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## **Table of Contents**

**State/Territory Name: Alaska**

**State Plan Amendment (SPA) #: 17-0003**

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 4, 2017

Valerie Davidson, Commissioner  
Department of Health and Social Services  
3601 C Street, Suite 902  
Anchorage, AK 99503-7167

**RE: Alaska State Plan Amendment (SPA) Transmittal Number 17-0003**

Dear Ms. Davidson:

The Centers for Medicare & Medicaid Services (CMS) has completed its review of Alaska State Plan Amendment (SPA) Transmittal Number 17-0003. This SPA updates reimbursement for Mental Health Clinic Services and Mental Health Rehabilitation Services to reflect a 3% increase.

This SPA is approved effective July 1, 2017, as requested by the state.

If there are additional questions please contact me, or your staff may contact Bill Vehrs at [bill.vehrs@cms.hhs.gov](mailto:bill.vehrs@cms.hhs.gov) or at (503) 399-5682.

Sincerely,

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

Sophia A. Hinojosa  
Acting Associate Regional Administrator

cc:  
Jon Sherwood, DHSS

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

1. TRANSMITTAL NUMBER:  
17-0003

2. STATE  
AK

**FOR: HEALTH CARE FINANCING ADMINISTRATION**

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

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

4. PROPOSED EFFECTIVE DATE  
July 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 447.302; 42 CFR 447.321

7. FEDERAL BUDGET IMPACT:  
a. FFY 17                                      \$ 411,058  
b. FFY 18                                      \$1,644,233

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment to 4.19-B, page 4

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION  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

Attachment to 4.19-B, page 4

10. SUBJECT OF AMENDMENT:

This State Plan Amendment updates reimbursement for Mental Health Clinic Services and Mental Health Rehabilitation Services to reflect a 3% increase.

11. 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: Governor does not wish to comment.

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME: Jon Sherwood

14. TITLE: Deputy Commissioner, AK DHSS

15. DATE SUBMITTED: March 24, 2017

16. RETURN TO:

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED:  
March 29, 17

18. DATE APPROVED:  
May 4, 2017

**PLAN APPROVED - ONE COPY ATTACHED**

19. EFFECTIVE DATE OF APPROVED MATERIAL:  
July 1, 2017

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME:  
Sophia A. Hinojosa

22. TITLE:  
Acting Associate Regional Administrator

23. REMARKS:

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Methods and Standards for Establishing  
Payment Rates: Other Types of Care

Mental Health Clinic Services

Mental health clinic services provided by a community mental health clinic, state operated mental health clinic, or mental health physician clinic (which is a group of psychiatrists or other mental health professionals working under the supervision of a psychiatrist) are reimbursed at the lesser of the amount billed the general public or the state maximum allowable. Community mental health clinics bill the Division of Behavioral Health under a separate reimbursement schedule for performing pre-admission screening and annual resident reviews (PASARR) of mentally ill persons seeking admission to or residing in long-term care facilities. The State assures that the requirements of 42 CFR 447.321 regarding upper limits of payment will be met. Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers of mental health clinic services. The agency's fee schedule, updated to reflect an effective date of 5/21/2017, is published at <http://dhss.alaska.gov/dbh/Documents/Medicaid%20Related/CBHS%20Provider%20Rates%20Effective%20Date%20052117.pdf> .

Mental Health Rehabilitation Services

Mental health rehabilitation 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 state developed fee schedule rates are the same for both governmental and private providers of mental health rehabilitation services. The agency's fee schedule, updated to reflect an effective date of 5/21/2017, is published at <http://dhss.alaska.gov/dbh/Documents/Medicaid%20Related/CBHS%20Provider%20Rates%20Effective%20Date%20052117.pdf> .

Nurse-Midwife Services

Payment is made at the lesser of billed charges, 85% of the Resource Based Relative Value Scale methodology used for physicians, the provider's lowest charge, or the state maximum allowable for procedures that do not have an established RVU. Laboratory services are reimbursed at the lesser of the amount billed the general public or at the Medicare fee schedule. Drugs are covered at 95 percent of the AWP but without a dispensing fee. Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers of nurse-midwife 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>