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**OFFICE OF THE LIEUTENANT GOVERNOR
ALASKA**

MEMORANDUM

TO: Triptaa Surve, Department of Health

FROM: April Simpson, Office of the Lieutenant Governor 
465.4081

DATE: August 5, 2022

RE: Filed Permanent Regulations: Department of Health

Department of Health regulations re: Medicaid payment rates for residential psychiatric treatment center services (7 AAC 145.620; 7 AAC 160.900(d)(69))

Attorney General File:	2021200498
Regulation Filed:	8/5/2022
Effective Date:	9/4/2022
Print:	243, October 2022

cc with enclosures: Colleen Bailey, Department of Law
Judy Herndon, LexisNexis

ORDER ADOPTING CHANGES TO REGULATIONS
OF THE DEPARTMENT OF HEALTH

The attached 3 pages of regulations, dealing with Medicaid Payment Rates, Psychiatric Residential Treatment Facility (7 AAC 145, 160), are adopted and certified to be a correct copy of the regulation changes that the Department of Health adopts under the authority of AS 47.05.010, AS 47.05.012, AS 47.07.030, AS 47.07.040, and AS 47.07.085, and after compliance with the Administrative Procedure Act (AS 44.62), specifically including notice under AS 44.62.190 and 44.62.200 and opportunity for public comment under AS 44.62.210.

It is estimated that this action will require increased appropriations as shown on the attached fiscal note.

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

The regulation changes adopted under this order take effect on the 30th day after they have been filed by the lieutenant governor, as provided in AS 44.62.180.

Adam Crum

Digitally signed by Adam Crum
Date: 2022.07.12 15:24:39
-08'00'

Adam Crum, Commissioner
Department of Health.

FILING CERTIFICATION

April Simpson, for

I, Kevin Meyer, Lieutenant Governor for the State of Alaska, certify that¹ on August 5,
2022, at 3:33 p.m., I filed the attached regulations according to the provisions of AS 44.62.040 -
44.62.120.

Kevin Meyer
for Lieutenant Governor *Kevin Meyer*

Effective: September 4, 2022.

Register: 243, October 2022.

FOR DELEGATION OF THE LIEUTENANT GOVERNOR'S AUTHORITY

**I, KEVIN MEYER, LIEUTENANT GOVERNOR OF THE STATE OF ALASKA,
designate the following state employees to perform the Administrative Procedures Act
filing functions of the Office of the Lieutenant Governor:**

**Josh Applebee, Chief of Staff
Kady Levale, Notary Administrator
April Simpson, Regulations and Initiatives Specialist**

**IN TESTIMONY WHEREOF, I have
signed and affixed the Seal of the State of
Alaska, in Juneau, on December 11th,
2018.**



Kevin Meyer

**KEVIN MEYER
LIEUTENANT GOVERNOR**

7 AAC 145.620(c) is repealed and readopted to read:

(c) The department will pay a daily rate for residential psychiatric treatment facility services at the lesser of the following rates:

(1) the amount charged by the provider under 7 AAC 145.020; or

(2) the rate established in the department's *Chart of Psychiatric Residential Treatment Facility Rates*, adopted by reference in 7 AAC 160.900.

7 AAC 145.620(d) is repealed and readopted to read:

(d) On or after July 1, 2025, the rates of payment in the department's *Chart of Psychiatric Residential Treatment Facility Rates*, adopted by reference in 7 AAC 160.900, will be reestablished at least every four years using a modeled rate methodology including

(1) components for treatment hours, staffing ratios, salaries, fringe benefits, productivity, program support, and administrative costs; and

(2) information from the Department of Labor and Workforce Development, the United States Internal Revenue Service; and provider surveys.

7 AAC 145.620(e) is repealed and readopted to read:

(e) Each July 1, if the rates of payment in the *Chart of Psychiatric Residential Treatment Facility Rates*, adopted by reference in 7 AAC 160.900, are not reestablished under (d) of this section, the department will adjust the rates of payment in the *Chart of Psychiatric Residential Treatment Facility Rates* for inflation using the Centers for Medicare and Medicaid Services (CMS) Home Health Agency Market Basket in the most recent quarterly publication of Global

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Insight's *Healthcare Cost Review* available 60 days after July 1.

7 AAC 145.620 is amended by adding a new subsection to read:

(f) Notwithstanding (c), (d), and (e) of this section, the department will pay a flat rate of \$211 per day to a residential psychiatric treatment center for each therapeutic transition day authorized for a recipient under 7 AAC 140.405(g). In this subsection, "therapeutic transition day" means a calendar day related to a hospitalization in a residential psychiatric treatment center that is authorized by the department for payment for services for a recipient under 21 years of age who has been stabilized and is therefore ready for transition or discharge. (Eff. 2/1/2010, Register 193; am 10/1/2011, Register 199; am 7/1/2019, Register 231; am 4/24/2020, Register 234; am 9 / 4 / 2022 Register 243)

Authority: AS 47.05.010 AS 47.07.030 AS 47.07.040

7 AAC 160.900(d)(69) is amended to read:

(69) **Chart of Psychiatric Residential Treatment Facility Rates** [IN-STATE INTERIM MEDICAID RATES], dated **November 30, 2021**; [AUGUST 4, 2020.]

(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,

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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; am 10/25/2019, Register 232; am 11/10/2019, Register 232; am 4/24/2020, Register 234; am 5/21/2020, Register 234; am 6/25/2020, Register 234; am 10/1/2020, Register 235; am 10/4/2020, Register 236; am 1/1/2021, Register 236; am 3/31/2021, Register 238; am 6/30/2021, Register 238; am 8/27/2021, Register 239; [ADD'L] am 9/9/2021, Register 239; am 10/9/2021, Register 240; [ADD'L] am 11/1/2021, Register 240; am 5/25/2022, Register 242; am 9 / 4 / 2022, Register 243)

Authority: AS 47.05.010 AS 47.07.030 AS 47.07.085
AS 47.05.012 AS 47.07.040

Chart of Psychiatric Residential Treatment Facility Rates

Effective: {Effective date of regulations - 9 / 4 / 2022}

Level	Rate	Duration/Unit
Level V	\$774.05	Daily
Level VI	\$778.45	Daily

MEMORANDUM

State of Alaska Department of Law

To: The Honorable Kevin Meyer
Lieutenant Governor

Date: August 2, 2022

File No.: 2021200498

Tel. No.: (907) 465-3600

From: Rebecca C. Polizzotto
Chief Assistant Attorney General and
Regulations Attorney
Legislation, Regulations, and
Legislative Research Section

Rebecca C. Polizzotto
Digitally signed
by Rebecca C.
Polizzotto
Date: 2022.08.02
10:45:39 -08'00'

Re: Department of Health regulations re:
Medicaid payment rates for
residential psychiatric treatment
center services (7 AAC 145.620;
7 AAC 160.900(d)(69))

The Department of Law has reviewed the attached regulations of the Department of Health 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 regulations were adopted by the Department of Health after the close of the public comment period. The regulations adjust Medicaid payment rates for residential psychiatric treatment center services.

The December 5, 2021 public notice and the July 12, 2022 adoption order both state that this action is expected to require increased appropriations. Therefore, a fiscal note under AS 44.62.195 has been prepared and is attached.

RCP:scw