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**State/Territory Name: Alaska**

**State Plan Amendment (SPA) #: 17-0002**

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

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May 30, 2017

Valerie Davidson, Commissioner  
Department of Health and Social Services  
PO Box 110601  
Anchorage, AK 99503-7167

**RE: Alaska State Plan Amendment (SPA) Transmittal Number AK-17-0002**

Dear Ms. Davidson:

The Centers for Medicare & Medicaid Services (CMS) has completed its review of the enclosed State Plan Amendment (SPA), Transmittal Number AK-17-0002. This SPA removes the requirement that functional assessments be conducted in a consumer's home and also provides clarification on the two programs of Personal Care Services (agency-based and consumer-directed), and the provider qualifications for each.

This SPA is approved effective January 1, 2017. Enclosed is a copy of the CMS-179 summary form, as well as the approved pages for incorporation into the Alaska State Plan.

If there are any questions concerning this approval, please contact me or your staff may contact Shante Abarabar at [shante.abarabar@cms.hhs.gov](mailto:shante.abarabar@cms.hhs.gov) or at 206-615-2346.

Sincerely,



David L. Meacham  
Associate Regional Administrator

Enclosure

cc:  
Jon Sherwood, DHSS; Courtney King, DHSS

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

**FOR: HEALTH CARE FINANCING ADMINISTRATION**

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

1. TRANSMITTAL NUMBER:  
17-0002

2. STATE  
Alaska

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

4. PROPOSED EFFECTIVE DATE  
January 1, 2017

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:

42 CFR 440.167

7. FEDERAL BUDGET IMPACT:

a. FFY 17                                      \$ 0  
b. FFY 18                                      \$ 0

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attached sheet to Attachment 3.1-A page 11, 11a  
Attachment 4.19-B, page 5b (P&I)

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION  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

Attached sheet to Attachment 3.1-a, page 11  
Attachement 4.19-B, page 5b (P&I)

10. SUBJECT OF AMENDMENT:

This State Plan Amendment (SPA) removes the requirement that functional assessments for personal care services be conducted in the consumer's home, allowing telehealth assessments to be done in nearby health clinics with the required technology. The SPA also provides details on the two models of personal care (agency-based and consumer-directed), and the provider qualifications for each.

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

GOVERNOR'S OFFICE REPORTED NO COMMENT                                       OTHER, AS SPECIFIED:  
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED  
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME: Jon Sherwood

14. TITLE: Deputy Commissioner, Dept. of Health & Social Services

15. DATE SUBMITTED: March 8, 2017

16. RETURN TO:

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED:

3/8/17

18. DATE APPROVED:

5/30/17

**PLAN APPROVED – ONE COPY ATTACHED**

19. EFFECTIVE DATE OF APPROVED MATERIAL:

1/1/17

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME:

David L. Meacham

22. TITLE:

Associate Regional Administrator

23. REMARKS:

4/28/17: State authorized P&I change to boxes 8 and 9

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### Description of Service Limitations

#### f. **Personal Care Services:**

Covered services are limited to non-technical hands-on assistance with activities of daily living (ADLs), which include bathing, dressing, and grooming, problems with instrumental activities of daily living (IADLs), such as shopping and cleaning necessary to maintain the health and safety of the recipient, and other problems that require trained care. Personal care services must be provided in either the recipient's home, or other locations necessary to assist with the activities of daily living, but may not be provided in institutions. Allowable services must be defined in a service plan developed as a result of a functional assessment approved by the state-authorized Personal Care Agency (PCA) or the Alaska Department of Health and Social Services (DHSS).

Services must be provided only through a qualified PCA agency by health care paraprofessionals called Personal Care Assistants (PCAs). The PCAs must have completed a state approved PCA training program, except in cases where:

- the personal care agency has determined that the recipient or their representative is capable of specifying the training requirements for the personal care assistant and supervising them;
- the personal care agency has trained the recipient or their representative in their responsibilities; and
- the personal care assistant has successfully completed the recipient-specific training provided by the recipient or their representative.

To be a representative, an individual must be directly involved in the recipient's day-to-day care and available to assume the responsibility of managing the recipient's care, including directing the care as it occurs in the home. Legally responsible relative of the recipient are excluded from payment for personal care services

#### **Personal care services do not include:**

- (1) application of dressings involving prescription medication and aseptic techniques; invasive body procedures – including injections and insertion or removal of catheters; tracheostomy care; tube or other enteral feedings; medication administration; or care and maintenance of intravenous equipment. However, personal care assistants may perform these tasks under the following conditions:
  - the recipient of services, or their representative, is capable and willing to delegate such functions, which are within the purview of individuals and their unpaid caregivers to perform;
  - the recipient or representative is capable and willing to supervise the administration of these tasks; and
  - the personal care agency or the department has determined that the recipient or their representative is capable of delegating the tasks and perform these supervisory functions.
- (2) heavy chore services in the home, including cleaning floors and furniture not used directly by the recipient, laundry not incidental to the recipient's care, cutting firewood, and shopping for groceries and other household items not required specifically for the health and maintenance of the consumer;
- (3) any task the personal care agency, supervising nurse, or division determines, as a result of the assessment, could reasonably be performed by the consumer or a member of the consumer's household;
- (4) respite care intended primarily to relieve a member of the consumer's household, a family member, or a caregiver other than a personal care assistant from the responsibility of caring for the consumer; and
- (5) supervision, babysitting or care of any other household members, social visitation, general monitoring for equipment failure, home maintenance, or pet care, except for a certified service animal.

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**Personal care services may be provided through two different qualified Personal Care Agency (PCA) Models:**

**Agency Based Personal Care Assistance (ABPCA):** The beneficiary may choose a personal care agency in the agency-based model, which provides services through an agency that oversees, manages, and supervises the beneficiary's care. The ABPCA agency hires, schedules, develops a backup plan if the regularly scheduled personal care assistant (PCA) is unavailable, and dispatches PCAs.

**Consumer Directed Personal Care Assistance (CDPCA):** The beneficiary may choose a consumer directed personal care assistance model, which provides administrative support to the consumer who manages his or her own care by hiring, firing, and supervising his or her own PCA. The CDPCA will assess the recipient's needs every twelve months or more frequently if necessary, and must develop a backup plan with the recipient or a legal representative. The CDPCA agency must ensure that basic elements required for enrollment of each individual PCA are met.

**Provider Qualifications:** The state does not limit personal care agencies to private or non-profit.

To qualify for certification as a PCA agency, the agency must meet the applicable certification criteria set out in the department's Personal Care Assistant Agency Certification Application packet. ABPCA and CDPCA agencies must employ a Program Administrator who has attended mandatory state training. For the ABPCA agency type only, the agency must also employ a Registered Nurse.

At both CDPCA and ABPCA agencies, the personal care assistant must be at least 18 years of age, must meet all the requirements of the model as described in state regulations, including successful completion of First Aid and CPR training within the last two years, must be individually enrolled to bill Medicaid, must pass a criminal background check, must not have been denied a health care provider license or certification for a reason related to patient services, and must be able independently to assist the recipient with the specific Activity of Daily Living and services.

Additionally, to be a personal care assistant for an ABPCA, the assistant must be a licensed nurse, or CNA, or a community health aide, or have successfully completed a training approved by the State, or completed an equivalent training five years prior to applying to be employed as a PCA. Training requirements for personal care assistants working in ABPCA agencies include at least 40 hours of instruction, given by a nurse licensed by the State of Alaska, in infection control, bowel and bladder care, nutrition and food planning and preparation, physical transfers, assistance with self-administration of medication, blood pressure, temperature, respiration, developmental disabilities and physical and mental illnesses, body systems, mechanics and disorders, death and dying, use of equipment necessary to perform the tasks of a PCA, universal precautions, and affecting PCAs such as record keeping, confidentiality, reporting Medicaid fraud.



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Method and Standards for  
Establishing Payment

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 7/1/2016, are effective for services rendered on or after 07/01/16. The fee schedule and any annual/periodic adjustments to the fee schedule 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>

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 was last updated, to be effective for services on or after 7/1/2016 and is 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.

Payment rates are set using the Medicare Physician RBRVS payment rates and Alaska's state-specific conversion factor and inflation adjustments. The Medicare Physician RBRVS payment rates are published in the federal register as described under the Physician reimbursement section of this attachment (4.19B). Alaska's state-specific conversion factor and inflation adjustments are published in the Alaska Administrative Code. Changes to the Medicaid rates will only occur when Medicare updates the RBRVS payment rates each year and the department incorporates those changes with its Alaska-specific conversion factor and inflation adjustments the following July 1.