



August 27, 2019

Dear Tribal Health Leaders

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 a proposed future Medicaid state plan amendment (SPA). *The department offers this consultation opportunity concurrent with the public process related to a proposed regulatory change.*

Purpose and content of the proposed amendment and revision to the alternative benefit plan

The state offers an update of the Medicaid vision services benefit and rate methodology in the form of the following changes:

- the addition of language clarifying medical justification requirements and limits for contact lenses;
- an update of the prior authorization requirements and criteria for prescribed UV coating, specialty frames, and non-standard lenses to align with current practice;
- the addition of a prior authorization requirement for prism lenses,
- the establishment of a limit of one (1) pair of eyeglasses per two (2) years for adults;
- the addition of criteria allowing children to receive more than one pair of eyeglasses per year;
- the inclusion of asphericity lenses as a non-covered item;
- a revision of the rate methodology to align with 7 AAC 145.050 (resource-based relative value scale rate-setting methodology) for eyeglass frame repair and contact lens fitting fees, allowing for fair and equitable reimbursement to providers, as required in 42 CFR 447.204;
- an increase in the rate reimbursed for shipping of eyeglasses to a member from the provider (ophthalmologist, optometrist, or optician) to a rate that aligns with current costs for shipping.

Anticipated impact on Medicaid-eligible Alaska Native/American Indian beneficiaries

With the implementation of the proposed changes, Medicaid-eligible adult Alaska Native or American Indian beneficiaries will be limited to one pair of eyeglasses every two years instead of every year, unless their prescription changes.

Anticipated impact on tribal health programs and the Indian Health Service

With the implementation of the proposed changes, the state believes tribal health programs and/or the Indian Health Service

- will be subject to additional prior authorization requirements for specialty lenses

- will have clearer guidance regarding the parameters regarding the coverage of contact lenses through the Medicaid program
- will have clearer guidance on the reimbursement of fitting fees for glasses and contact lenses
- will not likely benefit from the increased reimbursement for fitting fees and the repair of frames because of the application of the encounter rate.

Mechanism and timeline for comment

Written comments or questions regarding the proposed amendment are due on October 14, 2019, by 5:00 PM. If you would like to arrange an in-person meeting regarding the proposed changes, please provide a written request within 15-days of the date of this letter. Please direct all written correspondence to Courtney O’Byrne King, Alaska Department of Health and Social Services, 4501 Business Park Boulevard, Building L. Anchorage, AK 99503, or courtney.king@alaska.gov.

*Comments received in response to this consultation letter are for consultation and not comment on the proposed regulations. Similarly, comments on the regulations are not comments for consultation on the SPA. **If you wish to provide comment for consideration in both the SPA consultation process and the regulations public comment process, you must do so separately.** To locate the regulations, please refer to the State of Alaska, Department of Health and Social Services web page, at the “Public Notices” link*

Sincerely,

Courtney O’Byrne King, MS
Medicaid State Plan Coordinator