



December 27, 2023

In accordance with regulation¹, Alaska Department of Health (DOH), Division of Behavioral Health (DBH) held an annual public forum on November 20, 2023, to solicit comments on the progress of the 1115 waiver. During this session, DBH presented an overview of the waiver's history, renewal process, financial analysis, and future considerations. Following the presentation, interested parties were invited to submit public testimony. This document provides a summary of the comments received and DBH's response.

Further Enhancements

Comment Summary: Commenters expressed their support for the waiver goals and DBH's pursuit of a waiver renewal. They encouraged DBH to explore the options for school-based Medicaid services, in order to support the waiver's focus on mental health. Suggestions were made to include homelessness as an eligibility criterion and to authorize continuous enrollment for vulnerable populations. Commenters voiced a desire to transition some waiver services back to state plan authority for inclusion in rate rebasing and inflation adjustments. One commenter requested DBH to align waiver services and requirements to the current ASAM criteria. One commenter asked DBH to explore specific flexibilities for enhanced clinic rates for FFS states, providing enhanced rates for Bachelor's and Master's level clinicians as an example.

State Response: DBH appreciates the support and input on future enhancements to the behavioral health delivery system. DBH will partner with other Department agencies to consider options to add "homelessness" as an eligibility criterion, provide continuous enrollment for vulnerable populations, and add school-based services as eligible Medicaid services. DBH also plans to work with Department agencies to identify potential amendments to state policy or regulations within the 1115 waiver authority to align with ASAM criteria. The state will consider all suggestions from commenters as reform efforts continue.

Administrative Burden

Comment Summary: Many commenters described significant administrative burdens experienced by providers in implementing the waiver services. Administrative challenges related to provider enrollment, increased regulations, and documentation were cited as particular issues, and it was noted that these challenges prevent providers from spending face-to-face time with patients. Commenters noted a desire for similar obligations with non-behavioral health medical providers in terms of documentation requirements. Suggestions were made for DBH to streamline administrative processes and provide additional support, transparency, and responsiveness to navigate the administrative processes.

¹ 42 CFR 431.420(c)

State Response: DBH acknowledges this feedback and recognizes the increased administrative burden due to the 1115 waiver. DBH welcomes input on options to streamline administrative processes while maintaining compliance with federal guidance and state licensing requirements and is committed to exploring solutions with internal partners and providers. Efforts to improve administrative functions will continue to be pursued through state policy, regulations, and sub-regulatory actions that can be achieved alongside the 1115 waiver authority.

Bifurcation of the Waiver

Comment Summary: Commenters raised concerns about the bifurcation of the waiver, which occurred when CMS approved the behavioral health (BH) and substance use disorder (SUD) services on separate timelines. Commenters stated that the bifurcated implementation created complexities for providers and moved Alaska away from an integrated care model.

State Response: DBH concurs that the bifurcation of the service implementation has presented challenges and expresses hope that these will be resolved during the renewal period. This understanding is a key reason that DBH has reframed the waiver as the Behavioral Health Reform Waiver – to underscore the commitment to integration of SUD and mental health services.

Claims Payment

Comment Summary: Commenters raised concerns about claims processing, citing challenges experienced by many providers in receiving timely and accurate payments. The most common issue cited was delayed payments from the administrative services organization (ASO).

State Response: DBH acknowledges these challenges and the adverse impacts to providers. Efforts to improve administrative functions are being pursued. Specifically, DBH is actively utilizing its contractual oversight mechanisms with the ASO to monitor compliance with contractual obligations. DBH is committed to ongoing partnership and dialogue with providers as these issues are resolved.

Payment Rates

Comment Summary: Commenters expressed concerns about the reimbursement rates for services authorized under the waiver, indicating the current rates for many services do not reflect the cost of providing the services. Many commenters indicated that the reimbursement rates have created barriers to the expansion and full implementation of waiver services. One commenter expressed dismay that providers still need to rely on grant funding to cover the cost of care and stated that there is still reliance on braided funding. Specific challenges were also expressed around rates for youth and adolescent services, as well as home-based family treatment. Suggestions to improve rates included rebasing rates annually and increasing rates to reflect the cost of services.

State Response: DBH appreciates the feedback and acknowledges the need to increase reimbursement rates for waiver services. DBH will continue to engage with community partners in conversations about service-specific rates.

Data / Reporting

Comment Summary: Commenters expressed concerns about the data that was shown in the financial analysis material during the public forum meeting. There were several in-depth questions around the time frame shown, paid claims vs.

recouped claims, and the reasonableness of provider enrollment data that indicates increases in the number of newly enrolled providers within the state of Alaska.

State Response: For the question around the timing of the data presented, Milliman and DBH reviewed historical experience that indicated aggregate BH expenditures remained relatively consistent during July 2020 through June 2021 when compared to the twelve-month period ending February 2020 (prior to the pandemic). Suppressed utilization of BH services was less apparent relative to other services such as emergency room and outpatient surgeries. During the pandemic more BH services were rendered via telehealth and overall costs decreased on a per member basis, despite material Medicaid caseload increases observed during the pandemic.

For questions around paid claims vs. recouped claims, the Optum data source utilized in developing the expenditure summaries considered initial paid claims as well as claim adjustments and recoupments that occurred after the initial claim payment. Pending claims were excluded from the data exhibits.

Regarding the data on new providers, this is something DBH recognizes as a point of potential confusion and in the future will more actively consider the distinction between newly enrolled and newly servicing providers.