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State/Territory Name: AK

State Plan Amendment (SPA) AK: 26-0007

This file contains the following documents in the order listed:

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

Financial Management Group

September 4, 2026

Emily Ricci
Deputy Commissioner & Medicaid Director
Dept of Health Commissioner's Office
c/o Christal Hays
3601 C Street, Suite 902
Anchorage, AK 99503

RE: TN 26-0007

Dear Director Ricci,

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed Alaska state plan amendment (SPA) to Attachment 4.19-B AK-26-0007 which was submitted to CMS on August 04, 2026. This plan amendment is being submitted to update the effective dates of rates on the frontispiece (page 1) of Attachment 4.19-B to the most current fiscal year rate.

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, 2026. 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 LaJoshica Smith at 214-767-6453 or via email at lajoshica.smith@cms.hhs.gov.

Sincerely,

[redacted]

Todd McMillion
Director
Division of Reimbursement Review

Enclosures

DEPARTMENT OF HEALTH AND HUMAN 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: 26-0007

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, 2026

5. FEDERAL STATUTE/REGULATION CITATION
42 CFR 447.201

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a. FFY 27 $ 1,203,440
b. FFY 28 $ 3,610,320

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
Attachment 4.19-B; pages 1, 1.1, 5b, 6, 12

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT *(If Applicable)*
Attachment 4.19-B; pages 1, 1.1, 5b, 6, 12

9. SUBJECT OF AMENDMENT
This SPA is to update the effective dates of rates on the frontispiece (page 1) of Attachment 4.19-B to the most current fiscal year rate. Other updates will be made to rate descriptions to remove redundant language and refer to the frontispiece.

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:
SPA does not require comment

11. SIGNATURE OF STATE AGENCY OFFICIAL
[redacted]

12. TYPED NAME
Emily Ricci

13. TITLE
Deputy Commissioner & Medicaid Director

14. DATE SUBMITTED
August 4, 2026

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
August 4, 2026

17. DATE APPROVED
September 4, 2026

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
July 1, 2026

19. SIGNATURE OF APPROVING OFFICIAL
[redacted]

20. TYPED NAME OF APPROVING OFFICIAL
Todd McMillion

21. TITLE OF APPROVING OFFICIAL
Director, FMG Division of Reimbursement Review

22. REMARKS

Instructions on Back

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

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. All 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, 2026
- Advanced Practice Dental Hygienist –page 1.1, Effective date July 1, 2026
- Chiropractic Services –page 1.1a, Effective date July 1, 2026
- Dental Services (including dentures) –page 1.1a, Effective date July 1, 2026
- Direct Entry Midwife Services –page 1.1a, Effective date July 1, 2026
- EPSDT – page 2, Effective date July 1, 2026
- DEMPOS – page 3, Effective date July 1, 2026
- Physical, Occupational, Speech Therapy Services – pages 5b & 11, Effective date July 1, 2026
- Physician's Assistants – page 5b, Effective date July 1, 2026
- Physicians – page 6, Effective date July 1, 2026
- Justice Involved Youth (JIY) – Targeted Case Management – page 11a.2, Effective date July 1, 2026

Behavioral Health and 1115 Waiver Services

- Mental Health Clinic & Mental Health Rehabilitation Services – page 4, Effective date July 1, 2026
- Licensed Behavior Analysts – page 1.2, Effective date July 1, 2026
- Licensed Clinical Social Workers – page 1a, Effective date July 1, 2026
- Licensed Marriage and Family Therapists – page 1a, Effective date July 1, 2026
- Licensed Professional Counselors – page 1a, Effective date July 1, 2026
- Licensed Psychologists – page 1a, Effective date July 1, 2026
- Substance Abuse Rehabilitation Services, page 11, Effective July 1, 2026

Home and Community Based Waiver and Personal Care Attendant Services

- LTSS Targeted Case Management, page 11a.2, Effective July 1, 2026
- Personal Care Services, page 5b, Effective date July 1, 2026
- Personal Care Services for CFC Option – page 5b, Effective date July 1, 2026
- Chore Services for CFC Option – page 5b, Effective date July 1, 2026

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, 2026
- Free-Standing Birth Center – page 2, Effective July 1, 2026
- End Stage Renal Dialysis (In-Home Peritoneal Dialysis) – page 1.2, July 1, 2026

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.

Advanced Practice Dental Hygienists

Payment is made to advanced practice dental hygienists for allowable dental hygiene services in accordance with the fee schedule for advanced practice dental hygienist services.

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

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.

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.

Personal Care Services for Community First Choice Option

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 the Attachment 4.19-B Page 1.

Chore Services for Community First Choice Option

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 the 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 may 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 the 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 may 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. Supplies related to in-clinic care (such as splints, casts, wound-care, etc.) 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.

Physician services reimbursement is 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 $46.513, as of July 1, 2026, to the formula in the calculation of an RBRVS rate.

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 1of each year 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 4.19B, 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 rates are effective for services on or after the date listed on Attachment 4.19B, Page 1.