

ADDITIONAL REGULATION NOTICE INFORMATION
(AS 44.62.190(d))

1. Adopting agency: Department of Health.
2. General subject of regulation: Medicaid Payment Rates for Behavioral Health Reform 1115 Waiver Services.
3. Citation of regulation (may be grouped): 7 AAC 160.900.
4. Department of Law file number, if any: 2024200265.
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 proposed 4.5% rate increase is necessary to maintain the current level of available behavioral health and substance use disorder services in Alaska.
 - Alaska-based behavioral health providers have informed the Division of Behavioral Health that the
 - (1) Medicaid reimbursement rates
 - (a) do not align with the cost of providing services; and
 - (b) in some cases, do not adequately consider the staffing and programmatic components of service delivery, including crisis and youth services; and
 - (2) inadequate reimbursement rates limit their ability to maintain current programs, and is a barrier to expanding operations to increase network capacity and available services.
 - The proposed change in the rate setting process for calculating rate adjustments is
 - (1) necessary to align 1115 waiver services rate setting with the same processes used for other services under the Medicaid State Plan; and
 - (2) based on current market costs for other Medicaid services within the Division of Behavioral Health.
6. Appropriation/Allocation: Medicaid Services/Medicaid Services; OMB component number: 3234.
7. Estimated annual cost to comply with the proposed action to:
 - A private person: \$0.
 - Another state agency: \$0.
 - A municipality: \$0.

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

	Initial Year FY2025	Subsequent Years.
Operating Cost	<u>\$5,700.0</u>	<u>\$5,700.0</u>
Capital Cost	<u>\$ _____</u>	<u>\$ _____</u>
1002 Federal receipts	<u>\$3,850.0</u>	<u>\$3,850.0</u>
1003 General fund match	<u>\$1,850.0</u>	<u>\$1,850.0</u>
1004 General fund	<u>\$ _____</u>	<u>\$ _____</u>
1005 General fund/ program	<u>\$ _____</u>	<u>\$ _____</u>
Other (identify)	<u>\$ _____</u>	<u>\$ _____</u>

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

Name: William Hurr.

Title: Program Coordinator II.

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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 & DOH Division Project Lead: _____

[signature]

Name (printed): William Hurr.

Title (printed): Program Coordinator II.

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