



THE STATE
of **ALASKA**
GOVERNOR SEAN PARNELL

Department of
Health and Social Services

OFFICE OF RATE REVIEW

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November 8, 2013

Dear Providers,

On behalf of the Department of Health and Social Services, we want to thank you for your participation in the regulations project concerning changes to Medicaid payment rates for home and community-based (HCB) Waiver services and personal care attendant (PCA) services. We are appreciative of the level of respect that has been shown throughout the process and for the thoughtful public comments that were provided by many of you.

Based on the public comments and with the support of the Commissioner, the Department has decided to effectively keep the existing rate structure in place until July 1, 2015 to allow for further work on establishing a sustainable Medicaid rate system. More specifically, on November 5th, the Commissioner formally adopted changes to the proposed regulations that extend both the provider-specific rates and the current rate chart until July 1, 2015. As is the case now, the rate chart will continue to receive the annual inflation adjustments, and the annual reporting / audit requirements will continue to be enforced. The adopted changes also include the proposed Specialized Medical Equipment Fee Schedule and the partial exemption to annual reporting requirements for newly enrolled providers. The adopted changes will not become effective until a legal review is completed by the Department of Law, which is currently in progress, and after the regulations are filed by the Lieutenant Governor in accordance with the Administrative Procedures Act.

Now that a decision has been adopted concerning rates for HCB Waiver services and PCA services, the Commissioner has directed the Office of Rate Review and the Division of Senior & Disabilities Services to work with the provider community as partners to modify the proposed rate structure so that the State of Alaska can ultimately implement a sustainable Medicaid reimbursement rate system for these services. Accordingly, you can expect to hear from us in the near future to start this engagement.

As always, thank you for the services that you provide to Alaskans. We look forward to continuing our work together.

Sincerely,

Handwritten signature of Jared C. Kosin in blue ink.

Jared C. Kosin
Executive Director
Office of Rate Review

Handwritten signature of Duane Mayes in blue ink.

Duane Mayes
Division Director
Senior & Disabilities Services