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State/Territory Name: AK

State Plan Amendment (SPA) #: 23-0004

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services
233 North Michigan Ave., Suite 600
Chicago, Illinois 60601



Financial Management Group/ Division of Reimbursement Review

July 28, 2023

Emily Ricci,
Department of Health Commissioner's Office
3601 C Street, Suite 902
Anchorage, AK 99503

RE: Alaska State Plan Amendment TN: #23-0004

Dear Director Ricci,

We have reviewed the proposed Alaska State Plan Amendment, TN: #23-0004 which was submitted to the Centers for Medicare & Medicaid Services (CMS) on June 26, 2023. This State Plan Amendment implements a payment rate for providers of Home and Community Based Services adopting a 10% increase for all HCBS (including waiver) services.

Based upon the information provided by the State, we have approved the amendment with an effective date of May 1, 2023. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact Matthew Klein at 214-767-4625 or matthew.klein@cms.hhs.gov

Sincerely,

A solid black rectangular box used to redact the signature of the sender.

Todd McMillion
Division of Reimbursement Review Director

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

2 3 — 0 0 0 4

2. STATE

AK

3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT

XIX XXI

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

May 1, 2023

5. FEDERAL STATUTE/REGULATION CITATION

Title XIX of the SSA

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2023 \$ 3,964,000
b. FFY 2024 \$ 3,964,000

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19-B, page 5b and 11a.2

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

Attachment 4.19-B, page 5b (AK-20-0006) and page 11a.2 (AK-19-0006)

9. SUBJECT OF AMENDMENT

Implementation of Home and Community-Based Services (HCBS) state plan services rates, as adopted by Alaska regulation 7 AAC 127, 145, and 160; Supersedes 6-month extension of rates approved under the PHE (AK-22-0014).

10. GOVERNOR'S REVIEW (Check One)

- GOVERNOR'S OFFICE REPORTED NO COMMENT
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

OTHER, AS SPECIFIED:

11. SIGNATURE OF STATE AGENCY OFFICIAL

12. TYPED NAME
Emily Ricci

13. TITLE
Deputy Commissioner & Medicaid Director

14. DATE SUBMITTED
June 26, 2023

15. RETURN TO

Dept of Health Commissioner's Office
c/o Emily Beaulieu
3601 C Street, Suite 902
Anchorage, AK 99503

FOR CMS USE ONLY

16. DATE RECEIVED
06/26/2023

17. DATE APPROVED
July 28, 2023

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL
Todd McMillion

21. TITLE OF APPROVING OFFICIAL
Director, Division of Reimbursement and Review

22. REMARKS

Personal Care Services

Services are reimbursed at the lesser of the amount billed the general public or the state maximum allowable.

Except as otherwise noted in the plan, payment for these services is based on state-developed fee schedule rates, which are the same for both governmental and private providers of personal care services. The agency's rate for personal care services updated on May 1, 2023, are effective for services rendered on or after May 1, 2023. The fee schedule, including any annual/periodic adjustments to the fee schedule based on the CMS Home Health Agency Market Basket, and its effective dates are included in the fee schedule for personal care services published at <http://dhss.alaska.gov/dsds/Pages/info/costsurvey.aspx>.

Personal Care Services for Community First Choice Option

Effective for services provided on or after May 1, 2023, providers of Personal Care Services for Community First Choice eligible recipients will be reimbursed at fee for service rates built on the base rate of the Personal Care Assistant adjusted to include:

- Salaries for Personal Care Supervisors and Personal Care Assistants
- Fringe Benefits for Personal Care Supervisors and Personal Care Assistants
- Training time for Personal Care Supervisors and Personal Care Assistants

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers. The fee schedule, and effective date is published at <http://dhss.alaska.gov/dsds/Pages/info/costsurvey.aspx>.

Chore Services for Community First Choice Option

Effective for services provided on or after May 1, 2023, the State Medicaid Program reimburses providers of Chore Services for Community First Choice eligible recipients at the lesser of the amount billed to the general public or the state maximum allowable.

Except as otherwise noted in the plan, payment for these services is based on state-developed fee schedule rates, which are the same for both governmental and private providers. The agency's rates for CFC chore services are effective May 1, 2023, for services provided on or after May 1, 2023. The fee schedule, including any annual/periodic adjustments to the fee schedule based on the CMS Home Health Agency Market Basket, and its effective date is included in the fee schedule for chore services published at <http://dhss.alaska.gov/dsds/Pages/info/costsurvey.aspx>.

Physical and Occupational Therapy Services

Payment is made at the lesser of billed charges, 85 percent of the Resource Based Relative Value Scale methodology used for the physicians, the provider's lowest charge, or the maximum allowable for procedures that do not have an established RVU. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of physical and occupational therapy services. The fee schedule and its effective dates are available at <http://manuals.medicaidalaska.com/medicaidalaska/providers/FeeSchedule.asp>.

Physician Assistants

Payment is made at the lesser of billed charges, 85 percent of the Resource Based Relative Value Scale methodology used for physicians, the provider's lowest charge, or the maximum allowable for procedures that do not have an established RVU. State developed fee schedules are the same for both public and private providers. The fee schedule and effective date are available at: <http://manuals.medicaidalaska.com/medicaidalaska/providers/FeeSchedule.asp>.

Long Term Services and Supports (LTSS) Targeted Case Management:

Reimbursement to providers of long-term services and supports (LTSS) targeted case management services provided on or after May 1, 2023, is a monthly fee for service at rates based on:

- Salaries
- Fringe Benefits
- Allowable Indirect Costs
- Average caseload size

Payment Methodology: The Department of Health (the department) will authorize case management as a service within the participant support plan. Payment will be made through MMIS and each encounter will be documented to support the billing. The department established regulations for the operation of long term services and supports targeted case management services in a manner that protects and promotes the health, safety, and welfare of participants. The fee schedule will be rebased at least every four years. In the years in which the fee schedule is not rebased, the payment rate will be increased using the most recent quarterly publication available 60 days before July 1 of Global Insights Health Care Cost Review, CMS Home Healthy Agency Market Basket.

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both government and private providers. The fee schedule was last updated to be effective for services on or after May 1, 2023, and is available at <http://dhss.alaska.gov/dsds/Pages/info/costsurvey.aspx>