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Ms. Gennifer Moreau, Medical State Plan Coordinator
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Re: Proposed State Plan Amendment to Correct Errors
and Unintended Consequences of Recent Amendments
Regarding Payment for Services of "Physician
Collaborators."

Dear Ms. Moreau:

Thank you for your letter of January 26, 2015 notifying tribal health leaders of the Department's proposed Medicaid State Plan Amendments, and for the additional time provided for tribal consultation on the proposal. I submit these comments on behalf of SouthEast Alaska Regional Health Consortium (SEARHC). SEARHC is a consortium of federally-recognized Indian tribes that provides health care services in 18 communities throughout southeast Alaska and operates the Mt. Edgecumbe Hospital in Sitka, AK.

As we understand it, the Department proposes changes to the State Plan to correct errors in amendments it recently made to Attachment 4.19-B of the Plan, and to prevent unintended consequences that could stem from those amendments, which were mistakenly adopted without tribal consultation because their potential impact on tribal health programs was not recognized at the time. We appreciate the Department's efforts to engage in tribal consultation now and to restore the *status quo*, as well as the Department's assurance that it intended no changes in reimbursement policy for tribal health programs.

You have explained that the recent amendments were adopted at the request of the Centers for Medicare and Medicaid Services (CMS) and were intended to simply remove duplicative and redundant language from the Plan. Specifically, language describing payment for "physician collaborators" was deleted, and although it was intended to be replaced with a separate payment provision for each practitioner type that had been included on the "physician collaborator" list, several types of practitioners were inadvertently omitted, including Community Health Aides and Practitioners and Physician Assistants. We also understand that by deleting the "physician collaborator" language, the recent amendment could adversely impact payment to tribal hospitals under Attachment 4.19-C of the Plan.

The Alaska Native Tribal Health Consortium (ANTHC) has shared with us the final draft of the comments it plans to submit to you today. We agree with ANTHC's comments and endorse its suggested State Plan Amendment language. The changes it proposes will preserve and clarify the long-standing payment methodologies for services of tribal health programs.

From our perspective, it is especially important that the State Medicaid Plan include language that describes the well-established payment methodology for the services of Physician Assistants, who are widely utilized by tribal health programs, and for Community Health Aides and Practitioners, who are the very backbone of the rural tribal health system and serve on the front line of our efforts to deliver primary and emergency health services to Alaskans living in rural and remote communities.

With regard to inpatient hospital services, we also agree with ANTHC that the State Plan should specifically list the types of practitioners, formerly identified as "physician collaborators," whose costs are excluded from the inpatient encounter rate and whose services to inpatients are therefore separately reimbursed at 85% of the physician fee schedule. We agree the list should be limited to the provider types that have long been reimbursed on this basis: Physician Assistants, Advanced Nurse Practitioners, Nurse Midwives, Certified Registered Nurse Anesthetists, and Community Health Aides and Practitioners. By the same token, the Plan should clarify that the costs of all other practitioner types are to be included in the encounter rate, so that the rate is set high enough to reimburse tribal hospitals for those practitioners' costs.

For outpatient hospital services, we have not elected the optional payment methodology under which we could bill separately for the services of physicians and midlevel practitioners and accept a reduced outpatient encounter rate that excludes their costs. Nor do we have immediate plans to select that option. But we agree with ANTHC that the optional methodology should maximize the ability of tribal hospitals to be paid on the basis that best suits their circumstances, by allowing them to be paid separately for the services of any and all practitioner types whose costs can readily be identified in future cost reports and excluded from the reduced encounter rate.

We urge the Department to do all it can to expedite adoption of the needed State Plan Amendments so that any uncertainty about the impact of the earlier amendments can be quickly resolved.

Thank you again for the opportunity to consult with the Department on this important matter.

Sincerely,



Michael E. Douglas
Vice President/Chief Legal Officer

cc: DHSS Deputy Commissioner Jon Sherwood
DHSS Tribal Program Manager Renee Gayhart
Alaska Chief Assistant Attorney General Stacie Kraly
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