

Nancy Dahlstrom
Lieutenant Governor
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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: July 17, 2024

RE: Filed Permanent Regulations: Department of Health

Department of Health regulations re: Medicaid payment rates for pharmacy dispensing fees (7 AAC 145.410)

Attorney General File:	2024200171
Regulation Filed:	7/17/2024
Effective Date:	8/16/2024
Print:	251, October 2024

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



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Law

CIVIL DIVISION

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July 16, 2024

The Honorable Nancy Dahlstrom
Lieutenant Governor
State of Alaska
P.O. Box 110015
Juneau, AK 99811-0015

Re: *7 AAC 145.410 - DOH - Medicaid payment rates for pharmacy dispensing fees*
Our file: 2024200171

Dear Lieutenant Governor Dahlstrom:

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 letter 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 concern Medicaid payment rates for pharmacy dispensing fees. The regulations amend existing fee rates to distinguish between tribal and non-tribal pharmacies and adjust dispensing fees paid to enrolled non-tribal and tribal pharmacies.

The May 20, 2024 public notice and the July 15, 2024 adoption order both state that this action is expected to require increased appropriations. Therefore, a fiscal note was prepared under AS 44.62.060 is attached.

We have made some technical corrections to conform the regulations in accordance with AS 44.62.060. The corrections are incorporated into the attached copy of the regulations.

Sincerely,

TREG TAYLOR
ATTORNEY GENERAL

By: Rebecca C. Polizzotto
Legislation, Regulations, and
Legislative Research Section

Digitally signed by
Rebecca C. Polizzotto
Date: 2024.07.16
13:41:34 -08'00'

PWP/fcb

CC w/enclosure: Triptaa V. Surve, Project Coordinator
Department of Health

Laura O. Russell, Assistant Attorney General
Department of Law

Parker W. Patterson, Assistant Attorney General
Department of Law

ORDER ADOPTING CHANGES TO REGULATIONS
OF THE DEPARTMENT OF HEALTH

The attached one page of regulations, dealing with Medicaid Payment Rates for Pharmacy Dispensing Fees, is 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 47.07.030, and AS 47.07.040, 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.

Although no public comments were received, 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.

Heidi Hedberg
Digitally signed
by Heidi Hedberg
Date: 2024.07.15
11:15:57 -08'00'

Heidi Hedberg, Commissioner
Department of Health

FILING CERTIFICATION

April Simpson for

I, Nancy Dahlstrom, Lieutenant Governor for the State of Alaska, certify that on July 17
2024, at 3:05 p.m., I filed the attached regulations according to the provisions of AS 44.62.040 -
44.62.120.

April Simpson
for Lieutenant Governor Nancy Dahlstrom

Effective: August 16, 2024

Register: 25, October 2024

FOR DELEGATION OF THE LIEUTENANT GOVERNOR'S AUTHORITY

I, NANCY DAHLSTROM, 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:

April Simpson, Regulations and Initiatives Specialist

IN TESTIMONY WHEREOF, I have signed and affixed the Seal of the State of Alaska, in Juneau, on May 15th, 2023.



A handwritten signature in blue ink, reading "Nancy Dahlstrom", is written over a horizontal dotted line.

**NANCY DAHLSTROM
LIEUTENANT GOVERNOR**

7 AAC 145.410(a) is repealed and readopted to read:

7 AAC 145.410. Dispensing fee. (a) Except as provided under (b) of this section, and in accordance with the following, the department will pay a dispensing fee for a covered outpatient drug if the claim satisfies all coverage criteria under 7 AAC 120.110 - 7 AAC 120.140:

(1) to a nontribal pharmacy located on the road system, \$15.03 to be paid not more than once every 22 days per pharmacy per covered outpatient drug;

(2) to a nontribal pharmacy not located on the road system, \$26.94 to be paid not more than once every 22 days per pharmacy per covered outpatient drug;

(3) to a tribal pharmacy, \$28.21 to be paid not more than once every 22 days per pharmacy per covered outpatient drug;

(4) to a nontribal or tribal mediset pharmacy, \$16.58 to be paid not more than once every 14 days per pharmacy per covered outpatient drug;

(5) to an out-of-state pharmacy, \$10.76 to be paid not more than once every 22 days per pharmacy per covered outpatient drug;

(6) the dispensing fee for a compounded covered outpatient drug is the applicable fee listed in (1) - (5) of this subsection;

(7) a claim submitted by a provider for the same covered outpatient drug for which a dispensing fee was paid within the last 14 or 22 days, as applicable under (1) - (6) of this subsection, will be paid without the dispensing fee listed in (1) - (6) of this subsection. (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; am 4/24/2020, Register 234; am 1/10/2021, Register 237; am 8 / 16 / 2024; Register 251.)

Authority: AS 47.05.010 AS 47.07.030 AS 47.07.040