



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

May 17, 2023

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

**RE: Proposed Temporary Medicaid State Plan Amendment (SPA) To Extend The Temporary COVID-19 Public Health Emergency Enhanced Pharmacy Dispensing Fee Rates**

Dear Ms. Beaulieu,

The Alaska Native Tribal Health Consortium (ANTHC) writes to provide comment on the proposed temporary Medicaid state plan amendment (SPA) to extend the temporary COVID-19 Public Health Emergency enhanced pharmacy dispensing fee rates. We support the continuation of the pandemic-era enhanced pharmacy dispensing fee rate while we continue to discuss the 2019 Cost of Dispensing Fee Survey and the adoption of a new rate based on that data.

ANTHC is a statewide tribal health organization serving all 229 Tribes and all Alaska Native and American Indian (AN/AI) individuals in Alaska. ANTHC and Southcentral Foundation co-manage the Alaska Native Medical Center (ANMC), the tertiary care hospital for all AN/AI people in Alaska. ANTHC also provides a wide range of statewide public health, community health, environmental health and other programs and services for Alaska Native people and their communities.

The Alaska Tribal Health System (ATHS) continues to emphasize the incredible impact of inflation and staffing costs on pharmacy providers, and how this is impacting the cost for providers to continue to provide services. By not implementing a permanent rate based on the 2019 Cost of Dispensing Fee Survey data, the ATHS has sustained negative financial impacts that ongoing delays exacerbate. These impacts equate to millions of dollars annually which negatively impacts our ability to render the quality, quantity, and timeliness of care that we would hope to do. There is an urgency to resolving this ongoing dialogue, and although we support this proposed temporary SPA, we do not wish for it to be a mechanism to delay resolution.

Further, we thank the Department for providing clarity during our consultation meeting on what rates have been shared with the Centers for Medicare and Medicaid Services (CMS) for approval related to a permanent Pharmacy Dispensing Fee Rate based on the 2019 Cost of Dispensing Fee Survey. We believe additional discussion on the proposed rates is necessary, as they do not accurately reflect the disparate costs for Tribal and non-Tribal providers. Tribal-specific cost data should not be used to set non-Tribal rates if unless non-Tribal cost data is excluded from establishing the rate used to reimburse Tribal programs.

**Alaska Native Tribal Health Consortium**  
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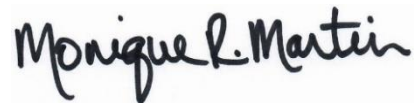
We recommend a fair and equitable rate and process on pharmacy dispensing fees that accurately reflect the site-specific costs associated with delivering services in the many isolated communities across the state where our patients reside. CMS regulations<sup>1</sup> require that States consider the unique circumstances and costs for Tribal providers when establishing their pharmacy dispensing fees so that they are adequately reimbursed for the provision of care to beneficiaries. The data in the Meyers and Stauffer 2020 Report was cost-based and had a nearly 100% response rate by our Tribal pharmacy providers and these results from the methodology are consistent with the requirements in the regulation and ensures access.

Because the ANMC is statewide referral center for specialty and acute care, it is in a unique position of dispensing more complex medications. Dispensing these means more clinical review due to increased monitoring and Food and Drug Administration compliance requirements. The additional clinical review and compliance activity results in even higher dispensing costs for ANMC.

We share a mutual goal to expeditiously finalize a new dispensing fee based on the 2019 Cost Dispensing Fee Survey that incorporates relevant CMS Market Basket adjustments. A process of open communication moving forward will support our joint work to achieve a timely approval of a new set of rates on pharmacy dispensing fees, and we look forward to additional conversations on a path forward.

We appreciate our ongoing collaborative work on resolving this pharmacy dispensing fee rate. We thank the Department for the opportunity to engage in this government-to-government Tribal Consultation. Please reach out with any comments or questions regarding our recommendations

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

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<sup>1</sup> CFR: 42 C.F.R. sec. 447.518