



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

Department of
Health and Social Services

DIVISION OF HEALTH CARE SERVICES
Director's Office

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November 28, 2018

Dear Tribal Health Leader,

On behalf of the Department of Health and Social Services (the department) and in keeping with the responsibility to conduct tribal consultation, I am writing to inform you of the proposed future section 1115 demonstration waiver for behavioral health services. Consultation on the proposed demonstration waiver coincides with public comment on the application.

The Division of Behavioral Health (the division), through the department, is making significant changes to both the delivery system and service array for behavioral health services in Alaska. The division is requesting federal authority for a demonstration project to develop a data-driven, integrated behavioral health system of care for children, youth, and adults with serious mental illness, severe emotional disturbance, and/or substance use disorders. The demonstration also seeks to increase services for at-risk families to support the healthy development of children and adults through increased outreach and prevention and early intervention supports.

Section 1115 Demonstration Waiver authority gives states the option to pilot projects promoting the objectives of the Medicaid and Children's Health Insurance Program (CHIP) programs. Criteria for approval of the demonstration project include that the project must:

1. increase and strengthen overall coverage of low-income individuals in the state;
2. increase access to, stabilize, and strengthen providers and provider networks available to serve Medicaid and low-income populations in the state;
3. improve health outcomes for Medicaid and other low-income populations in the state; **or**
4. increase the efficiency and quality of care for Medicaid and other low-income populations through initiatives to transform service delivery networks.

Alaska has established five goals for this demonstration project to achieve the vision of a transformed behavioral health system of care:

1. expansion of treatment capacity and improved access to services;
2. integration of care;
3. cost and outcomes reform;
4. provider payment and accountability reform; and
5. delivery system reform.

The Alaska Demonstration Project will establish a more robust continuum of behavioral health care services with an emphasis on early interventions, community-based outpatient services, inpatient residential treatment as appropriate, and enhanced peer recovery supports. Alaska's proposed project focuses on establishing an enhanced set of benefits for three target populations of Medicaid recipients: 1) at-risk children and adolescents who are interacting with, or at risk of interacting with, the child welfare system or juvenile justice system, 2) individuals with acute mental health needs, and 3) individuals with substance use disorders. Strategies and evidence-based interventions in the proposed demonstration project are aimed at effectively addressing the needs of each of the target populations. The benefits for all target populations are designed to decrease use of costly, acute services by conducting universal screenings; intervening early and when symptoms are first identified; utilizing sub-acute, community-based step-up and step-down clinical services as alternatives to residential and inpatient services; and developing community based supports to maintain recovery, health, and wellness.

Demonstration waiver project services are proposed as an enhanced set of services to the target populations meeting criteria. Medicaid State Plan services will be available to all Medicaid eligible individuals meeting medical necessity and provided by any qualified Medicaid enrolled provider. A subsequent consultation letter will address forthcoming State Plan Amendments.

Administrative Services Organization - The division will contract with an administrative services organization to manage Alaska efforts to reform the existing system of behavioral health care based on cost, utilization, and outcomes data. The contracted administrative services organization will be solicited through the public request for proposals (RFP) procurement process, separate from the Section 1115 waiver application process.

The state anticipates that the enhanced services through the proposed 1115 demonstration project will be beneficial to eligible tribal beneficiaries as they experience a more robust continuum of care and an improvement in the quality of care. Tribal Health Organizations will have the opportunity to provide input and choose from a variety of evidence-based practices.

To access the 1115 waiver application, please go to the following webpage -

http://dhss.alaska.gov/HealthyAlaska/Documents/AK1115_Draft_Application-11.2017.pdf

Written comments or questions regarding the proposed demonstration waiver are due on **December 28, 2017**, by 5:00 PM. If you would like to arrange an in-person meeting or discussion regarding the waiver application, please provide a written request within 15-days of this letter. Please direct all written correspondence to Courtney O'Byrne King, Alaska Department of Health and Social Services, 4501 Business Park Blvd, Building L, Anchorage AK 99503 or Courtney.king@alaska.gov.

Sincerely,



Courtney O'Byrne King, MS
Medicaid State Plan Coordinator