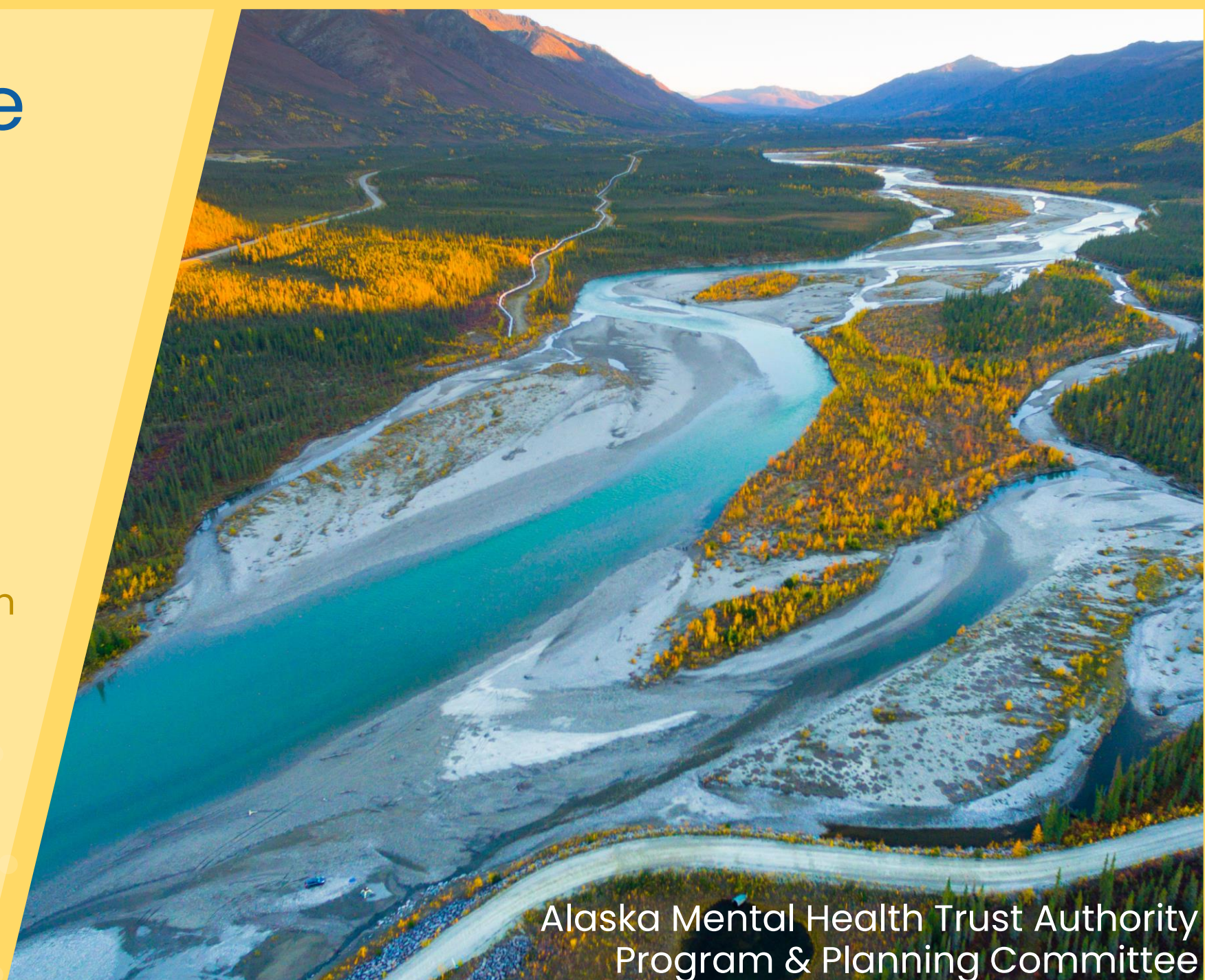


Medicaid Rate Methodology Project

October 17, 2024

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Deputy Commissioner,
Alaska Department of Health



Alaska Mental Health Trust Authority
Program & Planning Committee



Goals of the Project

The project aims to establish rate methodologies that consider:

- 1) Specific populations with complex needs
- 2) Alaska's unique complexities
- 3) Tribal Health Organizations
- 4) Workforce challenges
- 5) Administrative burden

Rate methodologies should promote **access to services**, ensure **budget sustainability**, and **allow for regular review, maintenance, and updates** to reflect changing costs and resources in the Alaska health care market.

Guidehouse



- National consulting firm with experience across multiple state Medicaid agencies
- Medicaid rate study experience in seventeen states, with substantial experience in long term services and supports
- Adoption and implementation of any rate recommendations from Guidehouse will be subject to the normal Medicaid rate setting and legislative budgetary processes



■ Guidehouse experience with rate studies

★ Guidehouse assisted with long term services and support rate studies



Phase 1 Categories

Behavioral Health (BH)

- Community Behavioral Health
- Applied Behavior Analysis (Autism)
- Psychiatric Residential Treatment Facilities (PRTF)
- Crisis Stabilization Services, including peer support services
- Adult and Children's Residential Treatment
- Certified Community Behavioral Health Centers (CCBHC)

Long Term Services and Supports (LTSS)

- 1915(c) Home and Community-Based waiver services, including care coordination and environmental modifications
- 1905(a) Personal Care Services
- 1915(k) Community First Choice services
- LTSS Targeted Case Management
- The Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) Program
- Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IID)

Federally Qualified Health Centers (FQHCs)

- Prospective Payment System (PPS) rate
- Alternative Payment Methodology

Non-Emergency Medical Transportation (NEMT)

- Ground and Air Ambulance
- Taxi
- Paratransit Services
- Accommodation Services

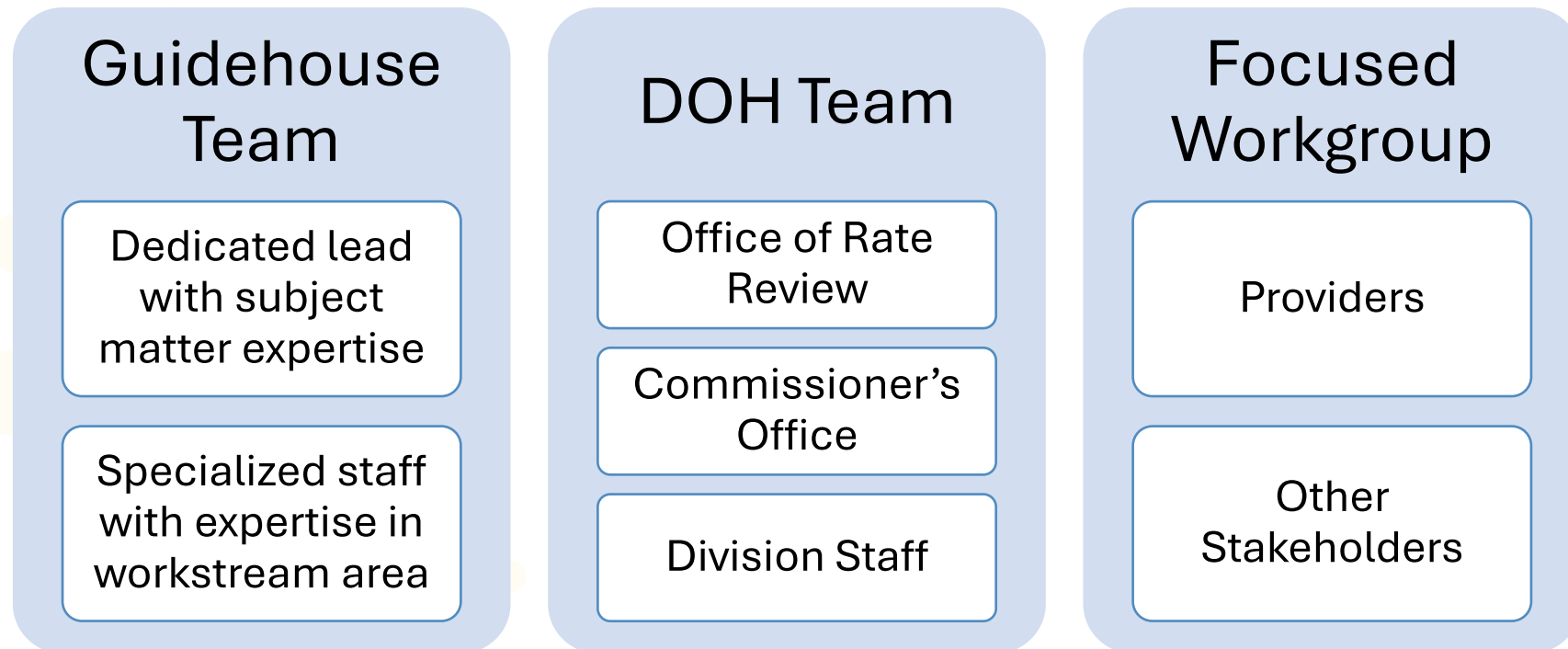


Phase 2 Categories

- Facility Services (e.g., Inpatient, Outpatient)
- Professional Services
- Emergency Medical Transportation
- Dental Services
- Other Medicaid Rate Methodologies (e.g., Durable Medical Equipment, Pharmacy, School-Based Services)

Project Organizational Structure

Each workstream is structured with three teams:





Long Term Services and Supports

| 1 - 1905(a) Personal Care Services – State Plan | 2 - 1915(k) Community First Choice Services – State Plan | 3 - 1915(c) HCBS Waivers | 4 - LTSS Targeted Case Management – State Plan | 5 - Intermediate Care Facilities (ICF) for Individuals with ID | 6 - The Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) Program |
|---|---|--|--|---|--|
| <ul style="list-style-type: none"> a. Personal Care – Agency Based b. Personal Care – Consumer Directed | <ul style="list-style-type: none"> a. Personal Care – Agency Based b. Personal Care – Consumer Directed c. Skill Building – Personal Care d. Chore e. Personal Emergency Response System | <ul style="list-style-type: none"> a. Alaskans Living Independently b. Adults with Physical and Developmental Disabilities c. Children with Complex Medical Conditions d. Intellectual and Developmental Disabilities (IDD) e. IDD Individualized Supports Waiver | <ul style="list-style-type: none"> a. Application (CFC or waiver) b. Initial Support Plan (CFC or waiver) c. Monthly Case Management (CFC only) | <ul style="list-style-type: none"> a. Intermediate Care Facilities (ICF) for Individuals with Intellectual Disabilities (IID) – Residential Care | <ul style="list-style-type: none"> a. TEFRA Care Coordination |

1. Care Coordination; 2. Day Services – Adult Day and Day Habilitation; 3. Employment; 4. Residential Habilitation - In-Home Supports, Supported Living; 5. Family Home Habilitation (Adult, Children; acuity add-on); 6. Group Home Habilitation (Adult; acuity add-on); 7. Intervention, Treatment, or Therapy; 8. Intensive Active Treatment; 9. Meals; 10. Private Duty Nursing; 11. Specialized Private Duty Nursing; 12. Nursing Oversight and Care Management; 13. Residential Supported Living (acuity add-on); 14. Respite (Agency & Family-Directed); 15. Transportation; 16. Specialized Medical Equipment; 17. Environmental Modifications



Long Term Services and Supports

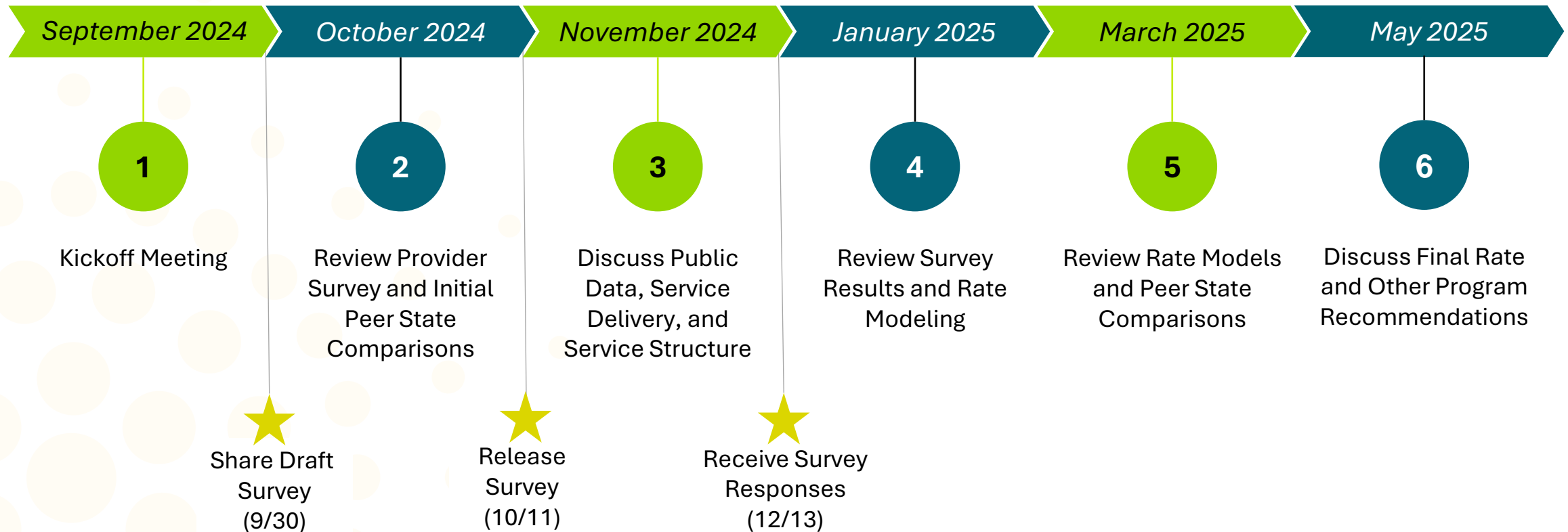
| Service | Current Rate Basis |
|--|--|
| Adult Host Home | Currently based on Family Home Habilitation Rates <i>(adjusted for respite service allowance and program administrator qualifications)</i> |
| Specialized Group Home | Currently based on CMS approved Appendix K <i>(Group Home rate + acuity add-on)</i> |
| Specialized Family Habilitation – Child | Currently based on CMS approved Appendix K <i>(Family Home Habilitation rate + acuity add-on)</i> |
| Specialized Family Home Habilitation – Adult | Based on CMS approved Appendix K <i>(Family Home Habilitation rate + acuity add-on)</i> |
| Organized Healthcare Delivery System (OHCDS) for Family Habilitation | New <i>Establish an administrative payment rate for providers that serve as an OHCDS and provide oversight, monitoring, and billing functions for small family habilitation providers who do not want the administrative burdens of becoming individually certified and enrolled</i> |

Guidehouse will also develop rates for **new waiver services** in collaboration with DOH and the Rate Workgroup for LTSS.



Long Term Services and Supports

Current timeline for long term services and supports rate study recommendations, subject to change:



Guidehouse aims to submit a final report to DOH in July 2025 based on the results of the rate study.

Behavioral Health



1115 Waiver: SUD Provider Services

- ASAM Services (1.0 - 4.0)
- Community Recovery Supports
- SUD Care Coordination
- Intensive Case Management
- Peer-Based Crisis
- Crisis (Mobile Crisis, Mobile Crisis Follow Up, 23 Hour Crisis Observation and Stabilization and Crisis Residential Stabilization)
- Treatment Plan Development or Review

1115 Waiver: Behavioral Health Provider Services

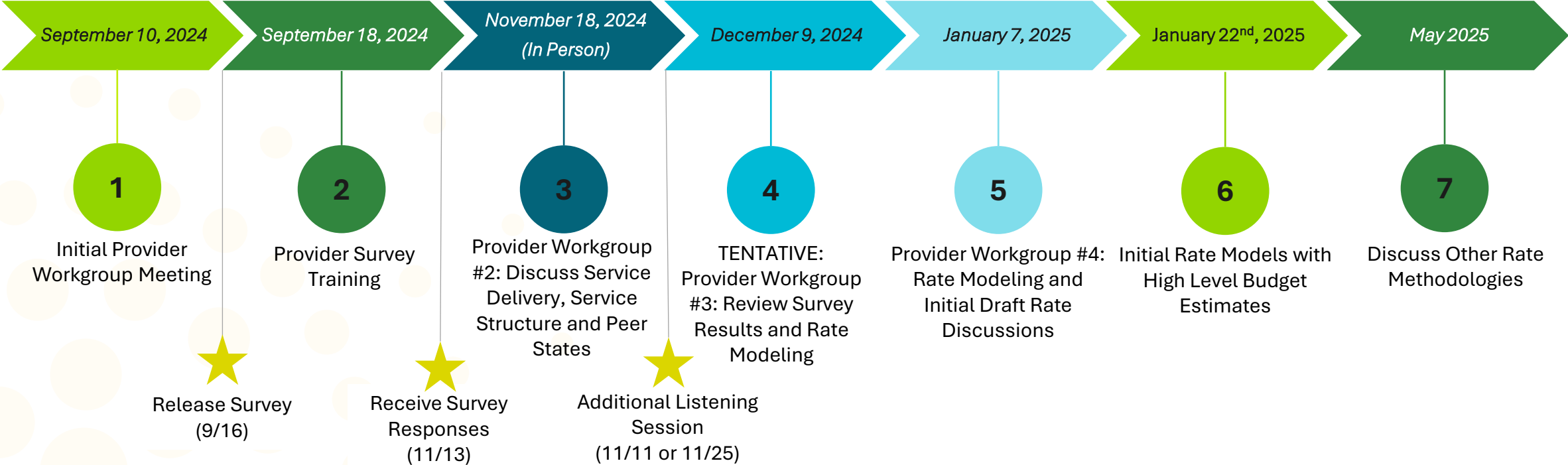
- Home-Based Family Treatment Services
- Therapeutic Treatment Homes
- Children's Residential Treatment
- Intensive Case Management
- Community Recovery Supports
- Assertive Community Treatment
- Intensive Outpatient
- Partial Hospitalization
- Adult Mental Health Residential Services
- Peer-Based Crisis
- Crisis (Mobile Crisis, Mobile Crisis Follow Up, 23 Hour Crisis Observation and Stabilization and Crisis Residential Stabilization)
- Treatment Plan Development or Review

State Plan: Community Behavioral Health

- Behavioral Health Screen
- Alcohol and/or Drug Assessment
- Mental Health Intake Assessment
- Comprehensive Medication Services
- Short Term Crisis Intervention
- Case Management
- Therapeutic BH Services
- Peer Support Services
- Day Treatment for Children
- Treatment Plan Review
- Oral Medication Administration
- Methadone Administration
- Ambulatory Detoxification
- Clinically Managed Detoxification
- Medically Managed Detoxification
- Medical Evaluation
- Residential SUD Treatment
- Screening, Brief Intervention, and Referral for Treatment (SBIRT)

Behavioral Health

Current timeline for behavioral health rate study recommendations, subject to change:



Guidehouse aims to submit a final report to DOH in July 2025 based on the results of the rate study.



Provider Cost and Wage Surveys

- Capture **provider cost data** to provide cost foundation for rate review
- Receive **uniform inputs** across providers to develop standardized rate model components
- Measure **inflationary impact** on direct care worker wages
- Gather data to understand **billable vs. non-billable time per service**
- Investigate differences in costs among **frontier/rural/suburban** areas
- Determine cost basis for evaluating **rate equity** for services (as applicable)
- Solicit **general feedback** from providers to explore service delivery improvements and efficiencies



Provider Engagement

- Guidehouse is planning site visits throughout Alaska
- Regular virtual workgroup meetings
- Provider survey trainings
- One-on-one provider engagement as needed
- Dedicated email addressed for each workstream
- FAQ documents for each workstream

AKRateStudy_BH@guidehouse.com

AKRateStudy_LTSS@guidehouse.com

Project Website



State of Alaska myAlaska My Government Resident Business in Alaska Visiting Alaska State Employees

Alaska Department of Health

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- [Supplemental Emergency Medical Transport \(SEMT\)](#)
- [Medicaid Rate Review](#)
- [Diagnosis Related Groups \(DRG\)](#)
- [Skilled Nursing Facility \(SNF\)](#)

Office of Rate Review

Mission: We provide **quality Medicaid rate setting services** to ensure access to healthcare, support the department's programs, and ensure responsive health facility and services development.

Vision: All Alaskans will have the ability to access high quality medical services.

Core Values and Guiding Principles:

- > **Integrity** – "We believe in and conduct ourselves with integrity and believe to do so is vital to the work we perform; we are open and honest with each other, our partners and stakeholders, and treat each with dignity and respect."
- > **Professionalism** – "We believe in executing our work with the utmost professionalism and our work product exemplifies this."
- > **Transparency** – "We believe in being transparent with each other and with our partners and stakeholders; this allows us to work efficiently and be highly productive."
- > **Collaboration** – "We believe collaboration in our work and relationships is vital to our success; therefore sharing of information and working closely with each other, our partners and stakeholders is highly prioritized."
- > **Innovation** – "We believe in innovation and strive to learn and evolve in the work that we do; we are open to all opportunities to expand our knowledge base."

Programs

- > [Certificate of Need](#)

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Related Links

- [Alaska Child Care Task Force](#)
- [Alaska Early Childhood Coordinating Council \(AECCC\)](#)
- [Behavioral Health Roadmap Project for Alaska Youth](#)
- [Civil Rights Compliance](#)
- [Health Emergency Response Operations \(HERO\)](#)
- [Language Access](#)

Medicaid Rate Review Project

The Medicaid Rate Review project is a comprehensive effort to evaluate certain rate methodologies and develop recommendations for improving those payment methodologies for Alaska Medicaid that enhance access to care, address Alaska's unique challenges, reduce administrative burdens, and ensure budget sustainability.

Phase 1

Phase 1 of the Medicaid Rate Review project began in August 2024. It includes the following service categories.

Behavioral Health

Alaska Medicaid Behavioral Health Rate Review

- > [Project Overview](#)
- > [Recommendation Development Target Timeline](#)
- > [Provider Cost and Wage Survey Training](#)

Providers who would like to participate in the cost and wage survey can reach out to AKRateStudy_BH@guidhouse.com for more details.

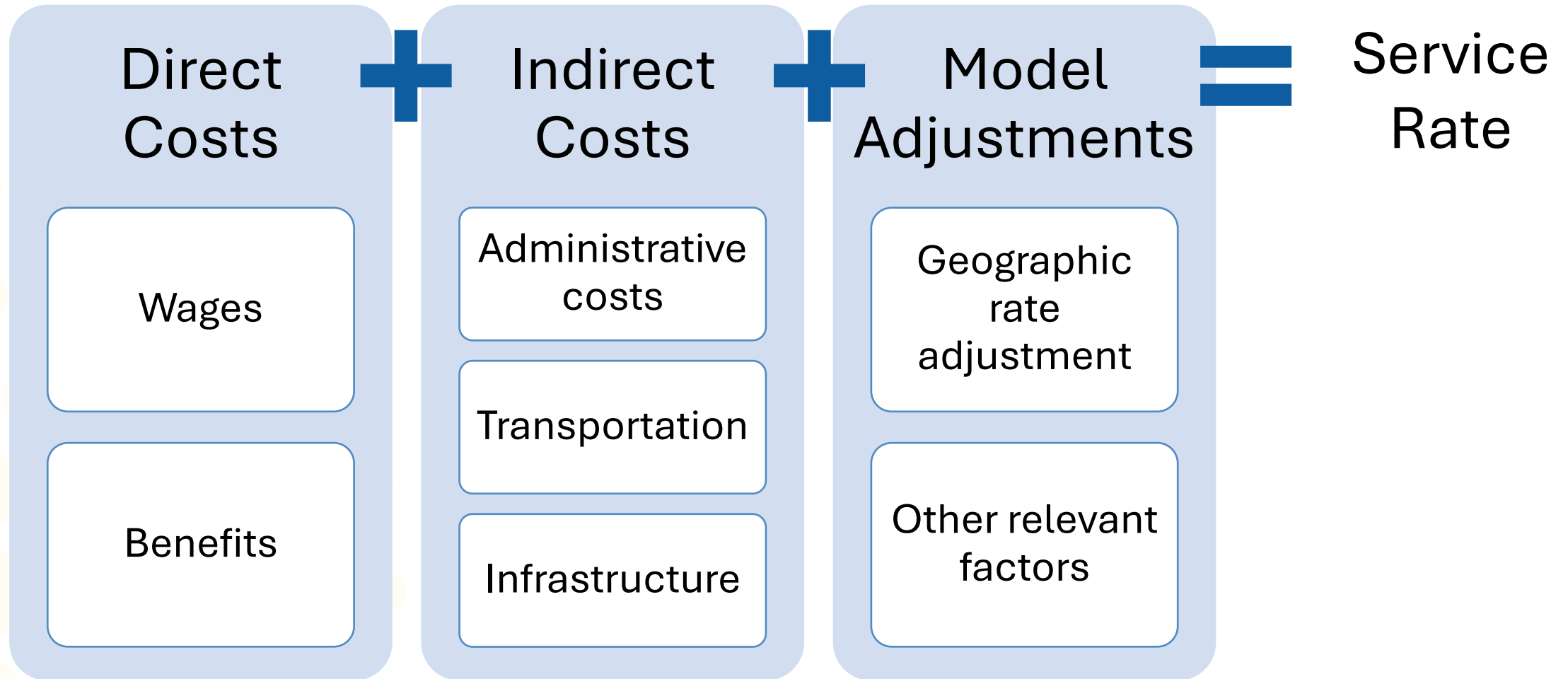
Long Term Services and Supports

Federally Qualified Health Centers

Non-Emergency Medical Transportation

<https://health.alaska.gov/Commissioner/Pages/RateReview/MRR/>

Rate Methodology Development





Next Steps for BH & LTSS

Behavioral Health & Long Term Services and Supports Guidehouse Recommendation Reports

- **Target Delivery:** July 2025

DOH Actions

- **Evaluation:** DOH will evaluate recommendations for implementation.
- **Funding & Approval:** Selected recommendations will proceed through the Medicaid budget process, including funding approval from the legislature.
- **Implementation:** Final approved rates will be implemented through State Plan Amendments (SPAs) and regulatory updates as necessary.

Thank you
Questions?

