties each year. In either case the net result will be a ceiling on Federal Medicaid expenditures for all practical purposes. This, coupled with state funds for Medicaid being held to a 15% increase each year, will force the department to make some difficult decisions by FY83..

On October 1, 1981, Medicaid could begin paying physicians, dentists, optometrists, and other individual practitioners based on their usual and customary billing. After approval by HCFA we could begin a long term care pre-admission screening program that would include coverage of services that are not presently covered under Medicaid but could be more cost-effective than institutionalization. We could begin developing a new method of establishing reasonable costs in hospitals and long term care facilities. All of these activities may or may not require Legislative activity; if they do, then we should begin immediately to attempt to incorporate them in our planning for FY 83.

The following is a list of policy options available to the State. The list is not an exhaustive list nor has the Department made any decision concerning the adoption of these options. This list is for discussion only.

- 1) Up front (negotiated) rates for hospitals and long term care facilities established via budget process rather than retrospective cost settlement.
- 2) Standardized Budgeting and Reporting that fit within the industries normal financial reporting system.
- 3) Computerization of data taken from Standard Budgeting and Reporting process would allow historical review and statistically accurate forecasting.

- 4) "Aggregation" of routine service costs in health care facilities to insure limits are not exceeded.
- 5) Establish regulations which limit program services such as:
  - a. Require prior authorization of all non emergency hospital admissions;
  - b. Limit the number of non emergency outpatient hospital and/or physician visits per month;
  - c. Require prior authorization of elective surgery;
  - d. Limit the number of days of long term care allowed;
  - e. Limit the number of eyeglasses purchased per year;
  - f. Limit number of physical therapy and occupational therapy visits per month.
- 6) Establish regulations which limit fees paid for services such as:
  - a. Establish fee schedule for Laboratory and X-Ray services;
  - b. Establish recipient co-payment requirements for optional and mandatory services;
  - c. Establish fee schedules for ER and outpatient hospital visits and;
  - d. Tie reimbursement in hospitals and long term care facilities to occupancy rates.
- 7) Establish legislation which limits the number of individuals eligible for Medicaid:
  - a. Eliminate the following optional coverage groups presently covered by Medicaid:
    1. Institutionalized recipient qualifying under the 300% Medicaid CAP.
    2. Individuals in the 18 to 21 year old groups who would qualify under AFDC except for age.
    3. Children who are in private child care facilities or foster homes for whom the state is assuming full or partial responsibility.
  - b. Reduce the APA need standard and;

- c. Reduce the AFDC need standard.
- 8) Develop strategies for staying within the Federal Medicaid Target such as:
- a. Holding Harborview Medicaid Claims to their FY82 budget level.
  - b. Suspending Medicaid payments to the Alaska Psychiatric Hospital until late in FY82 when the overall Medicaid expenditures can be more accurately determined and then pay only the amount to API that is available without exceeding the Federal target.
- 9) Propose legislation to move services currently paid under the General Relief Medical program to services provided for and reimbursed for under Medicaid, i.e. pharmaceuticals, durable medical equipment, adult dental services, etc. This would save state dollars but would not assist in avoiding the penalty.
- 10) Establish regulations which eliminate certain optional services from the Medicaid Program such as:

Clinic Services

Services for Speech, Hearing & Language Disorders

Services to Individuals Over 65 in Institutions for Mental Diseases

Intermediate Care Facilities

Inpatient Psychiatric Services for Under 22

Transportation

SNF for Under 21

Emergency Hospital Services

ICF/MR

Section C

The following are some of the major changes made by the Omnibus Reconciliation Act of 1981:

1. Medicaid hospital reimbursement requirements have been changed to require that state payment for inpatient hospital services be "reasonable and adequate to meet the costs which must be incurred by efficiently and economically operated facilities" in order to meet applicable laws and quality and safety standards. This is the same change as was made last year by Congress on payment for long term care services. The Act requires that by July 1, 1982, HCFA develop a model prospective payment methodology for inpatient hospital services that can be used by both Medicaid and Medicare.
2. States were authorized to purchase laboratory services and medical devices on a competitive bid basis. States were also authorized to

establish on a waiver basis a physician case management system and permit localities to assist Medicaid beneficiaries in selecting competing health plans. An important additional requirement is that HCFA must act on waivers within 90 days of submission or a state may proceed to implement the change.

3. The EPSDT penalty of a one percent reduction against the state AFDC federal claim has been eliminated, but the standards still exist. However, Congress intends that the present EPSDT reporting requirements should be significantly streamlined.

4. HMO and prepaid health plan requirements were loosened. Private, nonprofit, or governmental plans can include Medicaid beneficiaries so long as they do not exceed 75 percent of the total enrollees in a plan. States may enroll beneficiaries for up to a minimum enrollment period of 6 months even though they might lose their Medicaid eligibility during that period.

5. FFP is prohibited for payments made for inpatient hospital tests that are not specifically ordered by the attending physician, except in emergencies.

6. Physician assistants and nurse practitioners would be permitted to provide the 60-day recertification of continuing need for institutional care in a hospital or long term care facility instead of a physician.

7. States will be permitted to establish a reasonable floor for third party liability collections in cases where the cost of recovery is expected to exceed the amount recovered.

8. Changes were made which permit states to choose varying categories of services and groups of eligibles under a medically needy program without having to provide coverage to all possible groups and without having to cover all services covered for categorically eligible individuals. What this would permit a state to do is cover elderly and disabled individuals without covering families.

9. HCFA will be permitted to establish limits on Medicare costs or charges that will be considered reasonable for outpatient services provided by hospitals, community health centers, or clinics, and by physicians using these facilities. The limits will not apply to bona fide hospital emergency room services. Actual charges will be used in developing the limits, they will be reasonably related to the charges for similar services provided in physicians' offices, and exceptions may be provided in areas where physician services are not generally available..

10. Medicare reimbursement for inpatient alcohol detoxification services in freestanding facilities has been eliminated.

11. The Medicare reimbursement limit on hospital routine operating costs has been reduced from 112 percent to 108 percent of the mean costs; exemptions (such as for sole community providers) and exceptions granted by HCFA will still be permitted.

12. The Medicare Part B deductible was increased from \$60 to \$75 effective January 1, 1982.

#### section D

The next several paragraphs will explain FY82 projected expenditures. Projections for FY82 were based on expenditures by date of service for hospitals, physicians, other, Nursing Homes and EPSDT. 18 months of data from January 1980 through June 1981 for expenditures, recipients and expenditures per recipient were used to compute trend lines. A percentage change over time was calculated using the slope of the trend line and the average expenditure. This percentage change was then multiplied by the FY81 actual to estimate FY82 expenditures.

The following table outlines the percentage increase used to project FY 1982 expenditures:

Table I

| Service Category | XIX Percent Increase/Year<br>(Major Factor) | GRM Percent Increase |
|------------------|---|----------------------|
| Hospital         | 17.2 (cost/recipient)                       | 9 (inflation)        |
| Physicians       | 21.6 (recipient plus<br>cost/recipient)     | 9 (inflation)        |
| Other            | 14.3 (expenditures)                         | 15.5(expenditures)   |
| EPSDT            | 15.2 (expenditures)                         | --                   |
| Nursing Homes    | 15 (expenditures)                           | 15.0(expenditures)   |
| IHS              | 9 (expenditures)                            | --                   |

Hospitals XIX Expenditure Projections showed a 10% increase in total expenditures with a decrease in total number of recipients served. Because we do not expect a continued decrease in recipients served, the trend line for cost per recipient was used. This trend line showed a 17.2% increase per year.

Physicians expenditures showed an 18.2% increase in cost and recipients with a 3.4% increase in cost per recipient. The total of these figures was used to compute a 21.6% increase for FY82 and 83.

Nursing Homes showed a 15% increase in expenditures with no significant increase in recipients served.

Other and EPSDT showed a 14.3% and 15% increase in expenditures respectively.

GRM expenditures, except for Other Service, this program showed a decrease in recipients in FY81. For this reason we used a 9% increase in expenditures to cover increases in cost with no increase in recipients.

GRM Other Services, because of the high utilization of these services (pharmacy, PT/OT, dental, etc.) by Medicaid recipients, a percentage change similar to Title XIX was used.

Expenditures - Projection  
 Medicaid & General Relief Medical  
 FY 1982

|                                    | 1                  | 2                         | 3                 | 4                  | 5                  | 6                             | 7                           | 8                      | 9                | 10             | (6-9)<br>Over<br>(Under)<br>Budget |
|------------------------------------|--------------------|---------------------------|-------------------|--------------------|--------------------|-------------------------------|-----------------------------|------------------------|------------------|----------------|------------------------------------|
| BRU/Component                      | FY81<br>Authorized | 2-8-82<br>FY81<br>CRT.BAL | FY81<br>Projected | FY82<br>Authorized | Revised<br>Prog #1 | FY82<br>Revised<br>Authorized | (3X10)<br>FY82<br>Projected | Less:<br>MMR<br>Saving | (7-8)<br>Balance | FY82<br>Factor |                                    |
| <u>Medicaid</u>                    |                    |                           |                   |                    |                    |                               |                             |                        |                  |                |                                    |
| Hospitals                          | \$10,882.3         | \$ 8,918.4                | \$ 9,010.0        | \$10,354.5         | -                  | \$10,354.5                    | \$10,559.7                  | 229.4                  | \$10,330.3       | 17.2           | 24.2                               |
| Physicians                         | 5,419.9            | 4,958.4                   | 4,970.0           | 5,052.3            | -                  | 5,052.3                       | 6,043.5                     | 95.6                   | 5,947.9          | 21.6           | (895.6)                            |
| Other Services                     | 1,610.6            | 1,343.9                   | 1,370.0           | 1,552.0            | -                  | 1,552.0                       | 1,565.9                     | 57.4                   | 1,508.5          | 14.3           | 43.5                               |
| EPSDT                              | 2,826.6            | 2,107.8                   | 2,107.8           | 2,717.1            | -                  | 2,717.1                       | 2,428.2                     | -                      | 2,428.2          | 15.2           | 288.9                              |
| Nursing Homes                      | <u>17,719.6</u>    | <u>16,906.1</u>           | <u>17,073.1</u>   | <u>19,656.0</u>    | <u>-</u>           | <u>19,656.0</u>               | <u>19,634.1</u>             | <u>-</u>               | <u>19,634.1</u>  | 15.0           | <u>21.9</u>                        |
| Sub-Total                          | \$38,459.0         | \$34,234.6                | \$34,530.9        | \$39,331.9         | -                  | \$39,331.9                    | \$40,231.4                  | 382.4                  | \$39,849.0       |                | (517.1)                            |
| IHS                                | <u>7,259.1</u>     | <u>2,104.7</u>            | <u>3,965.5</u>    | <u>3,410.8</u>     | <u>-</u>           | <u>3,410.8</u>                | <u>4,322.4</u>              | <u>-</u>               | <u>4,322.4</u>   | 9.0            | <u>(911.6)</u>                     |
| Total<br>Medicaid                  | \$45,718.1         | \$36,339.3                | \$38,496.4        | \$42,742.7         | -                  | \$42,742.7                    | \$44,553.8                  | 382.4                  | \$44,171.4       |                | (1,428.7)                          |
| <u>General Relief Medical</u>      |                    |                           |                   |                    |                    |                               |                             |                        |                  |                |                                    |
| Hospitals                          | \$ 6,005.8         | \$ 3,817.7                | \$ 3,890.0        | \$ 3,789.4         | 383.0              | \$ 4,172.4                    | \$ 4,240.1                  | -                      | \$ 4,240.1       | 9.0            | (67.7)                             |
| Physicians                         | 2,310.9            | 1,713.1                   | 1,733.0           | 1,528.2            | 335.6              | 1,863.8                       | 1,889.0                     | -                      | 1,889.0          | 9.0            | (25.2)                             |
| Other Services                     | 2,330.3            | 2,077.5                   | 2,085.0           | 2,399.5            | 2.9                | 2,402.4                       | 2,408.2                     | -                      | 2,408.2          | 15.5           | (5.8)                              |
| Nursing Homes                      | 449.9              | 449.4                     | 253.2             | 568.1              | (55.1)             | 513.0                         | 250.7                       | -                      | 250.7            | (1.0)          | 262.3                              |
| Cat. Illness                       | 905.5              | 883.7                     | 885.7             | 1,980.2            | (500.0)            | 1,480.2                       | 1,480.2                     | -                      | 1,480.2          | -              | -0-                                |
| Residential Care                   | <u>166.4</u>       | <u>-0-</u>                | <u>-0-</u>        | <u>166.4</u>       | <u>(166.4)</u>     | <u>-0-</u>                    | <u>-0-</u>                  | <u>-</u>               | <u>-0-</u>       | <u>-</u>       | <u>-0-</u>                         |
| Total<br>General Relief<br>Medical | \$12,168.8         | \$ 8,943.4                | \$ 8,846.9        | \$10,431.8         | -0-                | \$10,431.8                    | \$10,268.2                  | -0-                    | \$10,268.2       |                | 163.6                              |

Expenditures - Projection  
 Medicaid & General Relief Medical  
 FY 1982

|                               | 1                          | 2                                  | 3                         | 4                          | 5                          | 6                                      | 7                                    | 8                               | 9                        | 10                     | (6-9)<br>Over<br>(Under)<br>Budget |
|-------------------------------|----------------------------|------------------------------------|---------------------------|----------------------------|----------------------------|--|--------------------------------------|---------------------------------|--------------------------|------------------------|------------------------------------|
| <u>RU/Component</u>           | <u>FY81<br/>Authorized</u> | <u>2-8-82<br/>FY81<br/>CRT.BAL</u> | <u>FY81<br/>Projected</u> | <u>FY82<br/>Authorized</u> | <u>Revised<br/>Prog #1</u> | <u>FY82<br/>Revised<br/>Authorized</u> | <u>(3X10)<br/>FY82<br/>Projected</u> | <u>Less:<br/>MMR<br/>Saving</u> | <u>(7-8)<br/>Balance</u> | <u>FY82<br/>Factor</u> |                                    |
| <u>Medicaid</u>               |                            |                                    |                           |                            |                            |  |                                      |                                 |                          |                        |                                    |
| Hospitals                     | \$10,882.3                 | \$ 8,918.4                         | \$ 9,010.0                | \$10,354.5                 | -                          | \$10,354.5                             | \$10,559.7                           | 229.4                           | \$10,330.3               | 17.2                   | 24.2                               |
| Physicians                    | 5,419.9                    | 4,958.4                            | 4,970.0                   | 5,052.3                    | -                          | 5,052.3                                | 6,043.5                              | 95.6                            | 5,947.9                  | 21.6                   | (895.6)                            |
| Other Services                | 1,610.6                    | 1,343.9                            | 1,370.0                   | 1,552.0                    | -                          | 1,552.0                                | 1,565.9                              | 57.4                            | 1,508.5                  | 14.3                   | 43.5                               |
| PSDT                          | 2,826.6                    | 2,107.8                            | 2,107.8                   | 2,717.1                    | -                          | 2,717.1                                | 2,428.2                              | -                               | 2,428.2                  | 15.2                   | 288.9                              |
| Nursing Homes                 | <u>17,719.6</u>            | <u>16,906.1</u>                    | <u>17,073.1</u>           | <u>19,656.0</u>            | <u>-</u>                   | <u>19,656.0</u>                        | <u>19,634.1</u>                      | <u>-</u>                        | <u>19,634.1</u>          | 15.0                   | <u>21.9</u>                        |
| Sub-Total                     | \$38,459.0                 | \$34,234.6                         | \$34,530.9                | \$39,331.9                 | -                          | \$39,331.9                             | \$40,231.4                           | 382.4                           | \$39,849.0               |                        | (517.1)                            |
| MS                            | <u>7,259.1</u>             | <u>2,104.7</u>                     | <u>3,965.5</u>            | <u>3,410.8</u>             | <u>-</u>                   | <u>3,410.8</u>                         | <u>4,322.4</u>                       | <u>-</u>                        | <u>4,322.4</u>           | 9.0                    | <u>(911.6)</u>                     |
| Total Medicaid                | \$45,718.1                 | \$36,339.3                         | \$38,496.4                | \$42,742.7                 | -                          | \$42,742.7                             | \$44,553.8                           | 382.4                           | \$44,171.4               |                        | (1,428.7)                          |
| <u>General Relief Medical</u> |                            |                                    |                           |                            |                            |  |                                      |                                 |                          |                        |                                    |
| Hospitals                     | \$ 6,005.8                 | \$ 3,817.7                         | \$ 3,890.0                | \$ 3,789.4                 | 383.0                      | \$ 4,172.4                             | \$ 4,240.1                           | -                               | \$ 4,240.1               | 9.0                    | (67.7)                             |
| Physicians                    | 2,310.9                    | 1,713.1                            | 1,733.0                   | 1,528.2                    | 335.6                      | 1,863.8                                | 1,889.0                              | -                               | 1,889.0                  | 9.0                    | (25.2)                             |
| Other Services                | 2,330.3                    | 2,077.5                            | 2,085.0                   | 2,399.5                    | 2.9                        | 2,402.4                                | 2,408.2                              | -                               | 2,408.2                  | 15.5                   | (5.8)                              |
| Nursing Homes                 | 449.9                      | 449.4                              | 253.2                     | 568.1                      | (55.1)                     | 513.0                                  | 250.7                                | -                               | 250.7                    | (1.0)                  | 262.3                              |
| Cat, Illinois                 | 905.5                      | 885.7                              | 885.7                     | 1,980.2                    | (500.0)                    | 1,480.2                                | 1,480.2                              | -                               | 1,480.2                  | -                      | -0-                                |
| Residential Care              | <u>166.4</u>               | <u>-0-</u>                         | <u>-0-</u>                | <u>166.4</u>               | <u>(166.4)</u>             | <u>-0-</u>                             | <u>-0-</u>                           | <u>-</u>                        | <u>-0-</u>               | -                      | <u>-0-</u>                         |
| Total General Relief Medical  | \$12,168.8                 | \$ 8,943.4                         | \$ 8,846.9                | \$10,431.8                 | -0-                        | \$10,431.8                             | \$10,268.2                           | -0-                             | \$10,268.2               |                        | 163.6                              |

# Medicaid Annual Report

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## ALASKA'S MEDICAID PROGRAM

### Introduction

#### MEDICAID'S OBJECTIVES

The Federal-State Medicaid assistance program has three basic objectives: (1) to assure that medical services are available to needy eligible persons when ill or injured, (2) to assure that the highest quality care of the kind required by the patient's condition is provided, and (3) to make the services available by utilizing the present system of private practitioners, facilities and institutions to provide the care required at the lowest possible cost to the taxpayer.

#### BACKGROUND

Alaska is the 49th state to participate in the Federal-State Medicaid program. The program was implemented September 1, 1972.

Alaska's Medicaid program covers those medical services necessary for the diagnosis and/or treatment of a specific problem. Preventive medicine as such is NOT a recognized service item under Alaska's Medicaid program except for a specialized health screening program for individuals 21 years of age and under. (Program known as Early, Periodic, Screening, Diagnosis and Treatment or E.P.S.D.T. for short.)

Medical need, therefore, is the fundamental concept underlying the program. Physicians, hospitals, dentists and other medical providers deliver needed medical services and receive reimbursement directly from the Medicaid program. Most medical procedures are routinely covered by Medicaid. Some are covered only if approved in advance by the Department; and a few are not covered at all (experimental type procedures).

The following general principles govern the administration of Medicaid, in Alaska and determine whether a particular medical service is reimbursable:

- . That the individual originates all requests for medical services.
- . That the individual receives those medical services necessary to correct the specific medical problem.
- . That the individual makes no financial contribution (except for in a nursing home) for medical services received under Medicaid. This means that a provider accepts the Medicaid payment as payment in full and seeks no additional payment for any unpaid portion of the bill from the patient.

- . That the individual receives medical services at the same cost or less as do non-Medicaid recipients. This means that Medicaid will not pay for services that are "free" to the general public, or in an amount greater than charged to the general public.
- . That an individual be provided needed services without regard to his race, color, sex, age, national origin or economic status.
- . That an individual has a right to appeal to the Department of Health and Human Services any decision or treatment that adversely affects him.

## Medicare vs. Medicaid

The Social Security Act established two programs to help citizens pay for medical bills. Title 18 of the Act established Medicare and Title 19 established Medicaid.

Medicare is a Federal hospital and medical insurance program for almost everybody 65 or older, rich or poor. Medicare provides basic protection for part of the costs of inpatient hospital care, post hospital skilled nursing facility stays, post hospital home health care, physician services, medical services and supplies, and outpatient hospital services and therapy. The hospital insurance component of Medicare is financed through payroll deductions while the medical care component requires a monthly premium by the insured person. The insured person must pay deductibles and co-insurance expenses.

Medicaid on the other hand, is a State run medical assistance program financed through Federal, State and Local taxes to pay the medical bills of certain "needy" and low income people, chiefly the aged (65 and older), disabled, blind, members of families of dependent children and certain other needy children. The list of medical services covered by Medicaid is extensive and is stated in the services section of this report. The Medicaid recipient does not have any deductibles or co-insurance expenses.

## SUMMARY OF SERVICES COVERED UNDER THE ALASKA MEDICAID PROGRAM

Medicaid is a federal program administered by the State. As a condition of participation states must provide coverage for a minimum number of services prescribed by federal law. Beyond this minimum, each state has the opportunity to add or delete other "optional services" described in federal regulations.

Federal law requires that the following minimum services must be covered by all State Medicaid programs:

- . inpatient hospital care
- . outpatient hospital care
- . laboratory and X-ray services
- . skilled nursing facility care for individuals 21 and older
- . home health care
- . physician's services
- . rural health clinic services
- . early and periodic screening, diagnosis, and treatment services for individuals under 21 (EPSDT)
- . transportation for medical reasons

In addition, a state may elect to provide coverage for a variety of optional services. Alaska has chosen to provide coverage for the following:

- . community mental health clinic and State-operated mental health clinic services
- . intermediate care facility services (including facilities for the mentally retarded or persons with related disabilities)
- . skilled nursing facility services for persons under 21
- . optometrist's services and eyeglasses
- . mental institution services for persons over 65
- . psychiatric hospital services for persons under 21
- . treatment of speech, hearing and language disorders
- . outpatient surgical care centers

### Mandatory Services

(1) Inpatient Hospital Services Public or private facilities, not including hospital for mental disease or tuberculosis; services must be physician-ordered; non-emergency out-of-state hospitalization must be prior authorized by Division.

(2) Outpatient Hospital Services Emergency medical services; ongoing ambulatory care; public or private facilities.

(3) Laboratory and X-ray Services Independent facility or one connected with a physician; services must be physician-ordered.

(4) Skilled Nursing Facility Care (SNF) High level nursing and/or rehabilitative care; alternative to extended hospital care; must be prior authorized by the Division.

(5) Physician Services Inpatient and outpatient services performed by private physicians; cosmetic surgery must be prior authorized by the Division.

(6) Home Health Services Provides an alternative to nursing home care by covering services to clients at home rather than in a nursing facility. Covered services under this category include nursing; medical supplies and equipment; physical, occupational and speech/hearing therapy when provided by a licensed home health agency; and home health aide services.

(7) Family Planning Services and Supplies These services receive 90% federal financial participation; covers hospital and surgical procedures as well as contraceptive devices.

(8) Early Periodic Screening, Diagnosis and Treatment (EPSDT) Currently limited by the Department to federal minimum requirements for covered services; provides screening for all Medicaid-eligibles under 21 years of age, optional at client's choice; as a result of screening, referral is made to physician, and audiologist, optometrist, dentist or therapist for further treatment; covered services include all mandatory services plus services for eyeglasses, hearing aids, treatment for visual and hearing defects, and dental services.

(9) Rural Health Clinics Includes primary health care services provided by a federally certified rural health clinic.

(10) Transportation To or from a facility or provider of medical services; locally handled by Divisional offices except where cost is in excess of \$250.00 or travel is out-of-state in which case it must be prior authorized by the Division's Medical Practice Review Section in Juneau.

#### Optional Services

(1) Intermediate Care Facilities (ICF) Lower level nursing home care; alternative to skilled nursing and/or hospitalization; requires prior authorization by the Division.

(2) Intermediate Care for the Mentally Retarded or Persons with Related Disabilities (ICF/MR) Nursing home care for persons with mental retardation or developmental disabilities; requires prior authorization.

(3) Inpatient Psychiatric Hospital Services Acute care for persons suffering from psychological trauma or impairment; limited to persons under 21 years of age or over 65 years of age.

(4) Eyeglasses Must be prescription glasses; new, repaired or replacement; no photogrey tints; contact lenses other than cataract must be prior authorized by the Division.

(5) Optometrists Coverage is provided for both eye care and dispensing.

(6) Clinic Services Currently limited by State statute to state-operated and state-funded outpatient community mental health clinics enrolled for Medicaid; must be supervised by a physician.

(7) Services for Speech, Language and Hearing Disorders Covers services rendered by speech pathologists or audiologists; requires prior authorization by the Division; must be ordered by a physician.

(8) Outpatient Surgical Centers Providers payment for services in one day surgery centers as an alternative to costly hospitalization for minor surgery.

(9) Nurse Midwife Services Provides payment for pre and post-delivery services to registered nurses certified as Nurse Midwives by the State.

## Early Periodic Screening, Diagnosis and Treatment (EPSDT)

The general program objective of the EPSDT program is to provide every eligible child under 21 years of age in the State of Alaska the opportunity for maximum health status through regular, periodic, preventive health services and the early detection and treatment of disease. The achievement of this objective requires successful implementation of the following program components:

1. An effective outreach program to ensure that all eligible and potentially eligible clients are made aware of the screening opportunity.
2. An adequate transportation system to ensure that means of transportation to the screening facility and to referral providers is available to all clients.
3. A screening program which evaluates each child with observations and tests which will effectively determine whether or not that child is "at risk" of having an unmet need for medical care.
4. A follow-up system for patient referrals to insure that problems uncovered during screening are diagnosed and treated.
5. A follow-up system to insure that children, once screened, will return for appropriate future periodic screening.
6. A formal system to encourage input from providers and from consumers.
7. A reporting system which will provide all necessary information on program evaluation.

The Division of Public Health has undertaken the major responsibility for carrying out the screening in Alaska. Through a network of over 70 nurses stationed throughout the State, outreach, screening, referral and follow-up of Alaska's eligible children is being systematically performed.

REGION X  
OPTIONAL SERVICES

| <u>OPTIONAL SERVICES</u>  | <u>ALASKA</u> | <u>IDAHO</u> | <u>OREGON</u> | <u>WASHINGTON</u> |
|---|---------------|--------------|---------------|-------------------|
| Podiatrist Services   | No            | Yes          | Yes           | Yes               |
| Optometric Services   | Yes           | Yes          | Yes           | Yes               |
| Chiropractic Services   | No            | Yes          | Yes           | Yes               |
| Other Practitioner Services   | No            | Yes          | Yes           | Yes               |
| Private Duty Nursing  | No            | No           | Yes           | Yes               |
| Clinic Services   | Yes           | Yes          | Yes           | Yes               |
| Physical Therapy  | No            | Yes          | Yes           | Yes               |
| Occupational Therapy  | No            | No           | No            | Yes               |
| Services for Speech, Hearing<br>& Language Disorders                      | Yes           | No           | No            | Yes               |
| Prescribed Drugs  | No            | Yes          | Yes           | Yes               |
| Dentures  | No            | No           | Yes           | Yes               |
| Prosthetic Devices  | No            | No           | Yes           | Yes               |
| Eyeglasses  | Yes           | No           | Yes           | Yes               |
| Other Services  |               |              |               |                   |
| Diagnostic  | No            | No           | Yes           | Yes               |
| Screening   | No            | No           | No            | Yes               |
| Prevention  | No            | No           | No            | Yes               |
| Rehabilitation  | No            | Yes          | Yes           | Yes               |
| Services to Individuals Over<br>65 in Institutions for T.R.               |               |              |               |                   |
| Inpatient   | No            | No           | Yes           | Yes               |
| Skilled   | No            | No           | Yes           | Yes               |
| ICF   | No            | No           | Yes           | Yes               |
| Services to Individuals Over<br>65 in Institutions for Mental<br>Diseases |               |              |               |                   |
| Inpatient   | Yes           | No           | Yes           | Yes               |
| Skilled   | No            | No           | Yes           | Yes               |
| ICF   | No            | Yes          | Yes           | Yes               |
| Intermediate Care Facilities  | Yes           | Yes          | Yes           | Yes               |
| Inpatient Psychiatric<br>Services for Under 22                            | Yes           | No           | Yes           | Yes               |
| Transportation  | Yes           | Yes          | Yes           | Yes               |
| Services for Christian Science<br>Nurses                                  | No            | No           | No            | No                |
| Services for Christian<br>Sanitoria                                       | No            | No           | Yes           | No                |
| SNF for Under 21  | Yes           | Yes          | Yes           | Yes               |
| Emergency Hospital Services   | Yes           | Yes          | Yes           | Yes               |
| Dental Services   | No            | No           | Yes           | Yes               |
| Personal Care Services  | No            | No           | No            | No                |
| ICF/MR  | Yes           | Yes          | Yes           | Yes               |

## MEDICAID ELIGIBILITY

To be eligible for Medicaid, an individual must meet certain income qualifications and categorical qualifications. These requirements are set forth in Aid to Families with Dependent Children Program, Adult Public Assistance Program and the Supplemental Security Income Program.

- . Aid to Families with Dependent Children (AFDC) is a program which gives money for children of eligible low-income families who are deprived of one or both of their natural or adopted parents.
- . Adult Public Assistance (APA) is a program that includes three categories of eligibility (Old Age Assistance, Aid to the Blind, and Aid to the Disabled) and provides a supplemental payment to low-income adults whose income is not enough to provide for their own basic needs. All adults who qualify for APA must be either blind, OR 65 or older, OR physically or mentally disabled.
- . Supplemental Security Income (SSI) is a federal program for low-income adults who are either blind, OR 65 or older, OR physically or mentally disabled. It also provides cash assistance for low-income children who are either blind or disabled.

The following is a summary statement of mandatory and optional Medicaid Coverage Groups in Alaska. Individuals who qualify in one of the Optional or Mandatory Coverage Groups are automatically eligible for Medicaid.

### A. MANDATORY

1. All AFDC recipients.
2. AFDC individuals under 21 who would be eligible for AFDC except for age & school attendance requirements.
3. Families who become ineligible for AFDC due to increased income from employment (4 month post eligibility coverage for this group).
4. SSI Aged, Blind and Disabled recipients.
5. Individuals who received AB, OAA or AD payments prior to December 1973 and continued to receive those payments until the present time.
6. Inpatients or residents in Title XIX facilities in December 1973 who remained inpatients and would have then and now qualified under the December 1973 requirements, of the OAA, AB, AD programs.

7. Old Age Survivors Disability Insurance (OASDI) recipients who would be eligible for:
  - a. SSI or APA except for the cost of living increase started in OASDI during 1977 raised their income over the limit allowed under SSI or
  - b. SSI, APA or AFDC except that the 1972 cost of living increases in OASDI raised their income over the limit allowed under Medicaid.
8. Individuals who are ineligible for SSI or optional state supplements because of requirements that do not apply under Title XIX such as the AFDC requirement for Social Security numbers.
9. Blind and disabled individuals who:
  - a. Meet all current requirements for Medicaid except the criteria for blindness or disability.
  - b. Were eligible for Medicaid in December of 1973 and
  - c. Continue to satisfy the December 1973 criteria for blindness or disability.

#### B. OPTIONAL

1. Aged, Blind and Disabled individuals receiving optional State supplementary payments.
2. Individuals who are eligible for APA, AD, OAA, AB or AFDC programs but have not applied for cash assistance. These individuals are eligible for Medicaid even though they do not wish to receive a cash payment from APA, SSI or AFDC programs.
3. Inpatients in Title XIX facilities who would be eligible for cash assistance if they were not in the facility.
4. Inpatients in Title XIX facilities who would not be eligible for APA/Medicaid if they left the facility. Eligible under the 300% Medicaid Cap.
5. All children under age 21 for whom the Department is assuming full or partial financial responsibility and are in foster homes or private child caring institutions.
6. Reasonable classified individuals under 21 in ICF/MR or API who are financially eligible for one of the assistance programs (APA, SSI, or AFDC).

## SINGLE STATE AGENCY

The Alaska Department of Health and Social Services (DHSS) is the single State agency within Alaska which is responsible for administering the Medicaid Programs. DHSS has delegated the authority for developing and maintaining the State plan under which the Medicaid Program is administered to the Division of Public Assistance (DPA). The Division is responsible for establishing and maintaining systems and methods to insure that the provisions of the Medicaid Program comply with all applicable State and federal statutes, regulations, guidelines, and objectives.

The Division is responsible for the initial determination and redetermination of eligibility and provision of benefits to recipients in the AFDC, Medicaid, General Relief-Medical, General Relief Cash Assistance, Old Age Assistance, Aid to the Blind, and Aid to Disabled, Food Stamp and Energy Assistance programs. It also provides funding and administrative support to the Catastrophic Illness Committee, which is appointed by the Governor to determine eligibility for the Catastrophic Illness program.

The Division maintains 19 District Offices throughout the state. These offices are organized into 5 regions. Each region is supervised by a Regional Assistance Payments Manager who reports to the Chief of Field Operations. The application and eligibility determination processing and the provision of initial benefits for most programs are accomplished by the Division's District and Regional Offices.

Program policy and primary program administration, provision of on-going cash, and food benefits, and processing of medical provider payments are all accomplished in the Juneau Central Office of the Division.

The Division employs two fiscal agents, Computer Science Corporation (CSC) and Delta Dental Plan of Alaska to process medical claims for payment. CSC processes all medical invoices except dental, Long Term Care Facilities, transportation, Alaska Psychiatric Institute (API), Harborview (HDC), EPSDT screening, Indian Health Service, and outofstate medical claims. Dental claims are processed and paid by the Delta Dental Plan of Alaska. The remaining claims are processed by the Medical Claims Payment Section within DPA Central Office. In order to administer the Program the Division maintains memorandums of agreement with: (1) the Division of Public Health to perform parts of Family Planning Services, EPSDT Program and the Handicapped Children's Program; (2) the Division of Mental Health and Developmental Disability to aid in intake, application, and billings for API and HDC; (3) the Division of Administrative Services to perform audits and recommend daily rates for hospitals and long term care facilities; (4) the State Health Planning and Development Agency Certification and Licensing Section to certify and license skilled nursing facilities (SNF) and intermediate care facilities (ICF) for participation in the Medicaid and General Relief Medical Program; (5) the Social Security Administration for the exchange of information; (6) the Division of Vocational Rehabilitation, Department of Education to insure coordination of benefits and services to disabled

individuals; (7) the United States Public Health Service Indian Health Service, Alaska Area Native Health Services to insure coordination of benefits to Alaskan natives and to automate the billings of PHS Medicaid claims; (8) and the Alaska Professional Review Organization to facilitate effective professional review in hospitals (This agreement ended August 1, 1981).

## Medical Care Advisory Committee

Federal regulations require each state to establish a medical care advisory committee (MCAC). Alaska's Medical Care Advisory Committee originated in 1972. The present committee consists of 1 hospital administrator, 1 representative of dental community, 1 pharmacist, 1 physician, 1 representative from State Division of Public Health (also a physician), 2 consumers, 1 recipient, 1 Nursing Profession.

The Medical Care Advisory Committee produced a report on May of 1981 which identified the future role and responsibility of the MCAC. In general the MCAC goals and objectives are:

1. Advise Department Regarding Policy Issues
2. Act as Liaison Between Department of Health and Social Services and Community
3. Plan for Future Medical Assistance Programs
4. Evaluate the present Medical Assistance Programs
5. Work with the Legislature
6. Redefine regulations on skilled level of care in nursing homes

Present MCAC members are:

### Member & Address

Chairman  
Mr. David L. Swanson  
P.O. Box 1  
Fairbanks, Alaska 99701

William Doolittle, M.D.  
1919 Lathrop Street  
Fairbanks, Alaska 99701

Norma Lundy  
6520 "H" Street  
Elmendorf AFB, Alaska 99503

Eileen Self  
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Denise Knapp  
P.O. Box 3-726  
Anchorage, Alaska 99501

Gail McKenzie  
1703 Stratford Court  
Anchorage, Alaska 99504

Sister Barbara Haase  
Administrator  
Ketchikan General Hospital  
3100 Tongass Avenue  
Ketchikan, Alaska 99901

Mike Huelsman  
Municipality of Anchorage  
Drug Abuse  
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Dr. Edwin Rabeau,  
Division of Public Health  
Pouch H-06B  
Juneau, Alaska 99811

James Jordan  
4907 Wesleyan Dr.  
Anchorage, Alaska 99504

Gail McGuill  
SRA 529  
Anchorage, Alaska 99507

## THE PROVIDERS OF CARE

### HEALTH CARE PROVIDER REQUIREMENTS

Every health care provider under the program has signed a participation agreement stipulating that he will keep necessary records, furnish information requested on claims, abide by applicable Alaska Statutes and Federal law and regulations, and practice medicine on a nondiscriminatory basis. Providers wishing to enroll should contact the Medical Claims Processing Section of the Central Office, DPA in Juneau.

#### Providers Enrolled in the Medicaid Program

| <u>Provider Type</u>            | <u>Number</u> |
|---------------------------------|---------------|
| Hospital                        | 24            |
| Nursing Homes                   | 12            |
| Physicians                      | 473           |
| Home Health Agencies            | 1             |
| Pharmacies                      | 65            |
| Laboratory                      | 1             |
| X-Ray                           | 1             |
| Rural Health Clinics            | 3             |
| Community Mental Health Centers | 16            |
| Dentists                        | 152           |
| Psychiatric Facilities          | 1             |

Federally required utilization review, adjudication processes, and levels of reimbursement are used as required. Reimbursement levels for Medicaid are generally the same as for Medicare. These levels may not exceed the Medicare upper limits and may be lower.

Utilization review, physician profiles, and fee schedules assure that appropriate and necessary health care is rendered to needy persons at a reasonable cost to the State. It allows the State to eliminate waste by curbing over-utilization to insure that health care funds are used to the best advantage.

The only dental care provided under Medicaid is through the EPSDT program for children up to age 21. The Division of Public Assistance has contracted with Delta Dental Plan of Alaska to administer the EPSDT dental program. Emergency dental treatment for Medicaid eligible individuals over 21 and for individuals eligible for General Relief Medical is covered under the General Relief Medical (GRM) program.

CURRENT REIMBURSEMENT PRACTICES

| <u>Category of Service</u>         | <u>Unit Purchased</u>           | <u>Reimbursement Methodology</u>   |
|------------------------------------|---------------------------------|--|
| Hospital                           | Inpatient Service per diem rate | Payment is based on the lesser of (a) reasonable cost the same as for Medicare, (b) customary charges to the general public, or (c) fair compensation in accordance with Medicare regulations in the case of a public hospital rendering services free or at nominal charges   |
|                                    | Emergency/referred              | Emergency hospital services. Provided when necessary to prevent death or serious impairment to health  |
| Clinic Service                     |                                 | Usual, customary, and reasonable charges; clinics have no fee profile, each physician paid on his own profile - lower of actual, customary or prevailing rate  |
| Outpatient Surgical Centers        | Medical Procedure               | Outpatient surgical care center services are reimbursed according to a per diem fee per patient, pay in full as billed, based on reasonable charges not to exceed charges to the general public  |
| Physician                          | Individual medical procedure    | Lower of physician's actual, customary or prevailing charge  |
| Drugs in Long Term Care Facilities | Prescribed drugs                | Dispensed in medical facilities and ICF's - cost as determined during the annual cost settlement for each facility. Dispensed in other pharmacies - the lowest of (a) maximum allowable cost plus dispensing fee, (b) estimated acquisition cost plus dispensing fee, or (c) provider's usual and customary charge (these limitations do not apply when a physician certifies a specific brand as medically necessary) |

## CURRENT REIMBURSEMENT PRACTICES

| <u>Category of Service</u> | <u>Unit Purchased</u> | <u>Reimbursement Methodology</u>   |
|----------------------------|-----------------------|--|
| Medical Transportation     | One way or round trip | Provided when determined by the agency to be necessary for securing medical examinations and/or treatment in the individual case and when volunteer resources are not available. Transportation expenses in excess of \$50 require pre-authorization. Covered urban transportation includes public conveyances such as buses and taxi-cabs. In rural areas where these are not available, chartered aircraft and mileage payments to private individuals are utilized. In both urban and rural areas, ambulance services and commercial carriers provide transportation for Medicaid recipients. Ambulance services must be Alaska-licensed and enrolled in Medicaid. Commercial carriers (buses, airlines, taxi-cabs and marine carriers) must meet applicable laws and license requirements. Private carriers (airplanes, boats, or automobiles) must be properly registered and operated by appropriately licensed operators. |
| Home Health Agencies       | Individual visit      | Reasonable cost. Paid in full with cost settlement at the end of each year   |

## CURRENT REIMBURSEMENT PRACTICES

| <u>Category of Service</u> | <u>Unit Purchased</u> | <u>Reimbursement Methodology</u>   |
|----------------------------|-----------------------|--|
| Nursing Homes              | Day of care           | <p>Skilled nursing facility services: Payment is made for skilled nursing and intermediate care facility services on a reasonable cost-related basis. Each facility reports at prescribed intervals its state-designated allowable costs of state-designated uniform cost-reporting forms subject to state audit. Reasonable cost is determined according to Medicare methods. Rates - Reasonable cost-related payment rates are calculated by the state to enlist a sufficient number of providers and are high enough to cover the allowable costs of an efficiently and economically operated facility. The state establishes the rates retrospectively, subject to final adjustment, on a facility-by-facility basis. Final settlement includes consideration of economic trends.</p> <p>Upper limits on payment - Payment cannot exceed Medicare payment for the same type of care.</p> <p>No reserved beds - currently a new rate is being set by the Audit Unit; we are moving toward a composite rate for ICF and SNF.</p> |

## CURRENT REIMBURSEMENT PRACTICES

| <u>Category of Service</u>    | <u>Unit Purchased</u>  | <u>Reimbursement Methodology</u>   |
|-------------------------------|--|--|
| Optical Services<br>and Goods | Examination<br>and Optical<br>Goods  | Lower of optometrist charge or statewide maximum established by usual, customary, and reasonable charges up to maximum fees allowed by the Department's Fee Schedule.  |
| Dentists                      | Individual dental  | The actual charge; the median charge by the dentist for the particular services established by the dentist's charges for that service during the calendar year preceding the fiscal year covered by this contract the 75th percentile of the range of charges by all dentist in Alaska for a particular service during the calendar year preceding the fiscal year covered by this contract. |
| Laboratories                  | Individual labora-<br>tory procedure   | Lower of actual, customary or prevailing   |
| Family Planning               | Initial visit<br>Annual visit<br>Routine visit<br>Problem visit<br>Supply visit<br>Dispensed drugs | Reimbursed according to physician's profile or lower of actual, customary or prevailing charge. Paid in full as billed.  |

CURRENT REIMBURSEMENT PRACTICES

| <u>Category of Service</u>               | <u>Unit Purchased</u>  | <u>Reimbursement Methodology</u>  |
|--|--|---|
| Durable Medical Equipment and Prosthesis | Individual item (e.g. braces, hearing aides, orthopedic mattresses, batteries for electric wheelchairs, oxygen, custom-made shoes) | Most reasonable cost for item which will adequately meet the client's needs. Most reasonable cost is based on the lowest of two or three estimates given prior to purchase. Prior approval required.                                |
| All other non-classified                 | Services of registered nurses, LPNs, audiologists  | Prevailing community rate. Audiologists are paid on a fee profile.  |
|  | Services of Psychologists in Community Mental Health Centers (CMHC)  | According to test performed and time spent. CMHC are paid in full as billed according to a fee schedule established annually during the Grant process and reviewed by the Division of Mental Health and Developmental Disabilities. |
|  | Services of speech, occupational and physical therapists   | Usual, customary, and reasonable charge not exceeding the Department's fee schedule.  |
|  | Outpatient hospital services   | Reasonable cost, the same as for Medicare.  |
|  | Other laboratory and X-ray services  | Payment rate based on Medicare profiles.  |

### Third Party Liability (TPL)

As detailed in the June 1979 report, "A Report on Third Party Liability, Identification and Recovery, State of Alaska", Alaska can reduce medical assistance expenditures significantly through a combination of two approaches, cost avoidance and TPL recovery.

The first approach requires that the Division of Public Assistance identify all TPL resources, such as private insurance, Medicare, V.A. insurance, etc. existing at the time of application. This TPL information is then conveyed by means of a medical assistance coupon to a provider, such as a hospital or doctor, so that the provider will not bill medical assistance until all third party resources are obtained. This "cost avoidance" approach provides the major share of medical assistance savings and is constantly being improved.

The second area for reducing medical assistance expenditures is recovery from insurers, who may be liable for the recipient's injuries such as workmen's compensation insurance when job related injuries occur. Although this area has been neglected in the past, the Division of Public Assistance is now effectively pursuing recovery through a system which concentrates on a review of medical assistance invoices in which the diagnosis code on the invoice indicates injury or trauma. The review process identifies any liable resource and the Division then pursues recovery of medical costs associated with the injury. Because these cases usually require complex legal action, they often are not concluded for two or more years. The Division has been able to recover \$88,000.00 and identify more than \$200,000.00 in future probable recovery.

Other important actions in the TPL area taken by the Division of Public Assistance were:

1. Established a communication channel between medical assistance and the Child Support Enforcement Agency to eventually enable pursuit of third party resources from absent parents when TPL exists.
2. Improved communications with the medical services and legal community relative to informing them that the State of Alaska is actively pursuing recovery of TPL resources when medical assistance has paid medical expenses.

## Medicaid Expenditures

The Tables and Figures in Appendix I and II of this report outline the expenditures for medical services provided to eligible recipients. Because of the number of agencies processing medicaid claims it is not possible to determine an unduplicated recipient count.

Table I shows monthly unduplicated recipient count for all services except Long Term Care Facilities (ICF, SNF, ICF/MR) and API. The number of recipients in Long Term Care Facilities remains fairly constant from year to year with a combined census of approximately 700 recipients per month receiving services in ICF, SNF, ICF/MR, and Harborview.

Figure I shows that the Categorical Program which accounts for the largest number of Medicaid eligible individuals is the AFDC Program which makes up about 75% of the eligible population. AD, and OAA each represent about 12%. For purposes of this discussion an eligible individual who receives medical services will be called a beneficiary. The AFDC Program recipients comprise around 63% of the Medicaid Beneficiaries, Figure II. OAA and AD comprise about 17% and 20% respectively. However, when one looks at the expenditures by Categorical Programs, Figure III, one sees that AFDC expenditures add up to only 31% of the total expenditures. AD beneficiaries constitute 45% and OAA 23% of total Medicaid expenditures.

A logical question which needs to be asked here is "what causes the relationship between eligibles, beneficiaries and expenditures to appear the way it does?"

First it is necessary to point out that 75% of each Medicaid dollar goes to care rendered in an institution, Figure IV. Figure V shows that LTC facilities receive 66% of Medicaid institutional expenditures. API and acute-care hospital represent 7% and 28% respectively of expenditures for institutional care. Second, it is more likely that recipients of AD and OAA find themselves in need of institutionalized care.

Beneficiaries in Harborview and other ICF/MRs are considered disabled. Beneficiaries in ICF and SNF facilities are a mixture of AD and OAA recipients as shown in Figures VII, VIII, and XIX.

Table II and III represent Medicaid expenditure by month for FY 81 and FY 80. These tables are divided into 5 categories of service. Each category represents claims which are handled and/or processed differently than those of the other categories. Except for CSC Title XIX, the medical services provided within each category are self-explanatory. Since January 1, 1980 Computer Science Corporation has been responsible for processing the majority of all Medicaid Claims, some twelve thousand claims per month. (Table IX and Figure XI)

Total Medicaid Expenditures for FY 81 and FY 80 were \$39,218,437 and 33,797,898 respectively. This represents a 16% increase from FY 80 to FY 81. Figure VI shows the percentage distribution of medicaid expenditures by category of care. As one can see ICF, Hospitals and Physicians, represent the three largest categories of care. The percentage of expenditures by category in decreasing order are: ICF, Hospitals, Physicians, Harborview Developmental Center, SNF, API, ICF/MR, Outpatient hospital, Dental, and Clinics. Table IV A and B and Table V A and B detail expenditures by service categories and categorical groups for claims processed by CSC. Note: CSC processed only claims received after December of 1979, thus the low volume during July to December 1979 reflects the lack of manually paid claims for that time frame.

Table VIII is a breakdown of the number of individuals eligible and individuals screened in the EPSDT Program. In FY 80 and FY 81, 50% and 52% respectively of the eligible children received screening. Dental problems were noted as the most significant single problem present.

Table XI and Figure X detail expenditures for dental claims for FY 80 and FY81. In FY80 and 81, the Medicaid Program paid over 750 thousand and 820 thousand dollars respectively for dental services for EPSDT children. The average cost per claim was around \$160 and \$152 respectively. The decrease in the average cost per claim is due mainly to the increase in the number of claims.

### Major Developments during FY 80 and FY 81

The Medicaid Program has experienced several major developments within the past two fiscal years. Chief among these was the contracting with Computer Sciences Corporation as fiscal agent to process Physician, Hospital, and Pharmacy invoices. This represents about 13,000 invoices per month (See Table IX). CSC's efforts have significantly reduced the turnaround time for processing of clean claims from 100 days to 30 days. Add 7 to 14 days to this figure for issuing and mailing checks to providers and one has the turnaround time for medical claims (Figure XII).

Also in 1980, the Division conducted two reconciliation projects for services rendered prior to FY80 and the other for services rendered during FY80. The reconciliation projects were to:

- . Pay providers for services that had gone un-paid due to claims processing failure.
- . Determine whether the provider was enrolled as an eligible provider at the time services were rendered.
- . Determine whether or not invoices submitted had been previously paid.
- . Determine whether recipients identified on claims submitted were eligible for Medicaid or GRM at the time services were rendered.
- . Determine whether services provided were covered under the Medicaid or GRM programs at the time the services were rendered.

For prior FY80 claims one hundred twenty-five providers submitted claims under the project. A total of 4,110 claims were submitted by participating providers. A total of 1,582 claims were recommended for payment. The amount of these claims was \$285,135, of which \$154,621 was identified as Medicaid program eligible claims and \$130,514 as GRM program eligible claims. For the FY80 reconciliation project \$282,131 and 1,124,619 was paid to physician and hospitals respectively.

1981 also saw the production and distribution of the Medicaid Eligibility Manual. This manual was designed to aid eligibility workers in making accurate and timely Medicaid eligibility determinations. Copies of the Manual are available from the Division of Public Assistance Central Office in Juneau.

With respect to medical services, during the final days of the 1981 legislative session, the Alaska Legislature passed into law a provision which adds Nurse Midwife Services to the list of Medicaid Services. A Nurse Midwife must be a registered professional nurse certified by the State and enrolled as a provider in the Division's Medical Assistance Programs.

### Future Plans

Administration of the Medicaid Program will undergo significant change in the next year. With the addition of CSC in January of 1980 as fiscal agent, the time required to process and pay provider claims has decreased as can be seen in Table IX. However, CSC is responsible for processing claims for less than 50% of Medicaid expenditures. This fact means that a considerable amount of administrative effort is needed to identify, accumulate and verify total Medicaid expenditures. The result is unnecessary delays, duplication of effort and questionable statistics for management reports and utilization reviews. The Department has recently released two Request for Proposals (RFPs) which should significantly effect this Division's ability to produce timely and accurate decisions and statistics with respect to recipients, providers, utilization review, fiscal compliance, and management reports.

The first RFP is the Eligibility Information System (EIS) which calls for the development of a fully integrated, federally certified computer system for administration of Alaska's 10 Public Assistance Programs. The intent of EIS is to first implement a computer system for the AFDC and Food Stamp Programs that will automate a maximum number of functions now being performed manually, in such a way as to:

- . reduce error rates in all programs;
- . increase speed of service, from eligibility determination to receipt of benefits;
- . provide consistent decisions on applications;
- . enable management to test proposals, policy change recommendations and mass updates for cost, impact and feasibility;
- . provide management information as necessary through an integrated data base structure;
- . reduce future administrative cost increases for program operations through increased efficiencies in use of staff time.

The second RFP is for the development of an Alaska Medical Payment System (AMPS) which combines all the Medicaid claims processing components which are presently spread among four divisions and two contractors. The successful contractor will be responsible for all components within the Medicaid/GRM Programs dealing with:

|   |  |
|---|--|
| Provider enrollment                     | Programming and systems support                |
| Prior authorization                     | Computer operations                            |
| Claims screening                        | Provider payments                              |
| Exception claims processing/<br>inquiry | Surveillance and utilization                   |
| Professional claims review              | Provider and recipient relations               |
| Master file maintenance                 | Provider manuals and bulletins and claims form |
| Data entry/microfilm                    | Overpayment recovery                           |
|   | Finance and accounting                         |

The State would retain responsibility for:

|                                   |                                      |
|-----------------------------------|--------------------------------------|
| Eligibility determination         | General management and establishment |
| Fiscal audit of providers         | of policies and procedures           |
| Third-party liability collections | Rate setting                         |
| Appeals                           | Fiscal Agent relations               |
| Performance and fiscal audit      | Fraud and abuse investigation        |
| of contractor                     | Provider compliance                  |

Contracts for these RFPs should be awarded by late November of 1981 with operational systems in place by late 1982.

Also in late 1981, the Division plans to open a Medical Provider Relations Office in Anchorage to aid providers and recipients in solving medical claims problems. This office will include full-time support staff for the Medical Care Advisory Committee.

TABLE I \*  
 MEDICAID BENEFICIARIES  
 FOR FY 78, FY 79, FY 80 & FY 81

| Mth                      | 7    | 8    | 9    | 10** | 11   | 12   | 1    | 2    | 3    | 4    | 5    | 6    |
|--------------------------|------|------|------|------|------|------|------|------|------|------|------|------|
| <b>AGED</b>              |      |      |      |      |      |      |      |      |      |      |      |      |
| FY 78                    | 417  | 411  | 313  | 472  | 359  | 369  | 360  | 461  | 592  | 446  | 509  | 391  |
| FY 79                    | 419  | 344  | 258  | 376  | 361  | 544  | 400  | 765  | 458  | 556  | 405  | 544  |
| FY 80                    | 353  | 401  | 426  | 448  | 436  | 389  | 474  | 508  | 555  | 576  | 525  | 512  |
| FY 81                    | 548  | 575  | 449  | 555  | 673  | 588  | 692  | 483  | 683  | 680  | 452  | 700  |
| <b>BLIND</b>             |      |      |      |      |      |      |      |      |      |      |      |      |
| FY 78                    | 14   | 7    | 7    | 11   | 10   | 9    | 8    | 17   | 19   | 13   | 11   | 14   |
| FY 79                    | 15   | 11   | 8    | 10   | 14   | 11   | 11   | 20   | 13   | 11   | 11   | 20   |
| FY 80                    | 10   | 9    | 10   | 7    | 9    | 8    | 9    | 12   | 13   | 15   | 17   | 14   |
| FY 81                    | 11   | 11   | 19   | 20   | 15   | 19   | 18   | 15   | 20   | 13   | 5    | 23   |
| <b>DISABLED</b>          |      |      |      |      |      |      |      |      |      |      |      |      |
| FY 78                    | 531  | 489  | 481  | 567  | 506  | 479  | 394  | 621  | 861  | 697  | 583  | 556  |
| FY 79                    | 597  | 452  | 330  | 482  | 533  | 636  | 582  | 920  | 621  | 654  | 578  | 685  |
| FY 80                    | 474  | 556  | 582  | 617  | 622  | 549  | 701  | 676  | 722  | 743  | 725  | 656  |
| FY 81                    | 752  | 677  | 647  | 806  | 924  | 845  | 917  | 585  | 928  | 899  | 660  | 959  |
| <b>AFDC CHILDREN ***</b> |      |      |      |      |      |      |      |      |      |      |      |      |
| FY 78                    | 1362 | 1044 | 929  | 1071 | 796  | 1163 | 948  | 1604 | 2238 | 1405 | 1366 | 1365 |
| FY 79                    | 1375 | 1257 | 1093 | 1226 | 1108 | 1944 | 1140 | 3084 | 1361 | 1178 | 1078 | 1039 |
| FY 80                    | 1260 | 1429 | 1418 | 1757 | 1554 | 1388 | 1686 | 1792 | 1845 | 1951 | 1856 | 1634 |
| FY 81                    | 1680 | 1719 | 1758 | 2054 | 2323 | 2222 | 2387 | 1363 | 2147 | 2646 | 1665 | 2655 |
| <b>AFDC ADULTS ***</b>   |      |      |      |      |      |      |      |      |      |      |      |      |
| FY 78                    | 665  | 450  | 519  | 589  | 422  | 356  | 315  | 761  | 1031 | 712  | 675  | 582  |
| FY 79                    | 496  | 512  | 654  | 692  | 651  | 952  | 728  | 1283 | 860  | 752  | 774  | 909  |
| FY 80                    | 665  | 753  | 742  | 926  | 820  | 732  | 889  | 944  | 973  | 1028 | 978  | 861  |
| FY 81                    | 904  | 925  | 947  | 1106 | 1250 | 1196 | 1285 | 734  | 1924 | 1424 | 897  | 1430 |
| <b>TOTAL</b>             |      |      |      |      |      |      |      |      |      |      |      |      |
| FY 78                    | 2989 | 2401 | 2249 | 2710 | 2093 | 2373 | 2025 | 3464 | 4741 | 3273 | 3144 | 2908 |
| FY 79                    | 2902 | 2576 | 2343 | 2789 | 2667 | 4087 | 2862 | 6072 | 3126 | 3151 | 2950 | 3222 |
| FY 80                    | 2783 | 3196 | 3217 | 3788 | 3486 | 3091 | 3776 | 3949 | 4137 | 4332 | 4120 | 3694 |
| FY 81                    | 3905 | 3851 | 3826 | 4557 | 5193 | 4880 | 5310 | 3183 | 5331 | 5675 | 3695 | 5783 |

\* This table represents an unduplicated recipient count within each month. It is likely that a recipient can be counted in several months. Does not include LTC, API, HDC or Dental.

\*\* As of 10/80 computer program was changed to read processing date as apposed to service date. Computer run date 6/20/81

\*\*\* Children are defined as 65% of total AFDC population based on historical HCFA 120 DATA

TABLE II FY 81  
MEDICAID EXPENDITURES

| FY    | CSC<br>TITLE XIX | LONG TERM CARE (LTC) |                |                |                |               | EPSDT DENTAL    | HDC             | API              | FY 81<br>TOTAL |
|-------|------------------|----------------------|----------------|----------------|----------------|---------------|-----------------|-----------------|------------------|----------------|
|       |                  | ICF                  | SNF            | ICF/MR         |                |               |                 |                 |                  |                |
| JULY  | 81               | 1,212,363            | 873,213        | 212,455        | 133,794        | 54,008        | 403,984         | 204,439         | 3,094,256        |                |
| AUG.  | 81               | 1,014,451            | 889,795        | 153,326        | 137,957        | 47,315        | 419,446         | 196,842         | 2,859,132        |                |
| SEPT. | 81               | 970,889              | 877,785        | 177,200        | 135,060        | 53,860        | 415,471         | 161,350         | 2,791,615        |                |
| OCT.  | 81               | 1,149,183            | 1,031,825      | 183,894        | 143,911        | 60,022        | 431,196         | 155,224         | 3,155,255        |                |
| NOV.  | 81               | 1,471,661            | 980,030        | 174,439        | 134,602        | 70,176        | 420,988         | 174,974         | 3,426,870        |                |
| DEC.  | 81               | 1,124,730            | 1,017,686      | 197,251        | 141,662        | 88,169        | 425,371         | 161,483         | 3,156,352        |                |
| JAN.  | 81               | 1,735,809            | 1,022,379      | 190,956        | 136,000        | 52,556        | 431,127         | 146,475         | 3,715,302        |                |
| FEB.  | 81               | 850,291              | 940,144        | 201,971        | 121,715        | 65,560        | 375,072         | 158,500         | 2,713,253        |                |
| MARCH | 81               | 1,589,737            | 1,064,663      | 326,640        | 135,976        | 94,351        | 409,892         | 169,825         | 3,791,084        |                |
| APRIL | 81               | 1,519,230            | 833,026        | 323,640        | 131,092        | 100,204       | 301,131         | 171,745         | 3,380,068        |                |
| MAY   | 81               | 1,298,779            | 895,713        | 358,293        | 134,059        | * 76,350      | 407,812         | 171,550         | 3,121,722        |                |
| JUNE  | 81               | <u>1,750,178</u>     | <u>824,516</u> | <u>359,980</u> | <u>122,888</u> | <u>67,163</u> | <u>403,771*</u> | <u>170,218*</u> | <u>3,681,449</u> |                |
|       |                  | 15,687,301           | 11,444,755     | 2,660,045      | 1,608,716      | 829,734       | 4,845,261       | 2,042,625       | 39,218,437       |                |

\* estimated from first 11 months of FY 81  
REPORT PREPARED 8/1/81

TABLE III FY 80  
 MEDICAID EXPENDITURES

| FY    | CSC<br>TITLE.XIX | LONG TERM CARE    |                   |                  |                  | EPSDT          | DENTAL           | HDC              | API               | FY 80 TOTAL |
|-------|------------------|-------------------|-------------------|------------------|------------------|----------------|------------------|------------------|-------------------|-------------|
|       |                  | ICF               | SNF               | ICF/MR           |                  |                |                  |                  |                   |             |
| JULY  | 80               | 448,081*          | 811,405           | 151,688          | 132,467          | 27,793         | 420,709          | 57,902           | 2,050,045         |             |
| AUG.  | 80               | 533,059*          | 811,405           | 151,688          | 122,517          | 43,613         | 436,472          | 52,468           | 2,151,222         |             |
| SEPT. | 80               | 607,285*          | 811,405           | 151,688          | 132,615          | 39,414         | 431,603          | 65,708           | 2,239,718         |             |
| OCT   | 80               | 871,360*          | 855,846           | 162,916          | 128,488          | 66,654         | 440,112          | 115,796          | 2,641,172         |             |
| NOV.  | 80               | 792,537*          | 856,636           | 162,915          | 131,141          | 79,080         | 413,546          | 136,221          | 2,572,076         |             |
| DEC   | 80               | 698,952*          | 955,275           | 164,961          | 141,602          | 73,588         | 399,435          | 158,589          | 2,592,402         |             |
| JAN   | 80               | 961,854           | 840,605           | 222,781          | 120,125          | 39,364         | 407,913          | 171,820          | 2,764,462         |             |
| FEB.  | 80               | 1,000,670         | 804,614           | 193,777          | 110,875          | 69,738         | 403,572          | 57,748           | 2,640,994         |             |
| MARCH | 80               | 1,014,817         | 827,681           | 210,032          | 119,375          | 99,740         | 428,926          | 74,184           | 2,774,755         |             |
| APRIL | 80               | 1,066,334         | 702,867           | 193,821          | 112,000          | 73,339         | 415,944          | 98,976           | 2,663,281         |             |
| MAY   | 80               | 1,032,846         | 909,181           | 193,821          | 111,500          | 88,698         | 428,291          | 165,694          | 2,930,031         |             |
| JUNE  | 80               | 1,081,830         | 1,016,129         | 193,821          | 107,500          | 65,131         | 388,017          | 176,962          | 3,029,390         |             |
|       |                  | <u>10,109,625</u> | <u>10,203,049</u> | <u>2,153,909</u> | <u>1,470,205</u> | <u>766,152</u> | <u>5,014,540</u> | <u>1,332,068</u> | <u>31,049,548</u> |             |
|       |                  | 2,207,072 **      |                   |                  |                  |                |                  |                  | 33,256,620        |             |

\* CSC WAS NOT RECORDING ALL CLAIMS FOR THESE MONTHS, MANUAL PAID CLAIMS ARE NOT INCLUDED .

\*\* Manual payed claims estimate .

\*\*\* Estimate

TABLE IV PART A  
SUMMARY OF CSC'S  
FY 80 & FY 81 HCFA 120  
MEDICAID PAYMENTS BY TYPE OF SERVICE \*

|                 | <u>FY</u> | <u>JULY</u> | <u>AUG.</u> | <u>SEPT.</u> | <u>OCT.</u> | <u>NOV.</u> | <u>DEC</u> | <u>TOTAL</u> |
|-----------------|-----------|-------------|-------------|--------------|-------------|-------------|------------|--------------|
| XIX TOTAL       | 80        | 448,081.    | 533,059.    | 607,285.     | 871,360.    | 792,537.    | 698,952.   | 2,900,188.0  |
|                 | 81        | 1,212,363   | 1,014,451   | 970,889      | 1,149,183   | 1,471,661   | 1,124,730. | 6,943,277.0  |
| INPT. HOSP      | 80        | 55,533.     | 88,930.     | 191,691.     | 333,961.    | 316,207.    | 283,120.   | 1,269,442.0  |
|                 | 81        | 574,725     | 468,042     | 465,369      | 413,019     | 725,073     | 462,350    | 1,989,957.0  |
| PHYSICIAN       | 80        | 239,085.    | 242,716.    | 247,454.     | 296,221.    | 241,280.    | 220,000.   | 1,486,756.0  |
|                 | 81        | 354,089     | 286,855     | 267,210      | 429,731     | 398,001     | 429,169    | 2,165,055.0  |
| OUTPT. HOSP.    | 80        | 4,831.      | 8,131.      | 20,160.      | 55,057.     | 72,787.     | 58,086.    | 219,052.0    |
|                 | 81        | 102,996     | 87,081      | 80,799       | 123,534     | 153,350     | 83,549     | 631,309.0    |
| CLINIC SERVICE  | *80       | 20,163.     | 18,634.     | 13,108.      | 23,073.     | 24,236.     | 19,263.    | 118,477.0    |
|                 | 81        | 20,182      | 23,964      | 16,767       | 34,719      | 69,970      | 28,949     | 194,551.0    |
| HOME HEALTH     | 80        | 560.        | 380.        | 915.         | 1,105.      | 1,620.      | 1,213.     | 5,793.0      |
|                 | 81        | 270         | 120         | 2007         | 276         | 2,007       | 1,516      | 6,196.0      |
| FAMILY PLANNING | 80        | 3,474.      | 3,770.      | 4,614.       | 3,103.      | 2,448.      | 2,806.     | 20,215.0     |
|                 | 81        | 1,112       | 2,507       | 1,010        | 3,975       | 4,001       | 3,082      | 15,687.0     |
| LAB & X-RAY     | 80        | 1,371.      | 4,184.      | 3,409.       | 6,979.      | 7,706.      | 5,384.     | 29,033.0     |
|                 | 81        | 6,117       | 4,721       | 4,804        | 6,496       | 7,582       | 7,553      | 37,273.0     |
| EPSDT           | 80        | 12,178.     | 11,948.     | 13,192.      | 11,712.     | 18,070.     | 12,739.    | 79,839.0     |
|                 | 81        | 13,515      | 14,896      | 17,112       | 15,789      | 22,731      | 29,718     | 113,761.0    |
| RURAL HEALTH    | 80        | 572.        | 411.        | 216.         | 416.        | 203.        | 245.       | 2,063.0      |
|                 | 81        | 35          | 54          | 0            | 118         | 0           | 305        | 512.0        |
| OTHER SERVICES  | 80        | 110,314.    | 153,955.    | 112,526.00   | 139,733.    | 107,980.    | 96,096.    | 720,604.0    |
|                 | 81        | 138,322     | 126,211     | 115,811      | 121,526     | 88,937      | 77,455     | 668,262.0    |

\* COMPUTER RUN 6/20/81 . CSC STARTED RECORDING DATA ON 1/80 thus data prior to 1/80 is incomplete. Also affective 10/80 data is recorded by processing date . DATA prior to then was recorded by service date . CSC data does not include ICF, SNF, ICF/MR , API , PHS , or DELTA DENTAL .

TABLE IV PART B  
SUMMARY OF CSC'S  
FY80 & FY81 HCFA 120  
MEDICAL PAYMENTS BY TYPE OF SERVICE \*

|                 | <u>FY</u> | <u>JAN.</u> | <u>FEB.</u> | <u>MR.</u> | <u>AP</u>  | <u>MAY</u> | <u>JUN.</u> | <u>TOTAL</u> |
|-----------------|-----------|-------------|-------------|------------|------------|------------|-------------|--------------|
| XIX TOTAL       | 80        | 961,854.    | 1,000,670.  | 1,014,817. | 1,066,334. | 1,032,846. | 1,081,830   | 6,158,351    |
|                 | 81        | 1,735,809   | 850,291     | 1,589,737  | 1,519,230  | 1,298,779  | 1,750,178   | 8,744,024    |
| INPT. HOSP.     | 80        | 447,828.    | 455,153.    | 373,099.   | 449,750.   | 441,812.   | 544,738.    | 2,712,380    |
|                 | 81        | 760,110     | 264,203     | 642,372    | 567,414    | 582,664    | 767,552     | 3,584,315    |
| PHYSICIAN       | 80        | 276,906     | 290,920.    | 295,089.   | 336,271.   | 316,358.   | 340,356.    | 1,855,900    |
|                 | 81        | 486,440     | 240,204     | 529,375    | 534,667    | 336,274    | 546,694     | 2,673,654    |
| OUTPT. HOSP.    | 80        | 73,420.     | 92,252.     | 101,070.   | 99,766.    | 99,444.    | 79,999.     | 545,951      |
|                 | 81        | 141,754     | 58,334      | 136,420    | 120,743    | 100,549    | 163,727     | 721,527      |
| CLINIC SERVIC.  | 80        | 25,303.     | 24,478.     | 25,925.    | 30,530.    | 28,073.    | 31,752.     | 166,061      |
|                 | 81        | 32,539      | 8,994       | 48,919     | 22,216     | 25,335     | 22,807      | 160,810      |
| HOME HEALTH     | 80        | 935.        | 595.        | 925.       | 330.       | 1,764.     | 720.        | 5,269        |
|                 | 81        | 1,731       | 625         | 818        | 1028       | 2,425      | 1,216       | 7,843        |
| FAMILY PLANNING | 80        | 1,497.      | 5,991.      | 4,721.     | 2,309.     | 3,584.     | 1,186.      | 19,288       |
|                 | 81        | 1,846       | 1,089       | 4,292      | 5,061      | 1,602      | 2,078       | 15,968       |
| LAB & X-RAY     | 80        | 10,196.     | 9,722.      | 13,025.    | 10,689.    | 9,883.     | 8,759.      | 62,274       |
|                 | 81        | 11,529      | 11,864      | 24,129     | 23,457     | 14,143     | 16,681      | 101,803      |
| EPSDT           | 80        | 19,009.     | 14,003.     | 19,561.    | 27,619.    | 16,340.    | 12,639.     | 109,171      |
|                 | 81        | 24,869      | 19,378      | 21,609     | 24,998     | 13,904     | 22,713      | 127,471      |
| RURAL HEALTH    | 80        | 463.        | 499.        | 453.       | 388.       | 1,024.     | 466.        | 3,293        |
|                 | 81        | 0           | 0           | 69         | 36         | 10         | 0           | 115          |
| OTHER SERVICE   | 80        | 106,297.    | 107,057.    | 180,949.   | 108,682.   | 114,564.   | 61,215.     | 678,764      |
|                 | 81        | 271,340     | 244,917     | 177,753    | 214,083    | 221,256    | 204,252     | 1,333,601    |

COMPUTER RUN | 6/20/81

FY 80 & FY 81 MEDICAL PAYMENTS & BENEFICIARIES

| CATEGORICAL PROGRAM | FY |    | JULY      |  | AUG.      |  | SEPT.    |  | OCT.      |  | NOV.      |  | DEC.      |  | TOTAL       |  |
|---------------------|----|----|-----------|--|-----------|--|----------|--|-----------|--|-----------|--|-----------|--|-------------|--|
|                     | 80 | 81 |           |  |           |  |          |  |           |  |           |  |           |  |             |  |
| XIX PAYMENTS        | 80 |    | 464,707.  |  | 554,033.  |  | 643,283. |  | 907,111.  |  | 827,579.  |  | 728,083.  |  | 4,124,796.0 |  |
|                     | 81 |    | 1,212,363 |  | 1,014,451 |  | 970,889  |  | 1,149,183 |  | 1,471,661 |  | 1,124,730 |  | 6,943,277.0 |  |
| AGED                | 80 |    | 70,859.   |  | 56,187.   |  | 67,912.  |  | 101,010.  |  | 84,094.   |  | 76,603.   |  | 456,665.0   |  |
|                     | 81 |    | 155,025   |  | 128,358   |  | 106,132  |  | 114,060   |  | 158,668   |  | 101,448   |  | 763,691.0   |  |
| AB                  | 80 |    | 684.      |  | 420.      |  | 5,413.   |  | 5,210.    |  | 7,958.    |  | 553.      |  | 20,238.0    |  |
|                     | 81 |    | 3,234     |  | 12,165    |  | 7,485    |  | 4,343     |  | 4,589     |  | 27,146    |  | 58,962.0    |  |
| AD                  | 80 |    | 96,083.   |  | 177,946.  |  | 190,566. |  | 283,540.  |  | 250,693.  |  | 204,372.  |  | 1,203,200.0 |  |
|                     | 81 |    | 358,847   |  | 303,661   |  | 346,484  |  | 330,734   |  | 489,204   |  | 352,020   |  | 2,180,950.0 |  |
| AFDC CHILDREN       | 80 |    | 107,317.  |  | 123,106.  |  | 141,817. |  | 180,399.  |  | 191,156.  |  | 161,738.  |  | 905,533.0   |  |
|                     | 81 |    | 283,560   |  | 226,484   |  | 220,995  |  | 278,508   |  | 303,317   |  | 228,420   |  | 1,541,284.0 |  |
| AFDC ADULTS         | 80 |    | 187,469.  |  | 191,585.  |  | 230,401. |  | 333,924.  |  | 276,090.  |  | 262,184.  |  | 1,481,653.0 |  |
|                     | 81 |    | 409,006   |  | 343,150   |  | 288,511  |  | 420,005   |  | 510,920   |  | 413,900   |  | 2,385,492.0 |  |
| OTHER               | 80 |    | 2,295.    |  | 4,789.    |  | 7,174.   |  | 3,028.    |  | 17,588.   |  | 22,633.   |  | 57,507.0    |  |
|                     | 81 |    | 2,691     |  | 633       |  | 1,282    |  | 1,533     |  | 4,963     |  | 1,796     |  | 12,898.0    |  |
| TOTAL               |    |    |           |  |           |  |          |  |           |  |           |  |           |  |             |  |
| XIX Beneficiaries   | 80 |    | 2,783.    |  | 3,196.    |  | 3,217.   |  | 3,788.    |  | 3,486.    |  | 3,091.    |  |             |  |
|                     | 81 |    | 3,905     |  | 3,851     |  | 3,823    |  | 4,557     |  | 5,193     |  | 4,880     |  |             |  |
| AGED                | 80 |    | 353.      |  | 401.      |  | 426.     |  | 448.      |  | 436.      |  | 389.      |  |             |  |
|                     | 81 |    | 548       |  | 514       |  | 449      |  | 555       |  | 673       |  | 588       |  |             |  |
| AB                  | 80 |    | 10.       |  | 9.        |  | 10.      |  | 7.        |  | 9.        |  | 8.        |  |             |  |
|                     | 81 |    | 11        |  | 11        |  | 19       |  | 20        |  | 15        |  | 19        |  |             |  |
| AD                  | 80 |    | 474.      |  | 556.      |  | 582.     |  | 617.      |  | 622.      |  | 549.      |  |             |  |
|                     | 81 |    | 752       |  | 677       |  | 647      |  | 806       |  | 924       |  | 845       |  |             |  |
| AFDC CHILDREN **80  | 80 |    | 913.      |  | 1,113.    |  | 1,092.   |  | 1,422.    |  | 1,217.    |  | 1,080.    |  |             |  |
|                     | 81 |    | 1,252     |  | 1,366     |  | 1,352    |  | 1,563     |  | 1,792     |  | 1,720     |  |             |  |
| AFDC ADULTS         | 80 |    | 1,012.    |  | 1,069.    |  | 1,073.   |  | 1,261.    |  | 1,157.    |  | 1,040.    |  |             |  |
|                     | 81 |    | 1,333     |  | 1,279     |  | 1,354    |  | 1,598     |  | 1,782     |  | 1,699     |  |             |  |
| OTHER               | 80 |    | 21.       |  | 48.       |  | 34.      |  | 33.       |  | 45.       |  | 25.       |  |             |  |
|                     | 81 |    | 7         |  | 5         |  | 2        |  | 15        |  | 7         |  | 9         |  |             |  |

\* see comments for Table IV A

\*\* CSC'S Program uses case number not age, AFDC Adults includes about 20% children .

TABLE V PART B FY 80 &amp; FY 81 CSC'S HCFA 120

## MEDICAL PAYMENTS &amp; RECIPIENTS \*

|               | <u>FY</u> | <u>JAN.</u> | <u>FEB.</u> | <u>MR.</u> | <u>AP.</u> | <u>MAY</u> | <u>JUNE</u> | <u>TOTAL 80</u> |
|---------------|-----------|-------------|-------------|------------|------------|------------|-------------|-----------------|
| TITLE XIX     | 80        | 995,580.    | 1,037,584.  | 1,057,983. | 1,114,437. | 1,065,361. | 1,110,190.  | 6,381,135       |
|               | 81        | 1,735,809   | 850,291     | 1,589,737  | 1,519,230  | 1,298,779  | 1,750,178   | 8,744,024       |
| AGED          | 80        | 104,939.    | 123,886.    | 131,567.   | 126,523.   | 98,151.    | 91,356.     | 676,422         |
|               | 81        | 196,131     | 112,841     | 140,849    | 134,264    | 160,850    | 202,130     | 947,065         |
| BLIND         | 80        | 741.        | 15,632.     | 5,349.     | 6,517.     | 19,167.    | 3,457.      | 50,863          |
|               | 81        | 13,006      | 5,591       | 9,014      | 3,895      | 2,403      | 5,792       | 39,701          |
| DISABLED      | 80        | 345,224.    | 307,357.    | 300,203.   | 317,715.   | 329,181.   | 356,611.    | 1,956,291       |
|               | 81        | 558,684     | 275,302     | 482,258    | 491,395    | 461,415    | 570,386     | 2,839,440       |
| AFDC CHILDREN | 80        | 203,217.    | 258,330.    | 272,190.   | 247,357.   | 224,779.   | 279,145.    | 1,485,018       |
|               | 81        | 481,704     | 217,094     | 342,192    | 367,210    | 307,251    | 379,544     | 2,094,995       |
| AFDC ADULTS   | 80        | 338,855.    | 326,848.    | 337,645.   | 405,587.   | 389,671.   | 374,256.    | 2,172,862       |
|               | 81        | 485,557     | 239,406     | 610,280    | 420,481    | 364,266    | 590,375     | 2,710,365       |
| OTHER         | 80        | 2,604.      | 5,531.      | 11,029.    | 10,738.    | 4,412.     | 5,365.      | 39,679          |
|               | 81        | 727         | 57          | 144        | 1,985      | 2,594      | 1,951       | 7,458           |
| TITLE XIX     | 80        | 3,776.      | 3,949.      | 4,137.     | 4,332.     | 4,120.     | 3,694.      | 24,008          |
|               | 81        | 5,310       | 3,183       | 5,311      | 5,675      | 3,695      | 5,783       | 28,957          |
| AGED          | 80        | 474.        | 508.        | 555.       | 576.       | 525.       | 512.        | 3,150           |
|               | 81        | 692         | 483         | 683        | 680        | 452        | 700         | 3,690           |
| BLIND         | 80        | 9.          | 12.         | 13.        | 15.        | 17.        | 14.         | 80              |
|               | 81        | 18          | 15          | 20         | 13         | 5          | 23          | 94              |
| AD            | 80        | 701.        | 676.        | 722.       | 743.       | 725.       | 656.        | 4,223           |
|               | 81        | 917         | 585         | 928        | 899        | 660        | 959         | 4,948           |
| AFDC CHILDREN | 80        | 1,329.      | 1,447.      | 1,505.     | 1,600.     | 1,431.     | 1,179.      | 8,491           |
|               | 81        | 1,842       | 1,059       | 1,819      | 2,147      | 1,312      | 2,142       | 10,321          |
| AFDC ADULTS   | 80        | 1,246.      | 1,289.      | 1,313.     | 1,379.     | 1,403.     | 1,316.      | 7,946           |
|               | 81        | 1,831       | 1,039       | 1,859      | 1,924      | 1,244      | 1,944       | 9,841           |
| OTHER         | 80        | 17.         | 17.         | 31.        | 19.        | 19.        | 17.         | 120             |
|               | 81        | 10          | 2           | 1          | 12         | 15         | 15          | 55              |

\* see comments on Table V Part A

Individuals Screened by the EPSDT Program

|             | FY 76 | FY 77 | FY 78 | FY 79 | FY 80 | FY 81 |
|-------------|-------|-------|-------|-------|-------|-------|
| Individuals | 4527  | 5642  | 5454  | 5341  | 5773  | 6216  |

Table VII

Number of Individuals Receiving Early and Periodic Screening Services and Payments for such Services

|  | Age of Children Screened |       |                    |       |                 |       |
|--|--------------------------|-------|--------------------|-------|-----------------|-------|
|  | Total                    |       | Under age 6<br>(2) |       | Age 6-20<br>(3) |       |
|  | FY 80<br>individuals     | FY 81 | FY 80              | FY 81 | FY 80           | FY 81 |
| Number of individuals screened .....   | 5773                     | 6213  | 2904               | 3403  | 2869            | 2810  |
| Average monthly eligible for screening.....  | 11512                    | 11923 | --                 | --    | --              | --    |
| Number with referrable conditions uncovered or suspected during screening (sum of 3a & 3b).... | 3362                     | 5297  | 1267               | 2534  | 1995            | 2763  |
| Number of individuals screened with:.....  |                          |       |                    |       |                 |       |
| a. Visual problems.....  | 672                      | 571   | 146                | 132   | 526             | 439   |
| b. Hearing problems.....   | 412                      | 336   | 189                | 135   | 223             | 201   |
| c. Dental problems.....  | 2297                     | 3216  | 776                | 1181  | 1521            | 2035  |
| d. Other problems.....   | 4820                     | 4364  | 2674               | 2517  | 2146            | 1847  |
| Total payments for screening services.....   |                          |       |                    |       |                 |       |

TABLE VIII EPSDT  
DENTAL EXPENDITURES

| MEDICAID FY 80 |                 |               |               |                  | \$ MEDICAID FY 81 |               |               |                  |
|----------------|-----------------|---------------|---------------|------------------|-------------------|---------------|---------------|------------------|
|                | <u>Benifits</u> | <u>Admin.</u> | <u>Claims</u> | <u>\$/Claims</u> | <u>Benifits</u>   | <u>Admin.</u> | <u>Claims</u> | <u>\$/Claims</u> |
| JULY. 10       | 4709            | 565           | 34            | 135              | 20124             | 1965          | 130           | 154              |
| 25             | 20107           | 2412          | 113           | 152              | 29219             | 2700          | 187           | 156              |
| AUG. 10        | 15421           | 1850          | 118           | 131              | 25853             | 2488          | 174           | 148              |
| 25             | 23520           | 2822          | 182           | 128              | 16684             | 2290          | 162           | 102              |
| SEPT 10        | 17598           | 2111          | 130           | 135              | 22828             | 2587          | 180           | 126              |
| 25             | 17594           | 2111          | 149           | 117              | 25376             | 3069          | 206           | 123              |
| OCT. 10        | 21136           | 2536          | 188           | 112              | 23938             | 2622          | 176           | 136              |
| 25             | 38377           | 4605          | 280           | 133              | 29734             | 3728          | 220           | 135              |
| NOV. 10        | 36207           | 4344          | 218           | 166              | 28437             | 2980          | 200           | 142              |
| 25             | 34401           | 4128          | 242           | 130              | 34692             | 4067          | 273           | 127              |
| DEC. 10        | 20965           | 2515          | 135           | 123              | 30575             | 3218          | 216           | 141              |
| 25             | 44740           | 5368          | 253           | 177              | 49564             | 4812          | 323           | 153              |
| JAN. 10        | 13469           | 1616          | 169           | 117              | 19816             | 1877          | 126           | 157              |
| 25             | 21142           | 3137          | 169           | 117              | 27511             | 3352          | 225           | 122              |
| FEB. 10        | 30891           | 3706          | 202           | 133              | 25099             | 2786          | 187           | 134              |
| 25             | 31376           | 3765          | 200           | 143              | 34234             | 3441          | 231           | 148              |
| MAR. 10        | 44010           | 3393          | 214           | 182              | 47038             | 4484          | 301           | 156              |
| 25             | 47388           | 4949          | 346           | 135              | 38568             | 4261          | 333           | 115              |
| APRIL 10       | 32844           | 2771          | 196           | 167              | 46961             | 4961          | 333           | 141              |
| 25             | 34429           | 3295          | 233           | 147              | 43589             | 4693          | 315           | 138              |
| MAY 10         | 43158           | 4369          | 309           | 140              | 36208             | 3933          | 264           | 137              |
| 25             | 37990           | 3181          | 173           | 183              | 32648             | 3561          | 239           | 136              |
| JUNE 10        | 25175           | 2276          | 134           | 163              | 30350             | 3143          | 211           | 143              |
| 25             | <u>34937</u>    | <u>2743</u>   | <u>191</u>    | 185              | <u>30378</u>      | <u>3292</u>   | <u>221</u>    | 137              |
|                | 691,584         | 74,568        | 4,578         |                  | 749424            | 80310         | 5,433         |                  |
| TOTAL =        | 766,154         |               |               |                  | TOTAL =           | 829,734       |               |                  |

\$152 per claim for FY81

\$167 per claim for FY80

8% increase in expenditures

TABLE IX FY 80 & FY 81  
CSC ANALYSIS OF CLAIMS PROCESSING

DATE OF SERVICE-TO-DATE OF RECEIPT-TO-DATE OF ADJUDICATION

| <u>AVERAGE</u>                                 | <u>FY</u> | <u>JULY</u> | <u>AUG</u> | <u>SEPT</u> | <u>OCT</u> | <u>NOV</u> | <u>DEC</u> | <u>JAN</u> | <u>FEB</u> | <u>MR</u> | <u>AP</u> | <u>MAY</u> | <u>JUNE</u> |
|--|-----------|-------------|------------|-------------|------------|------------|------------|------------|------------|-----------|-----------|------------|-------------|
| # OF CLAIMS                                    | 80        | 5331        | 6570       | 7232        | 10974      | 10519      | 9291       | 11141      | 11768      | 12387     | 12698     | 12195      | 10894       |
|  | 81        | 11818       | 10872      | 10540       | 13380      | 15511      | 13415      | 17198      | 7801       | 17457     | 18134     | 10008      | 18242       |
| DATE OF SERVICE 80<br>TO<br>DATE OF RECEIPT 81 |           | 150         | 136        | 125         | 109        | 95         | 100        | 97         | 79         | 71        | 66        | 57         | 54          |
| DATE OF RECEIPT<br>TO<br>DATE OF ADJUDICATION  |           | 100         | 79         | 71          | 67         | 45         | 28         | 26         | 28         | 31        | 34        | 45         | 31          |
| DATE OF SERVICE<br>TO<br>DATE OF ADJUDICATION  |           | 205         | 194        | 173         | 141        | 123        | 124        | 113        | 107        | 101       | 99        | 102        | 85          |
|  |           | 82          | 81         | 72          | 97         | 125        | 130        | 83         | 89         | 111       | 81        | 100        | 86          |

FIGURE I  
RECIPIENTS BY CATEGORY OF ASSISTANCE

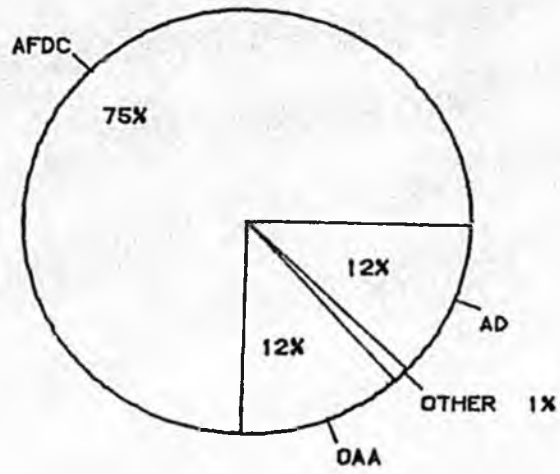
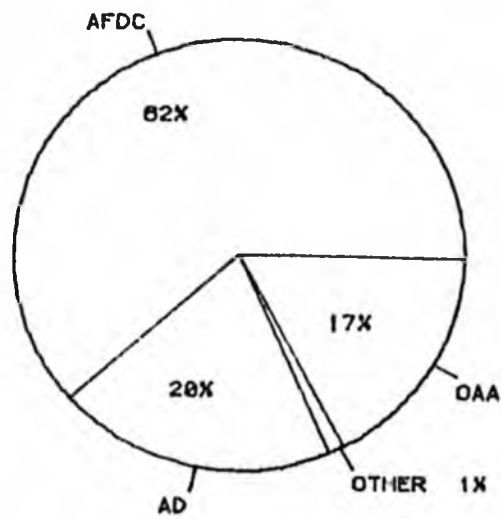
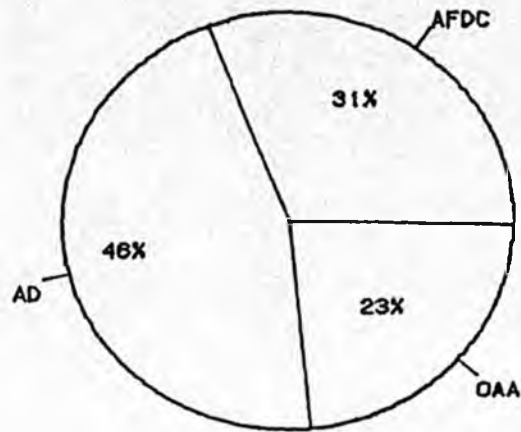


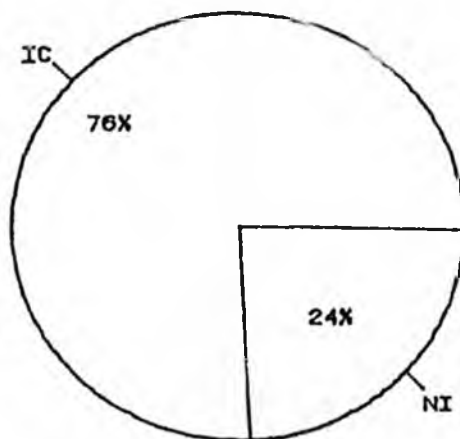
FIGURE II  
MEDICAID BENEFICIARIES (COVERAGE MONTH)



**FIGURE III**  
**MEDICAID EXPENDITURE BY CATEGORICAL GROUP**



**FIGURE IV**  
**MEDICAID EXPENDITURES**  
**INSTITUTIONAL VS NON INSTITUTIONAL CARE**



NI-NON INSTITUTIONAL CARE  
IC-INSTITUTIONAL CARE