



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

Department of
Health and Social Services

Office of the Commissioner

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April 27, 2018

Dear Medicaid Redesign Telehealth Stakeholder Workgroup Members:

I write to express the appreciation of the Department of Health & Social Services for sharing your experience and expertise and for developing recommendations regarding the use of telehealth applications to improve access to care for Alaska's Medicaid recipients.

The department provided a copy of the workgroup's report and recommendations to the legislature as an attachment to our annual Medicaid reform report to the legislature on November 15 (see link below). The department also reviewed the workgroup's recommendations and has documented a summary of our responses in the enclosed table.

Unrelated to the workgroup's recommendations, the department will be releasing draft telehealth regulations to clarify rules related to Medicaid reimbursement for current telehealth activities. The draft regulations will be available for public comment sometime in the coming months through the public notice process. You may subscribe to the State of Alaska public notice system to receive newly released notices at the additional link provided below.

Thank you again for your assistance with this important effort, and for your dedication to improving health and health care in Alaska generally and through our Medicaid program.

Sincerely,

A handwritten signature in black ink, appearing to read "Jon Sherwood".

Jon Sherwood
Deputy Commissioner

Enclosure

CC: The Honorable Pete Kelly, President, Alaska Senate
The Honorable Bryce Edgmon, Speaker of the House, Alaska House of Representatives
Fred Parady, Deputy Commissioner, Department of Commerce, Community & Economic Development
Sana Efird, Deputy Commissioner, Department of Education and Early Development

Link to DHSS FY 2017 Annual Medicaid Reform Report:

http://dhss.alaska.gov/HealthyAlaska/Documents/redesign/FY-2017_Annual_Medicaid_Reform_Report_1-23-18.pdf

Link to State of Alaska Public Notice web site: <https://aws.state.ak.us/OnlinePublicNotices/default.aspx>

Telehealth Stakeholder Workgroup Recommendations and DHSS Responses

General Recommendation Category	Specific Recommended Actions	DHSS Response
<p>Recommendation 1: Reimburse Care Management and Use of Remote Monitoring Strategies in Home Settings</p>	<ul style="list-style-type: none"> a. Monitor the implementation of the Alaska Coordinated Care Demonstration Projects that will implement care management for specific Medicaid populations and the use of innovative payment models to reward value and improved patient outcomes. Specifically evaluate the return on investment for telehealth strategies within these pilot projects, which will test innovative payment models. b. Monitor the results of the SDS technology committee and any pilot projects that result for participants in the 1915(c) waivers. Evaluate if these strategies could be employed for other Medicaid-eligible groups. c. Monitor the implementation of the proposed 1115 behavioral health waiver that will potentially offer home-based services to other high-cost Medicaid populations to evaluate if increased care management and in-home services, provided via telehealth, would improve outcomes. 	<ul style="list-style-type: none"> a. The award of the Alaska Coordinated Care Demonstration Projects will be announced imminently. The department will evaluate the return on investment from these demonstration projects, which will include telehealth strategies. b. The Division of Senior and Disabilities Services (SDS) supported the Statewide Independent Living Council of Alaska (SILC) in their successful application to the Alaska Mental Health Trust Authority for funding for an Innovation to Independence through Enabling Technology pilot project, and is collaborating with SILC on the implementation plan. The pilot project will help SDS understand how technology can enhance an individual's quality of life and reduce service utilization using assistive technology, home telehealth monitoring, and medication management devices. The pilot is expected to launch by early SFY 2019, and additional funding is being sought to expand the reach. c. The department submitted the 1115 Medicaid waiver to support behavioral health reform in January 2018, and is currently in negotiations with the Centers for Medicare and Medicaid Services. Once implemented the waiver will be a demonstration project that will require an evaluation component.

	<p>d. Evaluate the cost-benefit for establishing a bundled rate to reimburse providers for time to travel to the home, set up equipment and to instruct the patient and family on how to use equipment for specific populations.</p>	<p>d. Limited evidence exists that demonstrates the effectiveness of remote patient monitoring for improving clinical outcomes. In addition, the department does not currently reimburse providers for travel time related to equipment. Additional resources would be required to conduct an analysis to determine whether remote monitoring would improve patient outcomes and be cost-effective, and also to determine whether reimbursement for vendor travel time is essential to delivery of the service.</p>
<p>Recommendation 2: Revise state law regarding prescriptions for controlled substances</p>	<p>a. Amend Alaska state law to change AS 08.64.364(c) reference from “appropriate licensed health provider” to “practitioner” as defined by federal law cited above. <i>(note that the last two words of this recommendation is referencing source document, not this document)</i></p>	<p>a. This recommendation falls under the purview of the legislature and the Department of Commerce, Community and Economic Development. The department recommends any changes to state laws related to prescribing practices be carefully considered to ensure compliance with federal laws and regulations, particularly those of the U.S. Department of Justice, Drug Enforcement Agency.</p>
<p>Recommendation 3: Monitor Medical Board Licensing Regulations Regarding Delivery of Telehealth Services</p>	<p>a. Ensure state medical and licensing boards update their regulations to allow professionals to provide telehealth services consistent with SB 74 and with the definition of telehealth included in SB74.</p>	<p>a. This recommendation falls under the purview of the legislature and the Department of Commerce, Community & Economic Development.</p>
<p>Recommendation 4: Require All Payers to Reimburse Telehealth at Parity</p>	<p>a. Pass a law in Alaska to require parity among all payers for telehealth services. b. Work with the Alaska Division of Insurance to conduct work sessions with health care payers in Alaska to develop acceptable language to include in legislation.</p>	<p>These recommendations fall under the purview of the legislature and Division of Insurance.</p>

<p>Recommendation 5: Improve Coordination Between Schools and Providers to Expand the Use of Telehealth</p>	<ul style="list-style-type: none"> a. Work with the Alaska Department of Education and Early Development to develop a centralized data repository to track client/patient history and IEPs. b. Identify services, such as speech therapy, that could be delivered via telehealth. c. Analyze the utilization of school-based services to avoid duplication and ensure coordination between schools and providers. 	<p>These recommendations fall under the purview of the Department of Education & Early Development, and may require additional resources to implement.</p>
<p>Recommendation 6: Support Collaborative Efforts to Leverage Federal Funding for Internet Coverage in Rural Areas</p>	<ul style="list-style-type: none"> a. Alaska currently receives \$82m from the USAC Rural Health Care Fund, which accounts for 25% of the nation’s funding. Support the collaborative efforts of ASHNHA, GCI Health Care and other partners to advocate federally to increase the cap on these funds to secure \$600 million to address Internet coverage in rural areas. Continue to advocate for support of the telehealth network serving rural Alaska. 	<ul style="list-style-type: none"> a. The DHSS Division of Public Health collaborates with the Alaska Primary Care Association, ASHNHA, and other partners to address issues related to rural health access, including the USAC Rural Health Care Fund.
<p>Recommendation 7: Work with the Health Information Exchange and Department of Commerce to Develop Telehealth Central Network</p>	<ul style="list-style-type: none"> a. Work with Alaska Health Information Exchange and the Department of Commerce, Community, and Economic Development to identify the most feasible information technology to support a central network for Alaska’s telehealth providers. 	<ul style="list-style-type: none"> a. The Department of Commerce, Community, and Economic Development has established the telehealth registry required by Senate Bill 74. The Alaska Health Information Exchange has established a network for exchange of health information and is investigating business development opportunities to meet the needs of Alaskan providers.

<p>Recommendation 8: Help Providers Invest in Equipment and Connectivity to Support Telehealth Strategies</p>	<ul style="list-style-type: none"> a. As indicated above, passing a parity law in Alaska to ensure all payers reimburse for telehealth services, will also increase the incentive for providers to invest in the necessary equipment and connectivity. b. Continue to support the development of Alaska’s HIE (Health Information Exchange) and to increase connections to it among Alaska providers. 	<ul style="list-style-type: none"> a. This recommendation would require a statutory change and falls under the purview of the legislature and the Division of Insurance. b. The department actively participates in funding, providing technical assistance to, and otherwise supporting Alaska’s HIE.
<p>Recommendation 9: Develop Baseline Data of Telehealth Utilization and Analyze Use and Need Patterns</p>	<ul style="list-style-type: none"> a. Identify baseline data for cost and utilization of telemedicine services for Alaska Medicaid. b. Develop and routinely prepare data reports on telehealth utilization among Alaska Medicaid enrollees to analyze telehealth utilization by location, provider type, diagnosis code, and service category. Use reports to determine priorities for targeted telehealth expansion. 	<ul style="list-style-type: none"> a. The Alaska Medicaid Program, in compliance with federal Medicaid rules, considers telemedicine a mode of service delivery, not a service in and of itself, and will pay for appropriate services delivered with approved telemedicine technologies. The goal of the department related to telemedicine is to improve access to care for those regions and services for which access barriers can be overcome with telemedicine modalities that are cost effective and improve clinical outcomes. Data development related to Medicaid services delivered via telemedicine would need to go beyond simple cost and utilization to ensure that goal is met. b. Data development and reporting in and of itself is not sufficient without an evaluation plan to ensure appropriate analysis of specific provider types and service referrals, as well as an understanding of Medicaid costs, utilization and outcomes of services delivered via telemedicine technologies. If the department is able to identify resources to support data development related to telehealth utilization,

		<p>the effort will focus on identification of areas of the state that experience barriers to access to services that would be amenable to delivery via telemedicine technologies, and the development of data reports that provide an analysis of cost effectiveness and health outcomes.</p>
<p>Recommendation 10: Continue Medicaid Redesign Telehealth Stakeholder Workgroup</p>	<p>a. Provide DHSS staff support to offer ongoing coordination of the telehealth workgroup for regular webinars and half-day quarterly in-person meetings.</p>	<p>a. Due to the current fiscal climate in the state the department has had to make reductions in staffing and funding and does not currently have the resources to support the work of an ongoing telehealth stakeholders' workgroup.</p>