

State of Alaska FY2012 Governor's Operating Budget

Department of Health and Social Services Children's Medicaid Services Component Budget Summary

Component: Children's Medicaid Services**Contribution to Department's Mission**

Provides for the cost of Behavioral Rehabilitative Services for vulnerable children.

Core Services

- Provide residential child care program management to 30 statewide grantees.
- Fund and process payments for services provided to Medicaid eligible clients.
- Fund and process Bring the Kids Home program payments for services provided to non-Medicaid eligible clients.

Key Component Challenges

The Children's Medicaid Services component funds reimbursable services provided to clients under the Office of Children's Services (OCS). These services are provided by grantees, and OCS currently acts as the Medicaid provider to process billings, resulting in a need for divisional quality assurance and internal procedures that ensure timely and accurate payment. OCS has begun the process of requiring provider participation in a data reporting system that will enable providers to ultimately bill Medicaid directly, thereby eliminating the need for payment processes within the division. All Residential Care for Children and Youth Behavioral Rehabilitative Service providers are or will be AKAIMS (Alaska Automated Information Management System) or EDI (Electronic Data Interchange) users that will provide them with direct Medicaid billing capacity.

Significant Changes in Results to be Delivered in FY2012

Capacity for grantees to bill Medicaid directly along with OCS review and emphasis on streamlined, accurate and timely processing of payments will result in increased care provider satisfaction, fewer processing errors, and fewer audit exceptions.

Updated Status for Results to be Delivered in FY2011

OCS continues to work with grantees to advance direct input for Medicaid billings. With some grantees access to AKAIMS or EDI, this process should enhance and streamline the process.

Major Component Accomplishments in 2010

- Successfully provided services and process payments for children and youth in 30 residential care facilities statewide (grantees): Level II Emergency Stabilization and Assessment Centers, Level III Residential Treatment and Level, and IV Residential Diagnostic Treatment.
- Access to AKAIMS or EDI for grantees to promote direct billings to Medicaid.
- Full payment processes have been moved to OCS allowing for better tracking and more accurate claims for non-Medicaid eligible services to Title IV-E.

Statutory and Regulatory Authority

AS 47.07 Medical Assistance for Needy Persons
7 AAC 43 Medical Assistance
7 AAC 100 Medicaid Assistance Eligibility

Social Security Act:
Title XIX Grants to States for Medical Assistance Programs
Title XXI State Children's Health Insurance Program

Contact Information

Contact: Joe Hall, Budget Manager
Phone: (907) 465-1629
Fax: (907) 465-1850
E-mail: joseph.hall@alaska.gov

**Children's Medicaid Services
Component Financial Summary**

All dollars shown in thousands

	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	0.0	0.0	0.0
73000 Services	0.0	0.0	0.0
74000 Commodities	0.0	0.0	0.0
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	10,047.1	13,562.4	13,937.4
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	10,047.1	13,562.4	13,937.4
Funding Sources:			
1002 Federal Receipts	4,903.2	7,441.8	8,353.4
1003 General Fund Match	1,564.2	1,642.7	1,830.2
1004 General Fund Receipts	823.5	850.0	850.0
1037 General Fund / Mental Health	1,985.6	2,903.8	2,903.8
1108 Statutory Designated Program Receipts	18.0	0.0	0.0
1212 Federal Stimulus: ARRA 2009	752.6	724.1	0.0
Funding Totals	10,047.1	13,562.4	13,937.4

Estimated Revenue Collections

Description	Master Revenue Account	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Federal Receipts	51010	4,903.2	7,441.8	8,353.4
Statutory Designated Program Receipts	51063	18.0	0.0	0.0
Federal Economic Stimulus	51118	752.6	724.1	0.0
Restricted Total		5,673.8	8,165.9	8,353.4
Total Estimated Revenues		5,673.8	8,165.9	8,353.4

**Summary of Component Budget Changes
From FY2011 Management Plan to FY2012 Governor**

All dollars shown in thousands

	<u>Unrestricted Gen (UGF)</u>	<u>Designated Gen (DGF)</u>	<u>Other Funds</u>	<u>Federal Funds</u>	<u>Total Funds</u>
FY2011 Management Plan	5,396.5	0.0	0.0	8,165.9	13,562.4
Proposed budget increases:					
-Orthodontic Services for Children	187.5	0.0	0.0	187.5	375.0
FY2012 Governor	5,584.0	0.0	0.0	8,353.4	13,937.4

Component Detail All Funds
Department of Health and Social Services

Component: Children's Medicaid Services (2661)
RDU: Children's Services (486)

	FY2010 Actuals	FY2011 Conference Committee (Final)	FY2011 Authorized	FY2011 Management Plan	FY2012 Governor	FY2011 Management Plan vs FY2012 Governor
71000 Personal Services	0.0	0.0	0.0	0.0	0.0	0.0%
72000 Travel	0.0	0.0	0.0	0.0	0.0	0.0%
73000 Services	0.0	0.0	0.0	0.0	0.0	0.0%
74000 Commodities	0.0	0.0	0.0	0.0	0.0	0.0%
75000 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0%
77000 Grants, Benefits	10,047.1	0.0	0.0	0.0	0.0	0.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	10,047.1	0.0	0.0	0.0	0.0	0.0%
Fund Sources:						
1002 Fed Rcpts	4,903.2	0.0	0.0	0.0	0.0	0.0%
1003 G/F Match	1,564.2	0.0	0.0	0.0	0.0	0.0%
1004 Gen Fund	823.5	0.0	0.0	0.0	0.0	0.0%
1037 GF/MH	1,985.6	0.0	0.0	0.0	0.0	0.0%
1108 Stat Desig	18.0	0.0	0.0	0.0	0.0	0.0%
1212 Fed ARRA	752.6	0.0	0.0	0.0	0.0	0.0%
Unrestricted General (UGF)	4,373.3	0.0	0.0	0.0	0.0	0.0%
Designated General (DGF)	0.0	0.0	0.0	0.0	0.0	0.0%
Other Funds	18.0	0.0	0.0	0.0	0.0	0.0%
Federal Funds	5,655.8	0.0	0.0	0.0	0.0	0.0%
Positions:						
Permanent Full Time	0	0	0	0	0	0.0%
Permanent Part Time	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0.0%

Component Detail All Funds
Department of Health and Social Services

Component: Children's Medicaid Services (2661)
RDU: Medicaid Services (595)

	FY2010 Actuals	FY2011 Conference Committee (Final)	FY2011 Authorized	FY2011 Management Plan	FY2012 Governor	FY2011 Management Plan vs FY2012 Governor	
71000 Personal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
72000 Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
73000 Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
74000 Commodities	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
75000 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
77000 Grants, Benefits	0.0	13,562.4	13,562.4	13,562.4	13,937.4	375.0	2.8%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	0.0	13,562.4	13,562.4	13,562.4	13,937.4	375.0	2.8%
Fund Sources:							
1002 Fed Rcpts	0.0	7,441.8	7,441.8	7,441.8	8,353.4	911.6	12.2%
1003 G/F Match	0.0	1,642.7	1,642.7	1,642.7	1,830.2	187.5	11.4%
1004 Gen Fund	0.0	850.0	850.0	850.0	850.0	0.0	0.0%
1037 GF/MH	0.0	2,903.8	2,903.8	2,903.8	2,903.8	0.0	0.0%
1212 Fed ARRA	0.0	724.1	724.1	724.1	0.0	-724.1	-100.0%
Unrestricted General (UGF)	0.0	5,396.5	5,396.5	5,396.5	5,584.0	187.5	3.5%
Designated General (DGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Other Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Federal Funds	0.0	8,165.9	8,165.9	8,165.9	8,353.4	187.5	2.3%
Positions:							
Permanent Full Time	0	0	0	0	0	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

Change Record Detail - Multiple Scenarios With Descriptions
Department of Health and Social Services

Component: Children's Medicaid Services (2661)

RDU: Medicaid Services (595)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2011 Conference Committee (Final) To FY2011 Authorized *****												
FY2011 Conference Committee												
	ConfCom	13,562.4	0.0	0.0	0.0	0.0	0.0	13,562.4	0.0	0	0	0
1002 Fed Rcpts		7,441.8										
1003 G/F Match		1,642.7										
1004 Gen Fund		850.0										
1037 GF/MH		2,903.8										
1212 Fed ARRA		724.1										
Subtotal		13,562.4	0.0	0.0	0.0	0.0	0.0	13,562.4	0.0	0	0	0
***** Changes From FY2011 Authorized To FY2011 Management Plan *****												
Subtotal		13,562.4	0.0	0.0	0.0	0.0	0.0	13,562.4	0.0	0	0	0
***** Changes From FY2011 Management Plan To FY2012 Governor *****												
Orthodontic Services for Children												
	IncM	375.0	0.0	0.0	0.0	0.0	0.0	375.0	0.0	0	0	0
1002 Fed Rcpts		187.5										
1003 G/F Match		187.5										
Additional funding is needed to bring the Medicaid program into compliance with a state court order relating to orthodontic services for children.												
Prior to 2009, the state had regulations that limited coverage for orthodontia to patients with "severe conditions" such as a cleft palate or "class III skeletal malformation." A lawsuit was brought against the state, in which the plaintiffs argued that the regulation was too strict and that the state was in violation of the federal Medicaid Act, which requires children to be provided with health care that is deemed "medically necessary." As a consequence of a judgment by the courts, the state is required to revise the regulations used for approving orthodontic services for children. The revised standards would increase utilization and the spending associated with orthodontic services.												
Replace ARRA funds												
	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		724.1										
1212 Fed ARRA		-724.1										
ARRA Medicaid funding will end by the end of FY 2011. This change record converts ARRA authorization to federal authorization in anticipation of a potential continuation of the increased FMAP.												
Totals		13,937.4	0.0	0.0	0.0	0.0	0.0	13,937.4	0.0	0	0	0

Line Item Detail
Department of Health and Social Services
Grants, Benefits

Component: Children's Medicaid Services (2661)
RDU: Children's Services (486)

Line Number	Line Name		FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
77000	Grants, Benefits		10,047.1	0.0	0.0
Expenditure Account	Servicing Agency	Explanation	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
77000 Grants, Benefits Detail Totals			10,047.1	0.0	0.0
77116	Residential Care	Behavioral rehabilitation services (BRS): Payments to providers who deliver three levels of residential care to children in state custody. Services include Emergency Stabilization and Assessment, 24-hour behavioral rehabilitation services and small therapeutic care facilities. Emergency Stabilization provides temporary residential care for children in immediate danger. 24-hour treatment cares for children with emotional and behavioral disorders that need a more restrictive setting. Therapeutic care facilities address crisis placements. These funds support children as they step down from acute care and divert youth from entering acute care.	10,047.1	0.0	0.0

Line Item Detail
Department of Health and Social Services
Grants, Benefits

Component: Children's Medicaid Services (2661)
RDU: Medicaid Services (595)

Line Number	Line Name		FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
77000	Grants, Benefits		0.0	13,562.4	13,937.4
			FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
Expenditure Account	Servicing Agency	Explanation			
77000 Grants, Benefits Detail Totals			0.0	13,562.4	13,937.4
77116	Residential Care	Behavioral rehabilitation services (BRS): Payments to providers who deliver three levels of residential care to children in state custody. Services include Emergency Stabilization and Assessment, 24-hour behavioral rehabilitation services and small therapeutic care facilities. Emergency Stabilization provides temporary residential care for children in immediate danger. 24-hour treatment cares for children with emotional and behavioral disorders that need a more restrictive setting. Therapeutic care facilities address crisis placements. These funds support children as they step down from acute care and divert youth from entering acute care.	0.0	13,562.4	13,937.4

Restricted Revenue Detail
Department of Health and Social Services

Component: Children's Medicaid Services (2661)
RDU: Children's Services (486)

Master Account	Revenue Description	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
51010	Federal Receipts	4,903.2	0.0	0.0

Detail Information

Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
57301	Title XIX Map Medicaid Federal Collections - The bulk of the federal funding for Medicaid Title XIX Medical Assistance Payments comes from claims reimbursed at the federal medical assistance percentage or FMAP. Additional Medicaid federal financial participation rates are IHS (Indian Health Service) at 100% Federal and "Enhanced" FMAP for the State Children's Health Insurance Program or SCHIP and Breast and Cervical Cancer. Actual collections are based on the proportion of expenditures eligible for each type of federal reimbursement.				4,903.2	0.0	0.0

Restricted Revenue Detail
Department of Health and Social Services

Component: Children's Medicaid Services (2661)
RDU: Children's Services (486)

Master Account	Revenue Description	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
51063	Statutory Designated Program Receipts	18.0	0.0	0.0

Detail Information

Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
54252	Recovd Medicaid Pymt				18.0	0.0	0.0

Restricted Revenue Detail
Department of Health and Social Services

Component: Children's Medicaid Services (2661)
RDU: Children's Services (486)

Master Account	Revenue Description	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
51118	Federal Economic Stimulus	752.6	0.0	0.0

Detail Information

Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
51118	Federal Economic Stimulus				752.6	0.0	0.0

Restricted Revenue Detail
Department of Health and Social Services

Component: Children's Medicaid Services (2661)
RDU: Medicaid Services (595)

Master Account	Revenue Description	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
51010	Federal Receipts	0.0	7,441.8	8,353.4

Detail Information

Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
57301	Title XIX Map				0.0	7,441.8	8,353.4
	Medicaid Federal Collections - The bulk of the federal funding for Medicaid Title XIX Medical Assistance Payments comes from claims reimbursed at the federal medical assistance percentage or FMAP. Additional Medicaid federal financial participation rates are IHS (Indian Health Service) at 100% Federal and "Enhanced" FMAP for the State Children's Health Insurance Program or SCHIP and Breast and Cervical Cancer. Actual collections are based on the proportion of expenditures eligible for each type of federal reimbursement.						

Restricted Revenue Detail
Department of Health and Social Services

Component: Children's Medicaid Services (2661)
RDU: Medicaid Services (595)

Master Account	Revenue Description	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
51118	Federal Economic Stimulus	0.0	724.1	0.0

Detail Information

Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
51118	Federal Economic Stimulus		06214360	11100	0.0	724.1	0.0
Funds available due to the federal economic stimulus package, OMB Fund Code #1212.							