

ADDITIONAL REGULATION NOTICE INFORMATION
(AS 44.62.190(d))

1. Adopting agency: Department of Health & Social Services.
2. General subject of regulation: Medicaid Cost Containment- Medicaid rate reduction and inflation freeze SFY20.
3. Citation of regulation (may be grouped): 7 AAC 145, 160.
4. Department of Law file number, if any: JU2019200429.
5. Reason for the proposed action:
 - () Compliance with federal law or action (identify): _____
 - () Compliance with new or changed state statute
 - () Compliance with federal or state court decision (identify): _____
 - () Development of program standards
 - (X) Other (identify): The Medicaid program will be significantly underfunded in state fiscal year (SFY) 2020. The Department is initiating cost containment measures under AS 47.07.036 to preserve current services and eligibility.

6. Appropriation/Allocation: N/A

7. Estimated annual cost to comply with the proposed action to:
 A private person: Medicaid providers, with the exception of primary care professional services and federally qualified health centers, will not receive cost of living increases (inflation) to Medicaid payment rates for SFY20. Additionally, Medicaid reimbursement rates for non-primary care professional services, personal care services, community behavioral health services, transportation and accommodations services, and applied behavioral analysis services will be decreased 5% for SFY20.

Another state agency: \$0.

A municipality: \$0.

8. Cost of implementation to the state agency and available funding (in thousands of dollars): \$0.

	Initial Year FY _____	Subsequent Years
Operating Cost	\$ _____	\$ _____
Capital Cost	\$ _____	\$ _____
1002 Federal receipts	\$ _____	\$ _____
1003 General fund match	\$ _____	\$ _____
1004 General fund	\$ _____	\$ _____
1005 General fund/ program	\$ _____	\$ _____
Other (identify)	\$ _____	\$ _____

9. The name of the contact person for the regulation:

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10. The origin of the proposed action:

Staff of state agency

Federal government

General public

Petition for regulation change⁷

Other (identify): _____

11. Date: 6/27/19

Prepared by: 
[signature]

Name (printed): Ms. Katherine McDonald

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