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**OFFICE OF THE LIEUTENANT GOVERNOR
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MEMORANDUM

TO: Triptaa Surve
Department of Health and Social Services

FROM: April Simpson, Office of the Lieutenant Governor
465.4081 

DATE: October 1, 2019

RE: Filed Permanent Regulations: Department of Health and Social Services

Department of Health and Social Services Regulation re: Office of Rate Review:
Medicaid Payment Rates, Cost (7 AAC 145, 160)

Attorney General File:	2019200429
Regulation Filed:	10/1/2019
Effective Date:	7/1/2019 (Emergency regulations being made permanent)
Print:	232, January 2020

cc with enclosures: Harry Hale, Department of Law
Judy Herndon, LexisNexis

CERTIFICATION OF COMPLIANCE

I, Adam Crum, Commissioner, certify that, as required by AS 44.62.260 in order to make the attached 20 pages of regulations permanent, as of this date a legal opinion of the Department of Law has been requested under AS 44.62.060, a notice conforming to AS 44.62.200 was issued in compliance with AS 44.62.190, and an opportunity for public comment was provided under AS 44.62.210, for the following emergency regulation:

7 AAC 145, 160. Medicaid Payment Rates, Cost Containment.

This regulation originally was filed as an emergency regulation on July 1, 2019.


In considering the public comments, the Department of Health & Social Services paid special attention to the cost to private persons of the regulatory action being taken.

Date: 9/19/19


Adam Crum
Commissioner, Department of Health & Social Services

FILING CERTIFICATION

I, Kevin Meyer, Lieutenant Governor for the State of Alaska, certify that on Oct. 1, 2019, at 9:49 Am., I filed the attached regulation according to the provisions of AS 44.62.


Lieutenant Governor

Register: 232, January 2020

The emergency amendment of 7 AAC 145.012(a)(1) is made permanent to read:

(a) To address that appropriations for fiscal year 2020 are insufficient to cover the costs of medical assistance for all persons eligible under AS 47.07 and 7 AAC 100, the department will implement cost containment measures that prohibit the following adjustments to Medicaid payment rates for Medicaid claims with dates of services after June 30, 2019, and before July 1, 2020:

(1) inflation adjustments required under 7 AAC 145.050(b)(3), except as noted in 7 AAC 145.050(c)-(e);

...

The emergency repeal of 7 AAC 145.012(a)(4) is made permanent:

(4) repealed 7/1/2019;

The emergency amendment of 7 AAC 145.012(a)(5) is made permanent to read:

(5) inflation adjustments required under 7 AAC 150.150, except as noted in 7 AAC 150.150(h);

The emergency amendment of 7 AAC 145.012(a)(7) is made permanent to read:

(7) inflation adjustments required under 7 AAC 150.190(g) in accordance with 7 AAC 150.190(d)(2)(B), except as noted in 7 AAC 150.190(g)(1).

(Eff. 7/1/2015, Register 215; am 7/1/2016, Register 219; am 10/1/2017, Register 223; am 3/1/2018, Register 225; am 7/1/2019, Register 231)

Authority: AS 47.05.010 AS 47.07.030 AS 47.07.036

AS 47.07.020

The emergency amendment of 7 AAC 145.025 is made permanent to read:

(g) For state fiscal year 2020, the department will pay state fiscal year 2019 Alaska Medicaid payment rates for out of state transportation and accommodation services under 7 AAC 120.405 and 7 AAC 120.425, with the exception of transportation services under 7 AAC 120.405(d), emergency transportation services under 7 AAC 120.415, and air ambulance services under 7 AAC 120.420. (Eff. 2/1/2010, Register 193; am 7/1/2019, Register 231)

Authority: AS 47.05.010 AS 47.07.040

The emergency amendment of 7 AAC 145.050(b)(3) is made permanent to read:

(3) a conversion factor (CF), that is a dollar amount used to convert new and existing CPT and HCPCS codes adopted by reference in 7 AAC 160.900(a) into a fee amount; this conversion factor as of July 1, 2019, is \$39.781; on the later date of August 1, 2019, or a 30 day notice to providers, the conversion factor will be \$40.974; the CF will be adjusted annually thereafter on July 1 so that an adjustment provision results in an overall average net change for all procedures described in this subsection that equals the percent change from the previous year in the most recent annual (((Publisher: Note italics))) *Consumer Price Index for all Urban Consumers (CPI-U)*, all items, for Urban Alaska published by the United States Department of Labor, Bureau of Labor Statistics, adopted by reference in 7 AAC 160.900.

The emergency repeal of 7 AAC 145.050(b)(4) is made permanent:

(4) repealed 7/1/2019;

The emergency amendment of 7 AAC 145.050(c) is made permanent to read:

(c) The fee for each procedure subject to RBRVS-based payment is determined using the following calculation: X (CF). For state fiscal year 2020, starting on the later date of August 1, 2019, or after a 30 day notice to the providers, providers who do not meet the Medicaid Management Information System (MMIS) enrolled provider type, or provider specialty designations in ~~(e)(1) – (e)(3)~~ of this subsection, and who are identified as the rendering provider on the claims submitted to the ~~Medicaid Management Information System (MMIS)~~ will have a conversion factor (CF) of \$37.792:

(1) provider type 046 direct entry midwife, 050 school based services, 054 family planning clinic, or 080 independent laboratory; or

(2) providers who are any provider type but have a provider specialty code in the ~~Medicaid Management Information System (MMIS)~~ that is 001 general practice, 008 family practice, 009 gynecology, 016 obstetrics and gynecology, 049 pediatrics, 054 obstetrics, 125 adult health, 126 nurse midwife, 127 women's health/OB-GYN, 128 family health, 129 pediatric, and 130 gerontological;

~~(3)~~ in this subsection, “provider specialty” means the provider’s specialty identified in the provider enrollment file as of July 1, 2019.

The emergency amendment of 7 AAC 145.050(d) is made permanent to read:

(d) The department will pay for anesthesiology services in accordance with the following calculation: (\$42.90 X the number of base units for anesthesiology services) + (\$36 X the number of time units), where the number of base units is determined in accordance with the

Relative Value Guide, adopted by reference in 7 AAC 160.900, and the value of one time unit is 10 minutes. The department will not make an additional payment for a physical status modifier as set out in *Current Procedural Terminology*, adopted by reference in 7 AAC 160.900. For state fiscal year 2020, starting on the later date of August 1, 2019, or after a 30 day notice to the providers, the providers who are not enrolled in the ~~Medicaid Management Information System~~ MMIS as the provider types or provider specialties identified in (c)(1) ~~(c)(3)~~ of this section, and who are identified as the rendering provider on the claims submitted to the ~~Medicaid Management Information System~~ MMIS, will receive 95 percent [%] of the \$42.90 and \$36 values referenced in this subsection (d).

The emergency amendment of 7 AAC 145.050(e) is made permanent to read:

(e) Except as provided in (f) of this section, and subject to 7 AAC 145.020, if a procedure does not have an RVU established for Medicare by CMS, and is not subject to another payment methodology or fee under this chapter, the department's payment for a covered procedure will not exceed 80 percent of billed charges for the first nine billings that reflect a charge for the service that complies with the applicable standards in 7 AAC 145.020. Thereafter, the fee will be established based on the 90th percentile of the first 10 billings. To be paid under this subsection, a billing must reflect a charge for the procedure that complies with the applicable standards in 7 AAC 145.020. No more than three claims from a provider, group, or pay-to-provider will be used to establish a fee under this chapter. The department will periodically review and adjust specific payment rates established under this subsection. For state fiscal year 2020, starting on the later date of August 1, 2019, or after a 30 day notice to the providers, the providers who are not enrolled in the ~~Medicaid Management Information System~~ MMIS as the provider types or

provider specialties identified in (c)(1)-(c)(3) of this section, and who are identified as the rendering provider on the claims submitted to the ~~Medicaid Management Information System~~ MMIS, will receive 95 **percent** [%] of the payment rates in this subsection.

The emergency amendment of 7 AAC 145.050(f) is made permanent to read:

(f) The department's payment for an item or service described as an "unlisted procedure," "not otherwise classified (NOC)," or "not otherwise specified" will not exceed 50 percent of billed charges if the department agrees that the item or service cannot be billed under another code, and if the billing reflects a charge for the item or service that complies with the applicable standards in 7 AAC 145.020. For state fiscal year 2020, starting on the later date of August 1, 2019, or after a 30 day notice to the providers, the providers who are not enrolled in the ~~Medicaid Management Information System~~ MMIS as the provider types or provider specialties identified in (c)(1)-(c)(3) of this section, and who are identified as the rendering provider on the claims submitted to the ~~Medicaid Management Information System~~ MMIS, will receive 95 **percent** [%] of the payment rates in this subsection.

The emergency amendment of 7 AAC 145.050(h) is made permanent to read:

(h) For providers who are not required to enroll under 7 AAC 120.200 or 7 AAC 120.300, the department will pay for nonroutine office medical and surgical supplies in accordance with the same methodology and rates established in 7 AAC 145.420, and 7 AAC 145.421 except that, for state fiscal year 2020, starting on the later of August 1, 2019 or after a 30 day notice to the providers, rates for providers who are not enrolled in the ~~Medicaid Management Information System~~ MMIS as the provider types or provider specialties identified

in 7 AAC 145.050(c)(1) ~~(e)(3)~~ will be reimbursed at 95 **percent** [%] of the payment rates established in 7 AAC 145.420 and 7 AAC 145.421.

The emergency amendment of 7 AAC 145.050 is made permanent to read:

(j) RVU values are updated annually on July 1. (Eff. 2/1/2010, Register 193; am 12/1/2011, Register 200; am 5/11/2012, Register 202; am 3/22/2014, Register 209; am 10/1/2017, Register 223; am 7/1/2019, Register 231)

Authority: AS 47.05.010 AS 47.07.030 AS 47.07.040

The emergency amendment of 7 AAC 145.100 is made permanent to read:

(f) The department will pay for laboratory services in accordance with payment methodology identified in 7 AAC 145.460. (Eff. 2/1/2010, Register 193; am 5/1/2016, Register 218; am 7/1/2019, Register 231)

Authority: AS 47.05.010 AS 47.07.030 AS 47.07.040

The emergency amendment of 7 AAC 145.120(c) is made permanent to read:

(c) The department will review dental payment rates at the beginning of each fiscal year and may adjust the rates to reflect changes in the United States Department of Labor consumer price index and after reviewing fee profiles from the most recent calendar year's Medicaid dental claims to determine the need for adjusting payment rates. For state fiscal year 2020, payment rates will not be adjusted by the consumer price index.

The emergency amendment of 7 AAC 145.120 is made permanent to read:

(e) For state fiscal year 2020, the payment rates under (a) – (d) of this section will be 95 percent of the state fiscal year 2019 payment rates. (Eff. 2/1/2010, Register 193; am 11/1/2010, Register 196; am 1/15/2011, Register 197; am 3/22/2014, Register 209; am 5/1/2016, Register 218; am 7/1/2019, Register 231)

Authority: AS 47.05.010 AS 47.07.030 AS 47.07.040

The emergency repeal of 7 AAC 145.200(e) is made permanent:

(e) Repealed 7/1/2019.

(Eff. 2/1/2010, Register 193; am 1/1/2011, Register 196; am 7/1/2019, Register 231)

Authority: AS 47.05.010 AS 47.07.040 AS 47.07.070
AS 47.07.030

The emergency amendment of 7 AAC 145.250 is made permanent to read:

(a) The department will pay an in-state private-duty nurse in accordance with 7 AAC 145.020. For state fiscal year 2020, the payment rates will be 95 percent of the payment rates listed in this subsection. The payment rates must not exceed

(1) \$20 per 15 minutes of service provided by a registered nurse or advanced nurse practitioner, including a nurse midwife; or

(2) \$18.75 per 15 minutes of service provided by a licensed practical nurse.

(Eff. 2/1/2010, Register 193; am 7/1/2019, Register 231)

Authority: AS 47.05.010 AS 47.07.030 AS 47.07.040

The emergency amendment of 7 AAC 145.265(b)(10) is made permanent to read:

(10) for state fiscal year 2020, the department will not apply the inflation adjustment described in (9) of this subsection.

(Eff. 2/1/2010, Register 193; am 10/1/2017, Register 223; am 7/1/2019, Register 231)

Authority: AS 47.05.010 AS 47.07.040 AS 47.20.070
AS 47.07.030 AS 47.20.060 AS 47.20.110

The emergency amendment of 7 AAC 145.290(a)(2) is made permanent to read:
(CC Publisher Note: italicize))

(2) the rate established in the department's *Chart of Long Term Services and Supports Targeted Case Management Services Rates*, adopted by reference in 7 AAC 160.900; for state fiscal year 2020, the payment rates under this paragraph will be 95 percent of the state fiscal year 2019 payment rates.

The emergency amendment of 7 AAC 145.290(c) is made permanent to read:

(c) Each July 1, except July 1, 2019, that the rate of payment listed in the *Chart of Long Term Services and Supports Targeted Case Management Services Rates* is not reestablished under (b) of this section, the department will adjust the payment rate for inflation using the CMS Home Health Agency Market Basket in the most recent quarterly publication of Global Insight's *Healthcare Cost Review* available 60 days before July 1. (Eff. 10/1/2018, Register 227; am 7/1/2019, Register 231)

Authority: AS 47.05.010 AS 47.07.030 AS 47.07.040

The emergency amendment of 7 AAC 145.340(a)(2) is made permanent to read:

(2) in accordance with the *CPT Fee Schedule for Audiology Services* table and *HCPC Fee Schedule for Audiology Services* table, adopted by reference in 7 AAC 160.900; for state fiscal year 2020, starting the later date of August 1, 2019, or ~~and~~ after a 30 day notice to the providers, the payment rates for audiology services reimbursed under the Resource Based Relative Value Scale (RBRVS) methodology will be as described in 7 AAC 145.050 and the payment rates for audiology services not reimbursed under RBRVS will be 95 percent of the state fiscal year 2019 payment rates.

(Eff. 2/1/2010, Register 193; am 3/22/2014, Register 209; am 7/1/2019, Register 231)

Authority: AS 47.05.010 AS 47.07.030 AS 47.07.040

The emergency amendment of 7 AAC 145.410(g) is made permanent to read:

(g) A claim for a covered outpatient drug dispensed by a dispensing provider to a recipient for outpatient use will be reimbursed in accordance with 7 AAC 145.400 with no dispensing fee. A covered outpatient drug administered to an outpatient recipient by a physician, advanced nurse practitioner, or physician assistant, and billed using a covered code under the *Current Procedural Terminology (CPT)* or *Healthcare Common Procedure Coding System (HCPCS)*, adopted by reference in 7 AAC 160.900, will be reimbursed at the estimated acquisition cost defined in 7 AAC 145.400(p) for the amount administered with no dispensing fee. For state fiscal year 2020, starting on the later of August 1, 2019, or after a 30 day notice to the providers, a covered outpatient drug administered to an outpatient recipient by a physician, advanced practice registered nurse, or physician assistant that is not enrolled in the Medicaid Management Information System (MMIS) as a provider type or provider specialty identified in 7 AAC 145.050(c)(1) ~~– (c)(3)~~, and who is identified as the rendering provider on the claim

submitted to the MMIS billed using a covered CPT or HCPCS code will be reimbursed at 95 **percent** [%] of the estimated acquisition cost defined in 7 AAC 145.400(p) with no dispensing fee.

(Eff. 2/1/2010, Register 193; am 1/1/2011, Register 196; am 9/7/2011, Register 199; am 1/4/2012, Register 201; am 5/18/2014, Register 210; am 6/16/2016, Register 218; am 7/1/2019, Register 231)

Authority: AS 47.05.010 AS 47.07.030 AS 47.05.040

The emergency amendment of 7 AAC 145.440(a) is made permanent to read:

(a) The department will pay for transportation and accommodation services in accordance with 7 AAC 145.020, not to exceed the maximum amount identified in the *Transportation/Accommodation Fee Schedule* table, adopted by reference in 7 AAC 160.900. For state fiscal year 2020, the payment rates will be 95 percent of the state fiscal year 2019 payment rates. The services paid at 100 percent of billed charges during state fiscal year 2019, will continue to be paid at 100 percent of billed charges during state fiscal year 2020.

(Eff. 2/1/2010, Register 193; am 7/1/2019, Register 231)

Authority: AS 47.05.010 AS 47.07.030 AS 47.07.040

The emergency amendment of 7 AAC 145.460(a) is made permanent to read:

(a) The department will pay for laboratory services provided in state by an independent laboratory in accordance with 7 AAC 145.020, at the rate established for Medicare in 42 C.F.R. 405.515, adopted by reference in 7 AAC 160.900; laboratory services for which no rate is established will be paid at a rate established under 7 AAC 145.050(e).

The emergency amendment of 7 AAC 145.460 is made permanent to read:

(e) For state fiscal year 2020, payment rates for laboratory services will be 95 **percent** [%] of the payment rates established in (a) of this section starting on the later date of August 1, 2019, or after a 30 day notice to the providers, for providers who are not enrolled in the Medicaid Management Information System (MMIS) as the provider types or provider specialties listed in 7 AAC 145.050(c)(1) ~~(e)(3)~~, and who are identified as the rendering provider on the claims submitted to the Medicaid Management Information System (MMIS). (Eff. 2/1/2010, Register 193; am 7/1/2019, Register 231)

Authority: AS 47.05.010 AS 47.07.030 AS 47.07.040

The emergency amendment of 7 AAC 145.500(a)(1) is made permanent to read:

(1) rates established in the department's *Chart of Personal Care Services, Community First Choice Services Rates*, adopted by reference in 7 AAC 160.900; for state fiscal year 2020, the payment rates will be 95 percent of the state fiscal year 2019 payment rates; those rates will be adjusted in accordance with (b) of this section; or

...

The emergency amendment of 7 AAC 145.500(b) is made permanent to read:

(b) Each July 1, except July 1, 2019, rates established in ^(no italics)the *Chart of Personal Care Services and Community First Choice Services Rates*, adopted by reference in 7 AAC 160.900, are not re-established under (d) of this section, the department will adjust the rates of payment in the *Chart of Personal Care and Community First Choice Services Rates* for inflation using the

CMS Home Health Agency Market Basket in the most recent quarterly publication of Global Insight's Healthcare Cost Review available 60 days before July 1.

The emergency amendment of 7 AAC 145.500 is made permanent to read:

(c) Each July 1, rates of payment in the *Chart of Personal Care and Community First Choice Services Rates*, adopted by reference in 7 AAC 160.900, are re-established under (d) of this section or adjusted under (b) of this section will be further adjusted to reflect regional differences in the cost of doing business based on the designated planning regions described in Table I-1 of the Alaska Geographic Differential Study 2008, dated April 30, 2019 and adopted by reference in 7 AAC 160.900 with a factor of 1.00 being the lowest factor applied and with the four southeast regional factors being averaged to a single weighted applicable factor of 1.09.

The emergency amendment of 7 AAC 145.500 is made permanent to read:

(d) On or after July 1, 2018, rates of payment in the department's *Chart of Personal Care Services Community First Choice Services Rates*, adopted by reference in 7 AAC 160.900, will be re-established at least every four years using the department's *Personal Care Assistant and Waiver Rate-Setting Methodology*, adopted by reference in 7 AAC 160.900.

(Eff. 2/1/2010, Register 193; am 3/1/2011, Register 197; am 8/18/2015, Register 215; am 10/1/2017, Register 223; am 3/1/2018, Register 225; am 10/1/2018, Register 227; am 7/1/2019, Register 231)

Authority: AS 47.05.010 AS 47.07.030 AS 47.07.040

The emergency amendment of 7 AAC 145.520(b)(1)(B) is made permanent to read:

(B) rates established in the department's *Chart of Waiver Service Rates*, adopted by reference in 7 AAC 160.900.

The emergency amendment of 7 AAC 145.520(b)(3) is made permanent to read:

(3) each July 1, except July 1, 2019, that the rates of payment for care coordination services in the *Chart of Waiver Services Rates* are not reestablished under (2) of this section, the rates will be adjusted as provided in 7 AAC 145.525(b).

The emergency amendment of 7 AAC 145.520(f)(2) is made permanent to read:

(2) rates established in the department's *Chart of Waiver Services Rates*, adopted by reference in 7 AAC 160.900.

The emergency amendment of 7 AAC 145.520(h) is made permanent to read:

(h) A qualified recipient receiving residential supported-living services under 7 AAC 130.255 that are assigned procedure code T2031 in the *Healthcare Common Procedure Coding System (HCPCS)*, adopted by reference in 7 AAC 160.900, or group-home habilitation services under 7 AAC 130.265 that are assigned procedure code T2016 in the *Healthcare Common Procedure Coding System*, is eligible for, in addition to the qualified recipient's daily rate provided under (f) and (g) of this section, an acuity add-on rate at the daily rate established in the *Chart of Waiver Services Rates*, adopted by reference in 7 AAC 160.900. For purposes of this subsection, a qualified recipient is a recipient for whom the department has given prior authorization under 7 AAC 130.267 for additional services.

(Eff. 2/1/2010, Register 193; am 3/1/2011, Register 197; am 4/1/2012, Register 201; am 7/1/2013, Register 206; am 1/1/2014, Register 208; am 7/1/2015, Register 214; am 8/18/2015, Register 215; am 10/1/2017, Register 223; am 3/1/2018, Register 225; am 10/1/2018, Register 227; am 7/1/2019, Register 231)

Authority: AS 47.05.010 AS 47.07.030 AS 47.07.040

The emergency amendment of 7 AAC 145.525(a) is made permanent to read:

(a) On or after July 1, 2018, rates of payment in the department's *Chart of Waiver Services Rates*, adopted by reference in 7 AAC 160.900, will be re-established at least every four years using the department's *Personal Care Assistant and Waiver Rate-Setting Methodology*, adopted by reference in 7 AAC 160.900, as follows:

...

The emergency amendment of 7 AAC 145.525(b) is made permanent to read:

(b) Each July 1, except July 1, 2019, that rates of payment in the *Chart of Waiver Services Rates*, adopted by reference in 7 AAC 160.900, are not re-established under (a) of this section, the department will adjust the rates of payment in the *Chart of Waiver Services Rates* for inflation using the CMS Home Health Agency Market Basket in the most recent quarterly publication of Global Insight's *Healthcare Cost Review* available 60 days before July 1.

The emergency amendment of 7 AAC 145.525(c) is made permanent to read:

(c) Each July 1, rates of payment in the *Chart of Waiver Services Rates*, adopted by reference in 7 AAC 160.900, that are re-established under (a) of this section or adjusted under (b)

of this section will be further adjusted to reflect regional differences in the cost of doing business based on the designated planning regions described in Table I-1 of the *Alaska Geographic Differential Study 2008*, dated April 30, 2009 and adopted by reference in 7 AAC 160.900, with a factor of 1.00 being the lowest factor applied and with the four southeast regional factors being averaged to a single weighted applicable factor of 1.09. (Eff. 3/1/2018, Register 225; am 10/1/2018, Register 227; am 7/1/2019, Register 231)

Authority: AS 47.05.010 AS 47.07.030 AS 47.07.040

The emergency amendment to ~~add subsection (e) to~~ 7 AAC 145.580 is made permanent to read:

(e) The department will pay a corresponding unit of service for providing residential behavioral rehabilitation services under 7 AAC 135.800 at the lesser of the following rates:

(1) the amount charged by the provider in accordance with 7 AAC 145.020; or

(2) the rate established in the department's *Residential Behavioral*

Rehabilitation Services Handbook adopted by reference in 7 AAC 160.900.

(Eff. 2/1/2010, Register 193; am 10/1/2011, Register 199; am 4/9/2017, Register 222; am 5/21/2017, Register 222; am 7/1/2018, Register 226; am 1/1/2019, Register 228; am 7/1/2019, Register 231)

Authority: AS 47.05.010 AS 47.07.030 AS 47.07.040

The heading of 7 AAC 145.600 is made permanent to read:

7 AAC 145.600. General acute care hospital payment rates.

The emergency amendment of 7 AAC 145.600(b) is made permanent to read:

(b) The department will pay an out-of-state general acute care hospital at the Medicaid rate used by the jurisdiction where the hospital is located, or if no Medicaid rate has been established, the Medicare rate for the hospital.

(Eff. 2/1/2010, Register 193; am 7/1/2019, Register 231)

Authority: AS 47.05.010 AS 47.07.030 AS 47.07.040

~~7 AAC 145.620. Residential psychiatric treatment center payment rate.~~

The emergency amendment of 7 AAC 145.620(c) is made permanent to read:

(c) Based on periodic review of appropriate cost studies, the department will determine a daily rate to be paid for residential psychiatric treatment center services that is sufficient to enlist enough providers so that residential psychiatric treatment center services are available to Medicaid recipients at least to the extent that those services are available to the general population. For state fiscal year 2020, the daily payment rates will be 95 percent of the state fiscal year 2019 payment rates.

(Eff. 2/1/2010, Register 193; am 10/1/2011, Register 199; am 7/1/2019, Register 231)

Authority: AS 47.05.010 AS 47.07.030 AS 47.07.040

The emergency amendment of 7 AAC 145.680(b) is made permanent to read:

(b) The department will not set an all-inclusive flat rate that exceeds 75 percent of the weighted average of the Medicaid hospital inpatient rates paid to the general acute care hospitals in Anchorage, Fairbanks, Juneau, Palmer, and Soldotna, for one inpatient hospital day. For state fiscal year 2020, the payment rate will be 95 percent of the payment rate that would have been calculated in this subsection.

The emergency amendment of 7 AAC 145.680(c) is made permanent to read:

(c) The department will calculate the weighted average described in (b) of this section using the Medicaid hospital inpatient rates for each facility under (b) of this section that are in effect at the start of the fourth quarter of the state fiscal year preceding the July 1 effective date. For state fiscal year 2021, the inpatient hospital payment rates used in the calculation will be what the rates would have been April 1, 2020, had the 5 percent rate reduction not been applied[^], excluding the inflation that would have been granted in state fiscal year 2019. The department will base the weighted average on the number of paid Medicaid inpatient claims filed for a normal vaginal hospital delivery with a one-day length of stay

...

(Eff. 5/1/2016, Register 218; am 7/1/2019, Register 231)

Authority: AS 47.05.010 AS 47.07.030 AS 47.07.070

The emergency amendment of 7 AAC 160.900(d)(10) is made permanent to read:

(10) the *Chart of Personal Care Services and Community First Choice Services* rates, dated June 26, 2019, for providers of personal care services under 7 AAC 125.010 – 7 AAC 125.199 and Community First Choice personal care services under 7 AAC 127;

The emergency amendment of 7 AAC 160.900(d)(26) is made permanent to read:

(26) the *Residential Behavioral Rehabilitation Services Handbook*, 2019 Edition, revised as of January 2, 2019;

The emergency amendment of 7 AAC 160.900(d) is made permanent to read:

(63) the *Chart of Waiver Services Rates*, dated June 26, 2019, for providers of home and community-based waiver services under 7 AAC 130;

The emergency amendment of 7 AAC 160.900(e) is made permanent to read:

(e) The following department fee schedules are adopted by reference:

(1) *State Fiscal Year 2019 CPT Fee Schedule for Chiropractic Services*, revised as of August 24, 2018;

(2) *State Fiscal Year 2019 CDT Fee Schedule: Dental Services for Children*, revised as of April 19, 2019, *State Fiscal Year 2019 CDT Fee Schedule: Emergent Adult Dental Services*, revised as of April 19, 2019, *State Fiscal Year 2019 CDT Fee Schedule: Prosthodontic Adult Dental Services*, revised as of April 19, 2019, and *State Fiscal Year 2019 CDT Fee Schedule: Enhanced Adult Dental Services*, revised as of April 19, 2019;

(3) *State Fiscal Year 2019 CPT Fee Schedule for Direct Entry Midwife Services*, and *State Fiscal Year 2019 HCPC Fee Schedule for Direct Entry Midwife Services*, revised as of November 26, 2018;

(4) *State Fiscal Year 2019 CPT Fee Schedule for Audiology Services*, Table I-2(a), *State Fiscal Year 2019 HCPC Fee Schedule for Audiology Services*, Table I-2(b), and *State Fiscal Year 2019 HCPC Fee Schedule for Hearing Aid Dealer Services*, Table I-3, revised as of January 15, 2019;

(5) *2019 CPT Fee Schedule for Home Infusion Therapy Services*, Table I-3(a), revised as of September 10, 2018, and *2019 HCPC Fee Schedule for Home Infusion Therapy Services*, Table I-3(b), revised as of September 10, 2018;

(6) repealed 7/1/2019;

(7) *State Fiscal Year 2019 CPT Fee Schedule for Occupational Therapy Services*, revised as of January 22, 2019, and *State Fiscal Year 2019 HCPC Fee Schedule for Occupational Therapy Services*, revised as of January 22, 2019;

(8) *State Fiscal Year 2019 CPT Fee Schedule for Outpatient Therapy Services*, revised as of January 22, 2019, and *State Fiscal Year 2019 HCPC Fee Schedule for Outpatient Therapy Services*, revised as of January 22, 2019;

(9) *State Fiscal Year 2019 CPT Fee Schedule for Independent Physical Therapists*, revised as of January 22, 2019, and *State Fiscal Year 2019 HCPC Fee Schedule for Independent Physical Therapists*, revised as of January 22, 2019;

(10) *State Fiscal Year 2019 CPT Fee Schedule for Podiatry Services*, and *State Fiscal Year 2019 HCPC Fee Schedule for Podiatry Services*, revised as of August 24, 2018;

(11) *State Fiscal Year 2019 CPT Fee Schedule for School-Based Services*, and *State Fiscal Year 2019 HCPC Fee Schedule for School-Based Services*, revised as of January 22, 2019;

(12) *State Fiscal Year 2019 CPT Fee Schedule for Speech Pathologists*, revised as of January 22, 2019, and *State Fiscal Year 2019 HCPC Fee Schedule for Speech Pathologists*, revised as of January 22, 2019;

(13) *Transportation/Accommodation Fee Schedule*, revised as of June 29, 2018;

(14) *State Fiscal Year 2019 CPT Fee Schedule for Vision Services*, and *State Fiscal Year 2019 HCPC Fee Schedule for Vision Services*, revised as of January 22, 2019.

(Eff. 2/1/2010, Register 193; am 8/25/2010, Register 195; am 12/1/2010, Register 196; am 1/1/2011, Register 196; am 1/15/2011, Register 197; am 2/9/2011, Register 197; am 3/1/2011,

Register 197; am 10/1/2011, Register 199; am 12/1/2011, Register 200; am 1/26/2012, Register 201; am 3/8/2012, Register 201; am 4/1/2012, Register 201; add'l am 4/1/2012, Register 201; am 5/11/2012, Register 202; am 10/16/2012, Register 204; am 11/3/2012, Register 204; am 12/1/2012, Register 204; am 12/2/2012, Register 204; am 1/1/2013, Register 204; am 1/16/2013, Register 205; am 7/1/2013, Register 206; add'l am 7/1/2013, Register 206; am 11/3/2013, Register 208; am 1/1/2014, Register 208; am 2/2/2014, Register 209; am 3/19/2014, Register 209; am 3/22/2014, Register 209; am 5/18/2014, Register 210; am 2/26/2015, Register 213; am 3/15/2015, Register 213; am 7/1/2015, Register 214; am 5/1/2016, Register 218; am 6/16/2016, Register 218; am 6/16/2016, Register 218; am 7/22/2017, Register 223; am 11/5/2017, Register 224; am 3/1/2018, Register 225; am 10/1/2018, Register 227; am 1/1/2019, Register 228; am 3/24/2019, Register 229; am 6/2/2019, Register 230; am 6/13/2019, Register 230; am 7/1/2019, Register 231)

Authority: AS 47.05.010 AS 47.07.030 AS 47.07.040
AS 47.05.012

MEMORANDUM

State of Alaska Department of Law

To: The Honorable Kevin Meyer
Lieutenant Governor

Date: September 23, 2019

File No.: 2019200429

Tel. No.: 465-3600

From: Susan R. Pollard *SRP*
Chief Assistant Attorney General
and Regulations Attorney
Legislation and Regulations Section

Re: Department of Health and Social
Services Regulation re: 7 AAC 145,
160: Office of Rate Review:
Medicaid Payment Rates, Cost

The Department of Law has reviewed the attached regulations of the Department of Health and Social Services against the statutory standards of the Administrative Procedure Act. Based upon our review, we find no legal problems. This memorandum constitutes the written statement of approval under AS 44.62.060(b) and (c) that authorizes your office to file the attached regulations. The department adopted the emergency regulations June 28, 2019, they took effect July 1, 2019, and will expire October 28, 2019, unless made permanent. The department wishes to make the attached regulations permanent without change. The regulations implement cost containment measures for medical assistance payments made to providers in response to fiscal constraints.

The September 19, 2019 certification order states that this action is not expected to require an increased appropriation. Therefore, a fiscal note under AS 44.62.195 is not required.

We have made some technical corrections to conform the regulations in accordance with AS 44.62.125. The corrections are shown on the attached copy of the regulations.

SRP:sjw

cc: Honorable Adam Crum, Commissioner
Department of Health and Social Services
Heather Carpenter, Deputy Director
Department of Health and Social Services
Tryptaa Surve, Regulations Contact
Department of Health and Social Services
Stacie Kraly, Assistant Attorney General
Department of Health and Social Services