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State/Territory Name: AK

State Plan Amendment (SPA) #: 25-0008

This file contains the following documents in the order listed:

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

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services
230 South Dearborn
Chicago, Illinois 60604

Financial Management Group

July 9, 2026

Emily Ricci
Commissioner
Department of Health
3601 C Street, Suite 902,
Anchorage, Alaska 99503-5923

RE: TN 25-0008

Dear Commissioner Ricci,

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed Alaska state plan amendment (SPA) to Attachment 4.19-B AK-25-0008, which was submitted to create a frontis page and update the effective dates of several Medicaid services. During the course of the review, CMS noted the need for a companion letter to bring your state plan into compliance with federal regulation, which is included in the approval package for this SPA.

We reviewed your SPA submission for compliance with statutory requirements including in sections 1902(a)(2), 1902(a)(13), 1902(a)(30), and 1903 as it relates to the identification of an adequate source for the non-federal share of expenditures under the plan, as required by 1902(a)(2), of the Social Security Act and the applicable implementing Federal regulations.

Based upon the information provided by the state, we have approved the amendment with an effective date of July 1, 2025. 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 DRR analyst James Moreth at (206) 615-2043 or via email at James.Moreth@CMS.HHS.GOV.

Sincerely,

[redacted]

Todd McMillion
Director

Division of Reimbursement Review

Enclosures

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services
230 South Dearborn
Chicago, Illinois 60604

Financial Management Group

July 9, 2026

Emily Ricci
Commissioner
Department of Health
3601 C Street, Suite 902,
Anchorage, Alaska 99503-5923

RE: Companion Letter for AK-25-0008

Dear Commissioner Ricci:

This letter is being sent as a companion to our approval of Alaska's Medicaid state plan amendment (SPA) 25-0008. During our review of this SPA, the Centers for Medicare & Medicaid Services (CMS) identified issues with the existing payment pages for this SPA for payment methodologies included in the scope of the services in AK-25-0008. Medical assistance is defined at section 1905(a) the Social Security Act (the Act) as "payment of part or all of the cost of the following care and services, or the care and services themselves, or both…." Section 1902(a)(30)(A) of the Act requires that the payments are for "care and services under the plan."

The existing Physician Services payment page (page 6 of attachment 4.19-B) includes the following methodology: "Payment is made at the lesser of billed charges, the Resource Based Relative Value Scale (RBRVS) methodology, the provider's lowest charge, or the state maximum allowable for procedures that do not have an established Relative Value Unit (RVU). The Resource Based Relative Value Scale methodology is that described in 42 CFR 414 except that increases and reductions to the average will be phased in until the year 2000. The relative value units used are the most current version published in the Federal register. Non-routine office supplies are reimbursed at the lesser of billed charges or the state maximum allowable."

Pursuant to section 1905(a) of the Act, non-routine office supply costs are not covered Medicaid services when billed separately. Generally, office supply costs are overhead costs included in the overall rate for the service. Please remove "non-routine office supplies are reimbursed at the lesser of billed charges or the state maximum allowable" from the existing Physician payment methodology page of section 4.19-B of the State Plan.

Additionally, the existing payment methodology for Home Health services on page 3 of attachment 4.19-B is payment at charges. Section 1902(a)(30)(A) of the Act requires states "to assure that payments are consistent with efficiency, economy, and quality of care." Because providers may charge amounts that are not consistent with economy and efficiency, CMS does not find this payment to be consistent with section 1902(a)(30)(A) of the Act. Please submit a

SPA that changes the payment methodology for Home Health services to one that is consistent with section 1902(a)(30)(A) of the Act.

Please respond to this letter by October 21, 2026, with a corrective action plan describing how the State will resolve the issues identified above. Failure to respond timely will result in our initiation of the formal compliance process. During the 90 days, we are willing to provide any required technical assistance. If you have any questions, please contact James Moreth at James.Moreth@cms.hhs.gov.

Sincerely,

[redacted]

Todd McMillion
Director
Financial Management Group

Enclosures

DEPARTMENT OF HEALTH ANDHUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES

FORM APPROVED
OMB No. 0938-0193

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL

FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES

1. TRANSMITTAL NUMBER: 25-0008

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
July 1, 2025

5. FEDERAL STATUTE/REGULATION CITATION
42 CFR 447.201

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a. FFY ~~26~~ 25 $ 1,487,888
b. FFY ~~27~~ 26 $ 4,463,664

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
Attachment 4.19-B; pages 1(new), 1.1, 1.1a(new), 1.2, 1a,1b, 2, 3, 4, 5b, 6, 9, 11, 11a.2, 11b, & 12

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT *(If Applicable)*
Attachment 4.19-B; pages 1.1, 1.2, 1a,1b, 2, 3, 4, 5b, 6, 9, 11, 11a.2, 11b, & 12 (AK-24-0008)

9. SUBJECT OF AMENDMENT
This SPA is to update the effective date, links to rate schedules (when applicable), and align language with rate description for the following fee schedules in state plan section 4.19-B.

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:
Does not wish to comment.

11. SIGNATURE OF STATE AGENCY OFFICIAL
[redacted]
Emily Ricci

13. TITLE
Deputy Commissioner & Medicaid Director

14. DATE SUBMITTED
~~September 30, 2025~~ 9/29/25

15. RETURN TO
Dept of Health Commissioner's Office
c/o Christal Hays
3601 C Street, Suite 902
Anchorage, AK 99503

FOR CMS USE ONLY

16. DATE RECEIVED
9/29/25

17. DATE APPROVED
July 9, 2026

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
7/1/25

19. SIGNATURE OF APPROVING OFFICIAL
[redacted]

20. TYPED NAME OF APPROVING OFFICIAL
Todd McMillion

21. TITLE OF APPROVING OFFICIAL
Director, DRR

22. REMARKS
P&I change to following boxes:
- Box 6 to correct FFYs to 2025 and 2026
- Boxes 7 and 8 to correct page numbers
- Box 16 to correct submission date to 9/29/25

Instructions on Back

Attachment 4.19-B Introduction

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of the services listed on this page. Unless otherwise noted, all services are listed in Attachment 4.19-B of the Alaska Medicaid State Plan. The agency's fee schedule rates were set as of the dates noted below and are effective for services on or after those dates. The below rates are published on the agency's website at https://extranet-sp.dhss.alaska.gov/hcs/medicaidalaska/Provider/Sites/FeeSchedule.html

- Advanced Practice Registered Nurses –page 1.1, Effective date July 1, 2025
- Advanced Practice Dental Hygienist –page 1.1, Effective date July 1, 2025
- Chiropractic Services –page 1.1a, Effective date July 1, 2025
- Dental Services –page 1.1a, Effective date July 1, 2025
- Direct Entry Midwife Services –page 1.1a, Effective date July 1, 2025
- Dental Services for Recipients 21+ and dentures – page 1b, Effective July 1, 2025
- EPSDT – page 2, Effective date July 1, 2025
- DEMPOS – page 3, Effective date July 1, 2025
- Physical, Occupational, Speech Therapy Services – pages 5b & 11, Effective date July 1, 2025
- Physician's Assistants – page 5b, Effective date July 1, 2025
- Physicians – page 6, Effective date July 1, 2025
- Justice Involved Youth (JIY) – Targeted Case Management – page 11a.2, Effective date July 1, 2025
- Transportation Services – page 11b, Effective July 1, 2025

Behavioral Health and 1115 Waiver Services

- Mental Health Clinic & Mental Health Rehabilitation Services – page 4, Effective date July 1, 2025
- Licensed Behavior Analysts – page 1.2, Effective date July 1, 2025
- Licensed Clinical Social Workers – page 1a, Effective date July 1, 2025
- Licensed Marriage and Family Therapists – page 1a, Effective date July 1, 2025
- Licensed Professional Counselors – page 1a, Effective date July 1, 2025
- Licensed Psychologists – page 1a, Effective date July 1, 2025
- Substance Abuse Rehabilitation Services, page 11, Effective July 1, 2025

Home and Community Based Waiver and Personal Care Attendant Services

- LTSS Targeted Case Management, page 11a.2, Effective July 1, 2025
- Personal Care Services, page 5b, Effective date July 1, 2025
- Personal Care Services for CFC Option – page 5b, Effective date July 1, 2025
- Chore Services for CFC Option – page 5b, Effective date July 1, 2025

The following rates are listed on the website of the Office of Rate Review, are the same for governmental and private providers, and are set as of the dates below and are effective on or after those dates. https://health.alaska.gov/en/office-of-the-commissioner/office-of-rate-review/

- Ambulatory Surgical Centers – page 1.1, Effective July 1, 2025
- Free-Standing Birth Center – page 2, Effective July 1, 2025
- End Stage Renal Dialysis (In-Home Peritoneal Dialysis) – page 1.2, Effective July 1, 2025

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

Advanced Practice Registered Nurses

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 state maximum allowable for procedures that do not have an established RVU. Laboratory services are reimbursed at the lesser of billed charges or the Medicare fee schedule. Except as otherwise noted in the plan, state-developed fees schedule rates are the same for both governmental and private providers. Rates update automatically when the RBRVS rate changes annually. The rates are effective for services on or after the date listed on Attachment 4.19-B Page 1.

Advanced Practice Dental Hygienists

Payment for Advanced Practice Dental Hygienists services is made in accordance with the Resource Based Relative Value Scale (RBRVS) reimbursement methodology when there are RVUs established for the allowable dental procedure codes. This fee schedule will be adjusted by the S&P Global Market Intelligence Healthcare Cost Review, CMS Home Healthy Agency Market Basket each July 1. The rates are effective for services on or after the date listed on Attachment 4.19-B Page 1.

Ambulatory Surgical Clinic Services

Payment is made to ambulatory (outpatient) surgical clinics on a prospectively determined rate. Payment covers all operative functions attendant to medically necessary surgery performed at the clinic by a private physician or dentist, including admitting and laboratory tests, patient history and examination, operating room staffing and attendants, recovery room care, and discharge. It includes all supplies related to the surgical care of the beneficiary while in the clinic. The payment excludes the physician, radiologist, and anesthesiologist fee. State developed fee schedule rates are the same for both public and private providers. The fee schedule was last updated, to be effective for services on or after July 1, 2025.

Certified Nurse Anesthetist

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 state 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 (4.19-B). Alaska's state-specific conversion factors 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.

Methods and Standard for Establishing Payment Rates: Other Types of Care Cont.

Chiropractic Services

Payment for manual manipulation to correct subluxation of the spine and x-rays is made at the lesser of billed charges, the Resource Based Value Scale methodology for physicians, the provider's lowest charge, or the state maximum allowable for procedures that do not have an RVU. The fee schedule will be adjusted each July 1 by the Consumer Price Index for all Urban Consumers (CPI-U), all items, for Urban Alaska published by the United States Department of Labor, Bureau of Labor Statistics. The rates are effective for services on or after the date listed on Attachment 4.19-B Page 1.

Coverage of Routine Patient Costs in Qualifying Clinical Trials

The department reimburses routine patient costs in qualifying clinical trials in compliance with section 1905(gg) of the Act using the applicable approved reimbursement methodology in the state plan.

Dental Services

Payment is made at the lesser of billed charges, the Resource Based Relative Value Scale (RBRVS) methodology used for physicians, the provider's lowest charge, or the state maximum allowable for procedures that do not have an established RVU. The fee schedule will be adjusted each July 1 by the Consumer Price Index for all Urban Consumers (CPI-U), all items, for Urban Alaska published by the United States Department of Labor, Bureau of Labor Statistics. The rates are effective for services on or after the date listed on Attachment 4.19-B Page 1.

Direct Entry Midwife Services

Payment is made at the lesser of billed charges, 85 percent of the Resource Based Relative Value Scale RBRVS) methodology used for physicians, the provider's lowest charge, or the state maximum allowable for procedures that do not have an established RVU. The fee schedule will be adjusted each July 1 by the Consumer Price Index for all Urban Consumers (CPI-U), all items, for Urban Alaska published by the United States Department of Labor, Bureau of Labor Statistics. The rates are effective for services on or after the date listed on Attachment 4.19-B Page 1.

Other Licensed Practitioners

Licensed Behavior Analysts

The state Medicaid program reimburses for behavior analysis services through the supervising health care provider - who is a licensed behavior analyst operating within their scope of practice. All covered services pay at the lesser of the provider's billed charges or the state maximum allowable for the procedures. Tribal behavioral health clinic encounter rates do not apply to services in this section.

The base rates are listed in the fee schedule and can be accessed via the link referenced on page 1 of this document. This fee schedule is adjusted by the I.H.S. Markit Healthcare Cost Review, CMS Home Healthy Agency Market Basket each July 1. The rates are effective for services on or after the date listed on Attachment 4.19-B Page 1.

In-Home Peritoneal Dialysis

Payment for in-home renal dialysis services is at a composite per treatment rate for peritoneal dialysis. No more than one treatment will be billed per day.

The rate for in-home dialysis is all-inclusive, except that the department pays separately for erythrocyte-stimulating agents and parenteral iron replacement products, which are reimbursable under the existing prescribed drug payment methodology.

The composite per treatment payment rate for peritoneal dialysis is adjusted annually each July 1.

The composite per treatment payment rate for peritoneal dialysis is calculated as a statewide weighted average. The following are used to develop the statewide weighted average:

a. Alaska Medicaid claims information from the MMIS that identifies the number of peritoneal dialysis treatments delivered to Alaska Medicaid recipients during the most recent calendar year for which timely filing has passed; and

b. The average cost per treatment included on Medicare Cost Reports submitted by end-stage renal disease clinics providing in-home dialysis services for the calendar year aligning with a) above.

The cost of the peritoneal cost per treatment taken from the average cost of treatments value reported on the Computation of Average Costs per Treatment Basic Composite Cost worksheet for Home Program Continuous Ambulatory Peritoneal Dialysis (CAPD) and Home Program Continuous Cycling Peritoneal Dialysis (CCDP) portion of the Medicare Cost Reports (CS 265-11, worksheet D) submitted by end-stage renal disease clinics. When the average cost of treatments from the Computation of Average Costs per Treatment Basic Composite Costs is reported as weekly costs on the Medicare Cost Reports submitted by end-stage renal disease clinics, the department divides peritoneal dialysis values by seven treatments a week to arrive at the average cost per daily treatment.

Other Licensed Practitioners

Licensed Clinical Social Workers

The state Medicaid program reimburses for services provided by a licensed clinical social worker operating within their scope of practice. All covered services are paid at the lesser of the provider's billed charges or the state maximum allowable for the procedures. State-developed fee schedule rates are the same for both governmental and private providers of services. The rates are effective for services on or after the date listed on Attachment 4.19-B Page 1.

Licensed Marriage and Family Therapists

The state Medicaid program reimburses for services provided by a licensed marriage and family therapist operating within their scope of practice. All covered services are paid at the lesser of the provider's billed charges or the state maximum allowable for the procedures. State-developed fee schedule rates are the same for both governmental and private providers of services. The rates are effective for services on or after the date listed on Attachment 4.19-B Page 1.

Licensed Professional Counselors

The state Medicaid program reimburses for services provided by a licensed professional counselor operating within their scope of practice. All covered services are paid at the lesser of the provider's billed charges or the state maximum allowable for the procedures. State-developed fee schedule rates are the same for both governmental and private providers of services. The rates are effective for services on or after the date listed on Attachment 4.19-B Page 1.

Licensed Psychologists

The state Medicaid program reimburses for services provided by a licensed psychologist operating within their scope of practice. All covered services are paid at the lesser of the provider's billed charges or the state maximum allowable for the procedures. State-developed fee schedule rates are the same for both governmental and private providers of services. The rates are effective for services on or after the date listed on Attachment 4.19-B Page 1.

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

Dental Services for Recipients Age 21 or Older:

Payment is made at the lesser of billed charges, the Medicare Resource Based Relative Value Scale Methodology used for physicians in those instances where Medicare sets an RVU for the billed dental service, the provider's lowest charge, or the statewide fee schedule up to an annual limit of $1150 per Medicaid recipient age 21 or older. This fee schedule will be adjusted each July 1 by the Consumer Price Index for all Urban Consumers (CPI-U), all items, for Urban Alaska published by the United States Department of Labor, Bureau of Labor Statistics. The dental fee schedule includes dental procedures that are limited by the physician payment amount for dental procedures.

Dentures

For recipients age 21 and older, dentures and the authorized services to prepare for them, are paid up to an annual limit of $1150 per recipient. When upper and lower dentures are necessary and the annual limit is not adequate to cover the cost of the dental claim, twice the annual limit will be authorized by the Department. When authorizing twice the annual limit for dentures, the maximum amount authorized is the remaining amount from the current fiscal year and the entire amount allotted for the succeeding fiscal year. The recipient is not allowed a new or additional annual limit for the succeeding year beyond that already paid for the dentures.

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

EPSDT Screening Services

Payment is made at the lesser of billed charges, the RBRVS methodology for physicians, or the provider's lowest charge. The rates are effective for services on or after the date listed on Attachment 4.19-B Page 1.

Freestanding Birthing centers

Facility rates for freestanding birthing centers are based on 75 percent of the weighted average of the Medicaid hospital inpatient rates paid to the general acute care hospitals in Anchorage, Fairbanks, Juneau, Palmer, and Soldotna with a one-day length of stay designated by a primary diagnosis code of 080 as described in the International Classification of Diseases – 10th Revision, Clinical Modification (ICD-10-CM, adopted by reference in State of Alaska regulations); this amount is calculated each state fiscal year using the units of services from the most recent 12 month period starting at the beginning of the state fiscal year's fourth quarter and for which timely filing has already passed and the Medicaid hospital inpatient rates for each facility that are in effect at the start of the fourth quarter of the state fiscal year preceding the July 1 effective date. The rates are effective for services on or after the date listed on Attachment 4.19-B Page 1.

Other Types of Care, cont.

Home Health Services

Payment is made at 80 percent of billed charges.

Hospice Care Services

Payment is set and adjusted according to the yearly releases from the Centers for Medicare & Medicaid Services (CMS). Alaska's Medicaid program adjusts the rates by the start of the CY (January 1) immediately after the release of the updated rates by CMS, and these rates are retroactive to the effective date of the CMS material released (usually, October 1 of each year).

Laboratory Services

Payment for laboratory services provided by independent laboratories, physicians in private practice, and hospital laboratories acting as independent laboratories is made at the lesser of billed charges or the Medicare fee schedule or the Resource Based Relative Value Scale rate. The fee schedule will be adjusted each July 1 by the Consumer Price Index for all Urban Consumers (CPI-U), all items, for Urban Alaska published by the United States Department of Labor, Bureau of Labor Statistics. Procedures with no established rate are paid at 80 percent of the amount billed to the general public. The rates are effective for services on or after the date listed on Attachment 4.19-B Page 1

Mammograms

Payment is made at the lesser of the billed charges or the Resource Based Value Scale methodology used for physicians.

Durable Medical Equipment, Medical Supplies, and Prosthetic and Orthotic Devices

Reimbursement for durable medical equipment and supplies dispensed by enrolled durable medical equipment (DME) and prosthetic and orthotic (P&O) providers to recipients physically located in the state is made at the lesser of the amount billed, the Medicare rate current at the time of dispensing, or the state maximum allowable posted on the fee schedule.

Reimbursement for dispensed medical supplies and prosthetic and orthotic devices identified as billable only by an enrolled certified P&O provider occurs at the lesser of the amount billed, the Medicare rate current at the time of dispensing multiplied by 1.2, or the state maximum allowable posted on the fee schedule.

The rates are effective for services on or after the date listed on Attachment 4.19-B Page 1.

For a covered, non-priced, non-miscellaneous Healthcare Common Procedure Coding System (HCPCS) code, the rate is based on the submitted unaltered final purchase invoice price plus 35 percent for claims submitted on or after June 2, 2019, and before the date the rate is established, until CMS or the department sets a rate:

(1) if the median unaltered final purchase invoice price of the non-miscellaneous HCPCS item for the first 10 claims is less than $5,000, the final rate will be set at

(A) the median submitted unaltered final purchase invoice price of the first 10 claims plus 35 percent if the first 10 claims were paid to at least two different enrolled providers; or

(B) the median submitted unaltered final purchase invoice price of the number of claims paid, plus 35 percent after 15 claims are paid but have not been paid to at least two different enrolled providers;

Other Types of Care, cont.

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 physician) 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 rates are effective for services on or after the date listed on Attachment 4.19-B Page 1.

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 rates are effective for services on or after the date listed on Attachment 4.19-B Page 1.

Nurse-Midwife Services

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 state maximum allowable for procedures that do not have an established RVU. Laboratory services are reimbursed at the lesser of billed charges or the Medicare fee schedule. 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. Rates update automatically when the RBRVS rate changes annually.

Other Types of Care, Cont.

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. This fee schedule is adjusted by the I.H.S Markit Healthcare Cost Review, CMS Home Healthy Agency Market Basket each July 1. The rates are effective for services on or after the date listed on Attachment 4.19-B Page 1

Personal Care Services for Community First Choice Option

Effective for services provided on or after July 1, 2025, 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. This fee schedule is adjusted by the I.H.S Markit Healthcare Cost Review, CMS Home Healthy Agency Market Basket each July 1. The rates are effective for services on or after the date listed on Attachment 4.19-B Page 1.

Chore Services for Community First Choice Option

Effective for services provided on or after July 1, 2025, 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. This fee schedule is adjusted by the S&P Global Market Intelligence Healthcare Cost Review, CMS Home Healthy Agency Market Basket each July 1. The rates are effective for services on or after the date listed on Attachment 4.19-B Page 1.

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. This fee schedule will be adjusted each July 1 by the Consumer Price Index for all Urban Consumers (CPI-U), all items, for Urban Alaska published by the United States Department of Labor, Bureau of Labor Statistics.
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 rates are effective for services on or after the date listed on Attachment 4.19-B Page 1.

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. This fee schedule will be adjusted each July 1 by the Consumer Price Index for all Urban Consumers (CPI-U), all items, for Urban Alaska published by the United States Department of Labor, Bureau of Labor Statistics. State developed fee schedules are the same for both public and private providers. The rates are effective for services on or after the date listed on Attachment 4.19-B Page 1.

Other Types of Care, cont.

Physician Services:

Payment is made at the lesser of billed charges, the Resource Based Relative Value Scale (RBRVS) methodology, the provider's lowest charge, or the state maximum allowable for procedures that do not have an established Relative Value Unit (RVU). The Resource Based Relative Value Scale methodology is that described in 42 CFR 414 except that increases and reductions to the average payment made for an individual procedure billed at least ten times during the previous fiscal year will be phased in until the year 2000. The relative value units used are the most current version published in the Federal register. Non-routine office supplies are reimbursed at the lesser of billed charges or the state maximum allowable.

Surgical reimbursement is in accordance with the Resource Based Value Scale methodology except that multiple surgeries performed on the same day are reimbursed at 100 percent for each additional surgery; bilateral surgeries are reimbursed at 150 percent of the RBRVS rate; co-surgeons are reimbursed by increasing the RBRVS rate by 25 percent and splitting the payment between the two surgeons; and supplies associated with surgical procedures performed in a physician's office are reimbursed at the lesser of billed charges or the state maximum allowable. Payment is made to surgical assistants at the lesser of billed charges or 25 percent of the Resource Based Relative Value Scale methodology.

Payment to physicians for in-office laboratory services are reimbursed using the laboratory reimbursement methodology.

Payment is made to independently enrolled hospital-based physician for certain services at the lesser of the amount billed the general public or 100 percent of the Resource Based Relative Value Scale methodology.

Anesthesia services are reimbursed using the Medicare base units and time units and a state determined conversion factor.

Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers.

Effective July 1, 2023, physician services reimbursement will be set using the Medicare Relative Value Units, updated on a quarterly basis, and the most recently published Medicare Geographic Practice Cost Index for the state of Alaska. The state of Alaska applies a conversion factor of $43.412 to the formula in the calculation of an RBRVS rate. The rates are effective for services on or after the date listed on Attachment 4.19-B Page 1.

Other Types of Care, Cont.

Private Duty Nursing for Children Under 21

Payment for private nursing is the lesser of amount billed the general public or $80 per hour for registered nurse services and $75 per hour for licensed practical nurse services. Hours must be justified in a physician-approved plan of care, must be less than 24 hours per day, and cannot, when added to the other Medicaid services used by the child, exceed the cost of institutional care.

Radiology Services

Payment for radiology services provided by independent radiology facilities is made at the lesser of billed charges, 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. This maximum allowable payment is a single rate per procedure code.

Renal Dialysis Physician Clinics

Payment for renal dialysis clinic services will be paid at a composite, per treatment payment rate for hemodialysis and a separate composite per treatment rate for peritoneal dialysis. No more than one treatment will be billed per day, and no more than three hemodialysis treatments will be billed per week without medical justification.

The rates for end-stage renal disease facilities are all-inclusive, except that the department will pay for erythrocyte-stimulating agents and parenteral iron replacement products, which are separately reimbursable under existing prescribed drug payment methodology.

The composite, per treatment payment rates for hemodialysis and peritoneal dialysis will be adjusted annually each July 1.

The composite, per treatment payment rates for hemodialysis and peritoneal dialysis will be calculated as statewide weighted averages. The following will be used to develop the statewide weighted averages:

a. Alaska Medicaid claims information that identifies the number of hemodialysis and separately the number of peritoneal dialysis treatments delivered to Alaska Medicaid recipients during the most recent calendar year for which timely filing has passed; and

b. The average cost per treatment included on Medicare Cost Reports submitted by end-stage renal disease clinics for the calendar year aligning with a) above.

The hemodialysis cost per treatment will be taken from the Average Cost of Treatments Value entered on the Computation of Average Costs per Treatment Basic Composite Cost worksheet for maintenance hemodialysis portion of the Medicare Cost Reports submitted by end-stage renal disease clinics. The cost of the peritoneal cost per treatment will be taken from the average cost of treatments value reported on the Computation of Average Costs per Treatment Basic Composite Cost worksheet for Home Program Continuous Ambulatory Peritoneal Dialysis (CAPD) and for Home… (continued on next page)

Other Types of Care, Cont.

Speech, Hearing, and Language Services:

The department will pay for speech pathology/audiology services if they are identified in the *CPT Fee Schedule for Speech Pathologist table and HCPC Fee Schedule for Speech Pathologists table.*

Payment for speech-language pathology services provided by a speech pathologist or outpatient speech therapy center 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 state maximum allowable for procedures that do not have an established RVU.

Payment for hearing services provided by an audiologist 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 state maximum allowable for procedures that do not have an established RVU.

This fee schedule will be adjusted each July 1 by the Consumer Price Index for all Urban Consumer (CPI-U), all items, for Urban Alaska, published by the United States Department of Labor, Bureau of Labor Statistics.

Payment to a hearing aid supplier is made at the lesser of billed charges or the state maximum allowable. The rates are effective for services on or after the date listed on Attachment 4.19-B Page 1.

Substance Abuse Rehabilitation Services:

The following substance abuse rehabilitation services are reimbursed at the lesser of the amount billed the general public or the state maximum allowable:

1. assessment and diagnosis services;
2. outpatient services, including individual, group, and family counseling; care coordination; and rehabilitation treatment services;
3. intensive outpatient services;
4. intermediate services; and
5. related medical services, including medical evaluation for admission into methadone treatment, intake physical for non-methadone recipients, methadone treatment plan review, medication management, medication dispensing, and urinalysis and detoxification services.

The rates are effective for services on or after the date listed on Attachment 4.19-B Page 1.

Other Types of Care, Cont.

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 July 1, 2025, 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 I.H.S Markit Healthcare 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 rates are effective for services on or after the date listed on Attachment 4.19-B Page 1.

Justice Involved Youth (JIY) – Targeted Case Management:

Reimbursement to providers of justice involved youth targeted case managed provided on or after January 1, 2025, is a 15-minute fee for service rate based on:

- Salaries
- Fringe Benefits
- Allowable Indirect Costs

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 agency's fee schedule was set as of January 1, 2025 and is effective for services provided on or after that date.

Other Types of Care, Cont.

Transportation Services

Emergency and non-emergency transportation services are paid at the lesser of the amount billed to the public, or the state maximum allowable if such a maximum has been established.

The following types of transportation services for recipients and authorized escorts will be payable at a state negotiated rate, or when the department determines the need:

- Commercial airline service;
- Ferry service;
- Ground transportation;
- Air and ground ambulance.

The State maintains files of negotiated rates.

With the exception of government-operated accommodations, meal and lodging costs for recipients and approved escorts are reimbursed at the lesser of the amount billed the public or the state maximum allowable per day.

Costs for recipients and approved escorts utilizing government-operated accommodations are reimbursed at the federal per diem rate or the per diem rate established by the State of Alaska, whichever the provider chooses; or, if less, the amount billed to the public.

Prior authorization is required for all non-emergency transportation and all lodging and meal costs for both recipients and escorts.

Other Types of Care, Cont.

Vision Care & Optometry Services

Reimbursement is made at the lesser of billed charges, the Resource Based Relative Value Scale methodology used for physicians, the provider's lowest charge, or the state maximum allowable for procedures that to not have an established RVU.

The state awards a competitive-bid contract for eyeglasses.

The department will pay 10 percent of the physician fee-schedule rate for post-operative management services provided by an optometrist.