



Submitted via: [emily.beaulieu@alaska.gov](mailto:emily.beaulieu@alaska.gov)

November 25, 2024

Commissioner Heidi Hedberg  
State of Alaska Department of Health  
3601 C Street, Suite 902  
Anchorage, AK 99503

Emily Beaulieu, Medicaid State Plan Coordinator  
State of Alaska Department of Health  
3601 C Street, Suite 902  
Anchorage, AK 99503

**SUBJECT: SPA to exempt DRG hospitals from continued stay authorizations**

Dear Commissioner Hedberg and Ms. Beaulieu:

The Alaska Native Tribal Health Consortium (ANTHC) is a statewide tribal health organization serving all 229 tribes and all Alaska Native and American Indian (AN/AI) people in Alaska. ANTHC provides a wide range of statewide public health, community health, environmental health, and other programs and services for Alaska Native people and their communities. ANTHC and Southcentral Foundation operate programs at the Alaska Native Medical Center, the statewide tertiary care hospital for all AN/AI people in Alaska, under the terms of Public Law 105-83.

I am writing in response to your October 14<sup>th</sup> Dear Tribal Health Leaders letter, in which the State proposes to amend the State Medicaid Plan to exempt hospitals that are reimbursed based on the Diagnosis Related Groups (DRG) payment rate methodology from continued stay authorization requirements. We are also aware that the Alaska Native Health Board (ANHB) will be submitting a similar recommendation on behalf of the Alaska Tribal Health System (ATHS). ANTHC supports the ANHB letter and recommendation(s).

While we understand that the DRG payment method addresses average length of stay for patients grouped within specific DRGs, and that this alleviates the need to have utilization limits, we still believe it would be appropriate to also exempt Tribal hospitals from the service authorizations. ANTHC is adversely affected by the continued stay service authorizations because Alaska simply does not have lower acuity of care facilities to discharge patients to. For example, skilled nursing services are an essential step in the continuum of care, with many hospitals directly coordinating with these specialized facilities to ensure patients are receiving the right level of care in the right setting. Alaska is ranked 50th out of 50 states in skilled nursing facility (SNF) beds on a population per capita basis.

Every day, between 20-35 ANMC inpatient beds are used by patients who are unable to transition to skilled nursing, representing approximately 10-20 percent of the Alaska Native Medical Center (ANMC) patient population. The lack of SNF capacity in the state is felt in the Alaska Tribal Health System as well as with non-tribal health care providers, who also struggle with placing patients in an appropriate level of care outside of the hospital. The administrative burden and costs to comply with the extended stay requirements is often time consuming and difficult to comply with. Because of these

**Alaska Native Tribal Health Consortium**

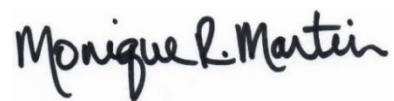
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challenges discussed above, ANTHC recommends that the proposed SPA be amended to include an exemption of the continued stay authorization requirements for Tribal hospitals.

We believe this request is consistent with our partnership with the State and works to maximize the policy of 100% FMAP since these services are reimbursed entirely by the federal government. Thank you for the opportunity to provide our comments and recommendations on the proposed SPA. If you should have any questions, please do not hesitate to contact me at [mmartin@anthc.org](mailto:mmartin@anthc.org).

Sincerely,

A handwritten signature in black ink that reads "Monique R. Martin". The signature is written in a cursive, flowing style.

Monique R. Martin, Vice President  
Intergovernmental Affairs