


Nancy Dahlstrom  
Lieutenant Governor  
State Capitol  
Juneau, Alaska 99811  
907.465.3520  
WWW.LTGOV.ALASKA.GOV



530 West 7<sup>th</sup> Ave, Suite 1700  
Anchorage, Alaska 99501  
907.269.7460  
LT.GOVERNOR@ALASKA.GOV

**OFFICE OF THE LIEUTENANT GOVERNOR  
ALASKA**

**M E M O R A N D U M**

**TO:** Triptaa Surve, Department of Health  
**FROM:** April Simpson, Office of the Lieutenant Governor   
465.4081  
**DATE:** December 6, 2024  
**RE:** Filed Permanent Regulations: Department of Health

Department of Health regulations re: Medicaid Payment Rates for BH & MH Physician  
Clinic Services (7 AAC 145.580; 7 AAC 160.900)

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Attorney General File:	2024200268
Regulation Filed:	12/6/2024
Effective Date:	1/5/2025
Print:	253, April 2025

cc with enclosures: Beth Parsons, Department of Law  
Bob Dame, LexisNexis



THE STATE  
*of* **ALASKA**  
GOVERNOR MIKE DUNLEAVY

**Department of Law**

CIVIL DIVISION

P.O. Box 110300  
Juneau, Alaska 99811  
Main: 907.465.3600  
Fax: 907.465.2520

December 5, 2024

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

Re: 7 AAC 145.580; 7 AAC 160.900: DOH - Medicaid Payment Rates for BH  
& MH Physician Clinic Services  
Our file: 2024200268

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 update the title of the quarterly publication used to adjust rates for inflation and adopt by reference the updated *Chart of Community Behavioral Health and Mental Health Physician Clinic Medicaid Covered Service Rates*.

Please note that the chart has both a version date, which is complete, and a blank for the effective date. We respectfully request that you fill in the effective date once the regulations are filed and the effective date is known.

The September 1, 2024 public notice and the December 5, 2024 adoption order both state that this action is expected to require an increased appropriation. Therefore, a fiscal note under AS 44.62.060 has been prepared and is attached.

No technical corrections were necessary to conform the regulations in accordance with AS 44.62.060.

Sincerely,

TREG TAYLOR  
ATTORNEY GENERAL

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

Digitally signed by  
Rebecca C. Polizzotto  
Date: 2024.12.05  
14:01:50 -09'00'

RCP/SCW

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

Laura Russell, Assistant Attorney General  
Department of Law

Steven C. Weaver, Assistant Attorney General  
Department of Law

ORDER ADOPTING CHANGES TO REGULATIONS  
OF THE DEPARTMENT OF HEALTH.

The attached three pages of regulations, dealing with Medicaid Payment Rates for Community Behavioral Health and Mental Health Physician Clinic Services, 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.

**Heidi Hedberg**

Digitally signed by Heidi Hedberg  
Date: 2024.12.05 10:28:40 -09'00'

Heidi Hedberg, Commissioner  
Department of Health

FILING CERTIFICATION

*April Simpson for*

I, Nancy Dahlstrom, Lieutenant Governor for the State of Alaska, certify that on

December 6, 2024, at 3:01 p.m., I filed the attached regulations according to the provisions of AS 44.62.040 - 44.62.120.

*for* *Nancy Dahlstrom*  
Lieutenant Governor *Nancy Dahlstrom*

Effective: January 5, 2025

Register: 253, April 2025

**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 145.580(a)(2) is amended to read:

(2) the rate established in the department's *Chart of Community Behavioral Health and Mental Health Physician Clinic Medicaid Covered Services Rates*, adopted by reference in 7 AAC 160.900 [; FOR STATE FISCAL YEAR 2020, THE PAYMENT RATES WILL BE 95 PERCENT OF THE JANUARY 1, 2019 PAYMENT RATES].

7 AAC 145.580(b) is amended to read:

(b) **Rates** [ON OR AFTER JULY 1, 2018, RATES] of payment in the department's *Chart of Community Behavioral Health and Mental Health Physician Clinic Medicaid Covered Services Rates*, adopted by reference in 7 AAC 160.900, will be reestablished at least every four years using a modeled rate methodology that includes components for salaries, fringe benefits, productivity, program support, administrative/general costs, and duration of units of service. Other sources that will be used in the modeled rate methodology include information from the Department of Labor and Workforce Development, Research and Analysis Section; the United States Internal Revenue Service; and provider surveys.

7 AAC 145.580(c) is amended to read:

(c) Each July 1 [, EXCEPT JULY 1, 2019,] that rates of payment in the *Chart of Community Behavioral Health and Mental Health Physician Clinic Medicaid Covered Services Rates*, adopted by reference in 7 AAC 160.900, are not reestablished under (b) of this section, the department will adjust the rates of payment in the *Chart of Community Behavioral Health and Mental Health Physician Clinic Medicaid Covered Services Rates* for inflation using the CMS

Register 253, April 2025 HEALTH

Home Health Agency Market Basket in the most recent quarterly publication of the ***S&P Global Market Intelligence*** [IHS MARKIT] *Healthcare Cost Review* available 60 days before July 1.

7 AAC 145.580(f) is amended to read:

(f) Each July 1, the department will adjust the rates of payment in the *Medicaid Procedure Codes and Rates - Autism Services*, adopted by reference in 7 AAC 160.900, for inflation using the CMS Home Health Agency Market Basket in the most recent quarterly publication of the ***S&P Global Market Intelligence*** [IHS MARKIT] *Healthcare Cost Review* available 60 days before July 1. (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; am 10/25/2019, Register 232; am 4/24/2020, Register 234; am 6/30/2021, Register 238; am 5/25/2022, Register 242; am 2/2/2024, Register 249; am 1 / 5 / 2025, Register 253)

**Authority:** AS 47.05.010 AS 47.07.030 AS 47.07.040

7 AAC 160.900(d)(59) is amended to read:

(59) the *Chart of Community Behavioral Health and Mental Health Physician Clinic Medicaid Covered Services Rates*, dated **October 22, 2024** [SEPTEMBER 28, 2022]; (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

Register 253, April 2025 HEALTH

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 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 6/16/2016, REGISTER 218;] 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; am 9/9/2021, Register 239; am 10/9/2021, Register 240; am 11/1/2021, Register 240; am 5/25/2022, Register 242; am 9/4/2022, Register 243; am 9/18/2022, Register 243; am 10/16/2022, Register 244; am 12/1/2022, Register 244; am 12/23/2022, Register 244; am 3/3/2023, Register 245; am 3/26/2023, Register 245; am 5/1/2023, Register 246; am 5/19/2023, Register 246; am 1/1/2024, Register 248; am 2/1/2024, Register 249; am 2/2/2024, Register 249; **add'l** [ADDT'L] am 2/2/2024, Register 249; am 3/1/2024, Register 249; am 11/8/2024, Register 252; am 1 / 5 / 2025, Register 253)

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