DEPARTMENT OF HEALTH & HUMAN SERVICES Centers for Medicare & Medicaid Services 7500 Security Boulevard, Mail Stop S2-26-12 Baltimore, Maryland 21244-1850



Center for Medicaid and State Operations

June 4, 2009

Bill Hogan, Commissioner Department of Health and Social Services P.O. Box 110601 Juneau, AK 99811-0601

RE: Alaska SPA 2003-003

Dear Mr. Hogan:

We have reviewed the proposed amendment to Attachments 4.19-A and D of your Medicaid State plan submitted under transmittal number (TN) 2003-003. This amendment updates the Optional Prospective Payment Rate Methodology for small hospitals (4.19-A) and nursing facilities (4.19-D). This Amendment also removes obsolete language related to the Private ProShare program.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(13), 1902(a)(30), 1903(a), and 1923 of the Social Security Act and the implementing Federal regulations at 42 CFR 447 Subpart C. We are pleased to inform you that Medicaid State plan amendment 2003-003 is approved effective January 1, 2003 for pages 6-8 of both Attachments 4.19-A and 4.19-D. In addition, pages 25 and 26 of Attachment 4.19-A are approved effective July 1, 2005. We are enclosing the HCFA-179 and the amended plan pages.

If you have any questions, please call Tom Couch of the National Institutional Reimbursement Team at (208) 334-9482.

Sincerely,

//s//

Jackie Garner Acting Director Center for Medicaid and State Operations

Enclosures