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State/Territory Name: Alaska

State Plan Amendment (SPA) #: 15-007

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Seattle Regional Office
701 Fifth Avenue, Suite 1600, MS/RX-200
Seattle, WA 98104



Division of Medicaid & Children's Health Operations

December 9, 2015

Jon Sherwood, Deputy Commissioner
Department of Health and Social Services
Post Office Box 110601
Juneau, AK 99811-0601

Re: Alaska, Title XIX FMAP State Plan Amendment, Transmittal # 15-007

Dear Mr. Sherwood:

We have reviewed the proposed Federal Medical Assistance Payment (FMAP) State Plan Amendment (SPA), AK 15-007. The SPA was submitted to the Centers for Medicare & Medicaid Services, Seattle Regional Office, on September 21, 2015. This SPA describes the methodology used by the state for determining the appropriate FMAP rates, including the increased FMAP rates, available under the provisions of the Affordable Care Act applicable for the medical assistance expenditures under the Medicaid program associated with enrollees in the new adult group adopted by the state and described in 42 CFR 435.119.

Based on the information provided, the Medicaid SPA 15-007 is approved with an effective date of September 1, 2015. We are enclosing the approved Form CMS-179 and the Medicaid state plan pages.

If you have any questions concerning this SPA, please contact me, or have your staff contact Treva Wornath at treva.wornath@cms.hhs.gov or (907) 271-1920.

Sincerely,

 Digitally signed by David L. Meacham -S
DN: cn=US, o=U.S. Government, ou=HHS, ou=CMS, ou=People,
0.9.2342.19200300.100.1.1=2000041858, cn=David L. Meacham -S
Date: 2015.12.10 09:22:30 -0800

David L. Meacham
Associate Regional Administrator

cc:

Margaret Brodie, Director, Division of Health Care Services
Naomi Davidson, Medicaid Policy Analyst for Health Care Services
Gennifer Moreau-Johnson, State Plan Coordinator

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

1. TRANSMITTAL NUMBER:
15 - 007

2. STATE
Alaska

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE
SOCIAL SECURITY ACT (MEDICAID)

4. PROPOSED EFFECTIVE DATE
09/01/2015

FOR: HEALTH CARE FINANCING ADMINISTRATION

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

5. TYPE OF PLAN MATERIAL (*Check One*):

NEW STATE PLAN AMENDMENT TO BE CONSIDERED AS NEW PLAN AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (*Separate Transmittal for each amendment*)

6. FEDERAL STATUTE/REGULATION CITATION:
1902(a)(10)(A)(i)(VIII) 42 CFR 435.119

7. FEDERAL BUDGET IMPACT:
a. FFY 15 \$0
b. FFY 16 \$0

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:
Supplement 18 to Attachment 2.6A pages 1 - 6 (P&I)
Supplement 18 to Attachment 2.6A, Attachment A pages 1-4 (P&I)
Supplement 18 to Attachment 2.6A, Attachment B (P&I)

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (*If Applicable*):
N/A

10. SUBJECT OF AMENDMENT:
FMAP rate for expenditures for individuals enrolled in the adult group described in 42 CFR 435.119.

11. GOVERNOR'S REVIEW (*Check One*):

GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED: Did not comment
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL:

16. RETURN TO:
Alaska Dep. of Health and Social Services
4501 Business park Blvd, suite 24, bldg. L
Anchorage, Alaska 99503

13. TYPED NAME: Jon Sherwood

14. TITLE: Deputy Commissioner, State of Alaska - Health and Social Services

15. DATE SUBMITTED:


FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: 09/21/15

18. DATE APPROVED: 12/09/15

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:
09/01/15

20. SIGNATURE OF REGIONAL OFFICIAL:

Digitally signed by David L. Meacham -S
DN: c=US, o=U.S. Government, ou=HHS, ou=CMS,
ou=People, 0.9.2342.19200300.100.1.1=2000041858,
cn=David L. Meacham -S
Date: 2015.12.10 09:33:14 -08'00'

21. TYPED NAME: David L. Meacham

22. TITLE: Associate Regional Administrator

23. REMARKS:

12/09/15 - State authorized pen and ink (P&I) change to box 8.

State Plan Under Title XIX of the Social Security Act

State: Alaska

METHODOLOGY FOR IDENTIFICATION OF APPLICABLE FMAP RATES

The State will determine the appropriate FMAP rate for expenditures for individuals enrolled in the adult group described in 42 CFR 435.119 and receiving benefits in accordance with 42 CFR Part 440 Subpart C. The adult group FMAP methodology consists of two parts: an individual-based determination related to enrolled individuals, and as applicable, appropriate population-based adjustments.

Part 1 – Adult Group Individual Income-Based Determinations

For individuals eligible in the adult group, the state will make an individual income-based determination for purposes of the adult group FMAP methodology by comparing individual income to the relevant converted income eligibility standards in effect on December 1, 2009, and included in the MAGI Conversion Plan (Part 2) approved by CMS on 11/03/2015. In general, and subject to any adjustments described in this SPA, under the adult group FMAP methodology, the expenditures of individuals with incomes below the relevant converted income standards for the applicable subgroup are considered as those for which the newly eligible FMAP is not available. The relevant MAGI-converted standards for each population group in the new adult group are described in Table 1.

Table 1: Adult Group Eligibility Standards and FMAP Methodology Features

Population Group	Covered Populations Within New Adult Group	Applicable Population Adjustment			
		Resource Proxy	Enrollment Cap	Special Circumstances	Other Adjustments
A	<p>Relevant Population Group Income Standard</p> <p>For each population group, indicate the lower of:</p> <ul style="list-style-type: none"> The reference in the MAGI Conversion Plan (Part 2) to the relevant income standard and the appropriate cross-reference, or 133% FPL. <p>If a population group was not covered as of 12/1/09, enter "Not covered".</p>	C	D	E	F
Parents/Caretaker Relatives	Attachment A, Column G, Line 1 of Part 2 of the CMS approved MAGI Conversion Plan, including any subsequent CMS approved modifications to the MAGI Conversion Plan	Yes	No	No	No
Disabled Persons, non-institutionalized	Attachment A, Column G, Line 2 of Part 2 of the CMS approved MAGI Conversion Plan, including any subsequent CMS approved modifications to the MAGI Conversion Plan	Yes	No	No	No
Disabled Persons, institutionalized	Attachment A, Column G, Line 3 of Part 2 of the CMS approved MAGI Conversion Plan, including any subsequent CMS approved modifications to the MAGI Conversion Plan	Yes	No	No	No
Children Age 19 or 20	Attachment A, Column G, Line 4 of Part 2 of the CMS approved MAGI Conversion Plan, including any subsequent CMS approved modifications to the MAGI Conversion Plan	Yes	No	No	No
Childless Adults	Attachment A, Column G, Line 5 of Part 2 of the CMS approved MAGI Conversion Plan, including any subsequent CMS approved modifications to the MAGI Conversion Plan	Yes	No	No	No

Part 2 – Population-based Adjustments to the Newly Eligible Population Based on Resource Test, Enrollment Cap or Special Circumstances

A. Optional Resource Criteria Proxy Adjustment (42 CFR 433.206(d))

1. The state:

- Applies a resource proxy adjustment to a population group(s) that was subject to a resource test that was applicable on December 1, 2009.
- Does NOT apply a resource proxy adjustment (Skip items 2 through 3 and go to Section B).

Table 1 indicates the group or groups for which the state applies a resource proxy adjustment to the expenditures applicable for individuals eligible and enrolled under 42 CFR 435.119. A resource proxy adjustment is only permitted for a population group(s) that was subject to a resource test that was applicable on December 1, 2009.

The effective date(s) for application of the resource proxy adjustment is specified and described in Attachment B.

2. Data source used for resource proxy adjustments:

The state:

- Applies existing state data from periods before January 1, 2014.
- Applies data obtained through a post-eligibility statistically valid sample of individuals.

Data used in resource proxy adjustments is described in Attachment B.

3. Resource Proxy Methodology: Attachment B describes the sampling approach or other methodology used for calculating the adjustment.

B. Enrollment Cap Adjustment (42 CFR 433.206(e))

1. An enrollment cap adjustment is applied by the state (complete items 2 through 4).
- An enrollment cap adjustment is not applied by the state (skip items 2 through 4 and go to Section C).

2. Attachment C describes any enrollment caps authorized in section 1115 demonstrations as of December 1, 2009 that are applicable to populations that the state covers in the eligibility group described at 42 CFR 435.119 and received full benefits, benchmark benefits, or benchmark equivalent benefits as determined by CMS. The enrollment cap or caps are as specified in the applicable section 1115 demonstration special terms and conditions as confirmed by CMS, or in alternative authorized cap or caps as confirmed by CMS. Attach CMS correspondence confirming the applicable enrollment cap(s).
3. The state applies a combined enrollment cap adjustment for purposes of claiming FMAP in the adult group:
 Yes. The combined enrollment cap adjustment is described in Attachment C
 No.
4. Enrollment Cap Methodology: Attachment C describes the methodology for calculating the enrollment cap adjustment, including the use of combined enrollment caps, if applicable.

C. Special Circumstances (42 CFR 433.206(g)) and Other Adjustments to the Adult Group FMAP Methodology

1. The state:
 Applies a special circumstances adjustment(s).
 Does not apply a special circumstances adjustment.
2. The state:
 Applies additional adjustment(s) to the adult group FMAP methodology (complete item 3).
 Does not apply any additional adjustment(s) to the adult group FMAP methodology (skip item 3 and go to Part 3).
3. Attachment D describes the special circumstances and other proxy adjustment(s) that are applied, including the population groups to which the adjustments apply and the methodology for calculating the adjustments.

Part 3 – One-Time Transitions of Previously Covered Populations into the New Adult Group

A. Transitioning Previous Section 1115 and State Plan Populations to the New Adult Group

- Individuals previously eligible for Medicaid coverage through a section 1115 demonstration program or a mandatory or optional state plan eligibility category will be transitioned to the new adult group described in 42 CFR 435.119 in accordance with a CMS-approved transition plan and/or a section 1902(e)(14)(A) waiver. For purposes of claiming federal funding at the appropriate FMAP for the populations transitioned to new adult group, the adult group FMAP methodology is applied pursuant to and as described in Attachment E, and where applicable, is subject to any special circumstances or other adjustments described in Attachment D.
- The state does not have any relevant populations requiring such transitions.

Part 4 - Applicability of Special FMAP Rates

A. Expansion State Designation

The state:

- Does NOT meet the definition of expansion state in 42 CFR 433.204(b). (Skip section B and go to Part 5)
- Meets the definition of expansion state as defined in 42 CFR 433.204(b), determined in accordance with the CMS letter confirming expansion state status, dated _____.

B. Qualification for Temporary 2.2 Percentage Point Increase in FMAP.

The state:

- Does NOT qualify for temporary 2.2 percentage point increase in FMAP under 42 CFR 433.10(c)(7).
- Qualifies for temporary 2.2 percentage point increase in FMAP under 42 CFR 433.10(c)(7), determined in accordance with the CMS letter confirming eligibility for the temporary FMAP increase, dated _____. The state will not claim any federal funding for individuals determined eligible under 42 CFR 435.119 at the FMAP rate described in 42 CFR 433.10(c)(6).

Part 5 - State Attestations

The State attests to the following:

- A. The application of the adult group FMAP methodology will not affect the timing or approval of any individual's eligibility for Medicaid.
- B. The application of the adult group FMAP methodology will not be biased in such a manner as to inappropriately establish the numbers of, or medical assistance expenditures for, individuals determined to be newly or not newly eligible.

ATTACHMENTS

Not all of the attachments indicated below will apply to all states; some attachments may describe methodologies for multiple population groups within the new adult group. Indicate those of the following attachments which are included with this SPA:

- Attachment A – Conversion Plan Standards Referenced in Table 1
- Attachment B – Resource Criteria Proxy Methodology
- Attachment C – Enrollment Cap Methodology
- Attachment D – Special Circumstances Adjustment and Other Adjustments to the Adult Group FMAP Methodology
- Attachment E – Transition Methodologies

PRA Disclosure Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-1148. The time required to complete this information collection is estimated to average 4 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

Attachment A FMAP SPA 15-007

Most Recent Table 1 for Part 2 of the Modified Adjusted Gross Income (MAGI) Conversion Plan*

Population Group	SIPP results used? (Yes/No)	Time Period selected	Sampling (Yes/No)	Net Income Standard	Income band used in conversion*	Converted Standard
A	B	C	D	E	F	G
Conversions for FMAP Claiming						
1	<u>Yes</u>	<u>N/A</u>	<u>No</u>	% FPL _____ or Fixed dollar standards _____ Family size _____ 1 <u>\$857</u> 2 <u>\$1,369</u> 3 <u>\$1,541</u> 4 <u>\$1,713</u> 5 <u>\$1,885</u> 6 <u>\$2,057</u> 7 <u>\$2,229</u> 8 <u>\$2,401</u> 9 <u>\$2,573</u> 10 <u>\$2,745</u> Add-on for additional family members if relevant <u>\$172</u>	% FPL _____ or Fixed dollar standards _____ Family size _____ 1 _____ 2 _____ 3 _____ 4 _____ 5 _____ 6 _____ 7 _____ Add-on for additional family members if relevant _____	% FPL _____ or Fixed dollar standards _____ Family size _____ 1 <u>\$1,333</u> 2 <u>\$2,082</u> 3 <u>\$2,492</u> 4 <u>\$2,902</u> 5 <u>\$3,312</u> 6 <u>\$3,722</u> 7 <u>\$4,131</u> 8 <u>\$4,541</u> 9 <u>\$4,951</u> 10 <u>\$5,361</u> Add-on for additional family members if relevant <u>\$385</u>

	Population Group	SIPP results used? (Yes/No)	Time Period selected	Sampling (Yes/No)	Net Income Standard	Income band used in conversion*	Converted Standard
	A	B	C	D	E	F	G
2	Non-institutionalized disabled adults	<u>Yes</u>	<u>N/A</u>	<u>No</u>	% FPL _____ % SSI FBR _____ <u>or</u> Dollar Standards Single <u>\$1,252</u> Couple <u>\$1,504 (1 eligible)</u>	% FPL _____ % SSI FBR _____ <u>or</u> Dollar Standards Single _____ Couple _____	% FPL _____ % SSI FBR _____ <u>or</u> Dollar Standards Single <u>\$1,272</u> Couple <u>\$1,524</u> Conversion based on: Average disregard _____ Median disregard _____ % FPL _____ % SSI FBR _____ <u>\$1,656</u> <u>or</u> Dollar Standards Single _____ Couple _____
3	Institutionalized disabled adults (This is a gross income category: fill in column G only)						

Population Group	SIPP results used? (Yes/No)	Time Period selected	Sampling (Yes/No)	Net Income Standard	Income band used in conversion*	Converted Standard
A	B	C	D	E	F	G
4 Children age 19 and/or 20 Specify age limit as of 12/1/09 (19 or 20): <u>20</u>	<u>Yes</u>	<u>N/A</u>	<u>No</u>	% FPL _____ or Fixed dollar standards Family size 1 <u>\$857</u> 2 <u>\$1,369</u> 3 <u>\$1,541</u> 4 <u>\$1,713</u> 5 <u>\$1,885</u> 6 <u>\$2,057</u> 7 <u>\$2,229</u> 8 <u>\$2,401</u> 9 <u>\$2,573</u> 10 <u>\$2,745</u> Add-on for additional family members if relevant _____	% FPL _____ or Fixed dollar standards Family size 1 _____ 2 _____ 3 _____ 4 _____ 5 _____ 6 _____ 7 _____ Add-on for additional family members if relevant _____	% FPL _____ or Fixed dollar standards Family size 1 <u>\$1,333</u> 2 <u>\$2,082</u> 3 <u>\$2,492</u> 4 <u>\$2,902</u> 5 <u>\$3,312</u> 6 <u>\$3,722</u> 7 <u>\$4,131</u> 8 <u>\$4,541</u> 9 <u>\$4,951</u> 10 <u>\$5,361</u> Add-on for additional family members if relevant <u>\$385</u>
5 Childless Adults	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	% FPL _____ Add-on for additional family members if relevant <u>\$172</u>	% FPL _____	% FPL _____

*The numbers in this summary chart will be updated automatically in the case of modifications in the CMS approved MAGI Conversion Plan.

*Alternative method states: only fill out column F if applicable.

PRA Disclosure Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-1148. The time required to complete this information collection is estimated to average 20 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

Alaska Department of Health and Social Services
Methodology for Identification of Applicable FMAP Rates
Attachment B, FMAP SPA 15-007
Resource Proxy Explanation

The effective date of this resource proxy for the Alaska Medicaid Expansion is _____September___ 1, 2015.

Alaska Medicaid has calculated the Resource Proxy as follows:

The total number of applications in Eligibility Information System (EIS) identified for the period January 1st, 2009 and December 31st, 2013 from individuals who applied for Medicaid coverage under either the **Parents/Caretaker Relatives; Disabled Persons, non-institutionalized; Disabled Persons, institutionalized;** and **Children Age 19 or 20** categories.

The state queried the total number of applications that were denied Medicaid eligibility for excess resources between January 1st, 2009 and December 31st, 2013 from individuals who applied for coverage under either the **Parents/Caretaker Relatives; Disabled Persons, non-institutionalized; Disabled Persons, institutionalized;** and **Children Age 19 or 20** categories.

The Alaska Resource Proxy was calculated for **Parents/Caretaker Relatives; Disabled Persons, non-institutionalized; Disabled Persons, institutionalized;** and **Children Age 19 or 20** categories by determining the percentage of the total applications received that represented individuals who were denied Medicaid eligibility as a result of excess resources. The resulting resource Proxy percentage for **Parents/Caretaker Relatives; Disabled Persons, non-institutionalized; Disabled Persons, institutionalized;** and **Children Age 19 or 20** categories combined is expressed as the fraction 3,609/284,616 or 1.2680242853529%.