



Governor Mike Dunleavy
STATE OF ALASKA

February 27, 2023

Ms. Chiquita Brooks-LaSure
Administrator
Centers for Medicare and Medicaid Services
7500 Security Boulevard
Baltimore, MD 21244

Dear Administrator Brooks-LaSure:

The State of Alaska, through its Department of Health, Division of Behavioral Health, is pleased to submit the enclosed Section 1115 Demonstration Waiver application to extend the Substance Use Disorder Treatment and Behavioral Health Program Demonstration (the Demonstration). With this application, Alaska seeks to continue its transformation of the state's mental health and substance use disorder delivery system and work towards implementing a full continuum of community-based services for Alaskans.

Alaska requests to maintain the current waiver with minimal changes in order to continue efforts towards full implementation. Through the approval of this renewal application, Alaska also proposes to update the 1115 Demonstration name from the current Substance Use Disorder Treatment and Behavioral Health Program (SUD-BHP) title to the Behavioral Health Reform Waiver, with the broader terminology intending to encompass both mental health and substance use disorder and reflecting Alaska's ongoing commitment to program reform and system transformation.

Achieving the state's vision has always been understood as a long-term path. While progress has been made over the course of the original Demonstration period, there has not been enough time to fully implement waiver programs and realize the desired outcomes. The state experienced significant operational challenges transitioning the delivery system to a new reimbursement model. Additionally, the COVID-19 pandemic has impacted progress, creating additional barriers to implementation, and simultaneously contributing to higher behavioral health morbidity and mortality. As such, Alaska envisions the Demonstration renewal as a continuation of efforts toward a consistent vision and set of strategic goals for behavioral health service delivery in the state.

Renewal of this waiver is critical to ongoing efforts to build a more integrated behavioral health system for all Alaskans. The state is committed to partnering with providers, associations, and

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tribal organizations to apply the lessons learned from the first demonstration period to improve access, address workforce shortages, and reduce administrative barriers to increased provider capacity.

We look forward to continued collaboration with the Centers for Medicare and Medicaid Services during the Demonstration renewal process. Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read "Mike Dunleavy", with a long horizontal flourish extending to the right.

Mike Dunleavy
Governor