



# Alaska Native Health Board

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## ANHB UPDATE – February 13, 2009

(Please note that the ANHB Update format will be changing with the next issue.)

### STATE UPDATE

By Tim Schuerch, ANHB Policy Analyst

#### PRIORITY: ENERGY SOLUTIONS FOR HEALTHCARE

The Governor's FY10 Operating Budget includes funding for the Alaska Energy Authority's **POWER COST EQUALIZATION (PCE)** program in the amount of \$32.16 million. The AEA is within the Department of Commerce, Community, and Economic Development (DCCED).

**ALTERNATIVE ENERGY GRANTS:** Last year the Legislature created a new grant funding program within the AEA for renewable energy projects and appropriated a total of \$100 million to fund it. This year, with oil revenue projections plunging, House Finance Committee Co-Chairs Mike Hawker and Bill Stoltze appear to be having second thoughts about continuing to fund this program, despite continued strong support for it from both the Governor, as well as from Senate Finance Co-Chairs Bert Stedman and Lyman Hoffman. Discussions continue between AEA and Legislators on this program, which potentially may have a significant impact on rural areas and Alaska Tribal Health System providers.

The Senate Finance Committee recently introduced S.B. 91 *"An Act relating to the emergency energy relief program of the Alaska Energy Authority..."* **SUMMARY:** The State of Alaska would make up the difference when prices are more than **\$3/GAL RESIDENTIAL HEATING FUEL**. The State would do this by applying a rebate to up to 600 gallons of heating fuel per residence from September through March. The heating fuel would have to be purchased through an established vendor and the buyer would send receipts to the State to get reimbursed.

#### PRIORITY: MEDICAID SUPPORT & FUNDING

Several bills have been introduced to **INCREASE DENALI KIDCARE ELIGIBILITY**, generally from 175% of the federal poverty level to 200% or higher. However, these bills all impose some type of cost-sharing requirement, in the form of co-pays and/or premiums, on individuals with higher levels of qualifying incomes, the result being that these individuals will be buying into the system, e.g. from their perspective, it will be like purchasing health insurance at a discounted rate. These bills include:

--Davis/Ellis: S.B. 13  
--Cissna: H.B. 61

--Wielechowski: S.B. 87  
--Hawker: H.B. 62

ALASKA NATIVE TRIBAL HEALTH CONSORTIUM  
ALEUTIAN/PRIIBOFO ISLANDS ASSOCIATION  
ARCTIC SLOPE NATIVE ASSOCIATION  
BRISTOL BAY AREA HEALTH CORPORATION  
CHUGACHMIUT  
COPPER RIVER NATIVE ASSOCIATION  
COUNCIL OF ATHABASCAN TRIBAL GOVERNMENTS  
EASTERN ALEUTIAN TRIBES

KARLUK IR TRIBAL COUNCIL  
KENAITZE INDIAN TRIBE  
KETCHIKAN INDIAN COMMUNITY  
KODIAK AREA NATIVE ASSOCIATION  
METLAKATLA INDIAN COMMUNITY  
MT. SANFORD TRIBAL CONSORTIUM  
NATIVE VILLAGE OF EKLUTNA  
NATIVE VILLAGE OF TYONEK

NINILCHIK TRADITIONAL COUNCIL  
NORTON SOUND HEALTH CORPORATION  
SELDOVIA VILLAGE TRIBE  
SOUTH CENTRAL FOUNDATION  
SOUTHEAST ALASKA REGIONAL HEALTH CONSORTIUM  
TANANA CHIEFS CONFERENCE  
VALDEZ NATIVE TRIBE  
YUKON-KUSKOKWIM HEALTH CORPORATION

The passage of **FEDERAL CHILDRENS HEALTH INSURANCE PROGRAM (CHIP) REAUTHORIZATION** will have an impact on the State's Denali Kidcare program and outstanding proposed legislation changing eligibility levels. In general, SCHIP (called Denali Kidcare in Alaska) has a favorable fed-state payor mix. However, each State has a total annual dollar limit cap for the federal share amount, so States are very careful in how they set up their SCHIP eligibility levels so as not to over-obligate themselves.

**HCBS MEDICAID REIMBURSEMENT RATES:** S. B. 32 Davis/Ellis bill regarding statutory annual review of Home & Community Based Services Medicaid reimbursement rates. For many ANHB members, these are the Medicaid rates for village-based services. Ideally, the Alaska Medicaid program would sponsor a Medicaid State Plan Amendment or Medicaid Waiver to allow these services to be reimbursed at the OMB outpatient all-inclusive rate ("AIR" rate), and Alaska Medicaid Director Jerry Fuller continues to work on making this a reality for Alaska Tribal Health System providers. However, in the interim, continued risk of having HCBS rates frozen for years at a time likely creates significant sustainability challenges for many Alaska Tribal Health System providers. While the Governor did provide an incremental rate increase this last year, such a one-time increment does not come close to bringing the rate in line with actual costs of providing HCBS, which is essential if these village-based services will be sustainable for the long term. Fortunately, HCBS Medicaid reimbursements impact a broad spectrum of rural, urban and special needs providers, and in particular, the behavioral health advocacy community has coalesced strongly on this issue this year. Support from ANHB could well make the difference in whether this legislation becomes law this year. However, annual rate adjustments may ultimately require the Department to have more detailed cost data in order to calculate a rate, and so it is critical that ANHB members understand the likely nature and impact of these possible increased cost report requirements, particularly because much of this cost data will need to reflect the cost of village-based services.

There is a \$12 million increment in Governor's FY09 Supplemental Budget to pay for **rate increases in MEDICAID PHYSICIAN FEE reimbursements**. Medicare rates are the "upper payment limit" for State's Medicaid rates, so if Medicare rates rise, so do Medicaid rates.

The Governor intends to create a **permanent HEALTH CARE COMMISSION** in statute. There appears to be broad-based support in the Legislature for this concept. Statutory Alaska Tribal Health System representation in such a forum would be a good mechanism for making sure Tribal providers are fully consulted in all major State healthcare policymaking and that Tribal provider needs & impacts are given full consideration in those decision-making processes.

### **PRIORITY: BEHAVIORAL HEALTH SUPPORT & FUNDING**

There are **Behavioral Health grant program increases** in Governor's FY10 and FY09 budget:

- FY10 - \$1.75 million increment substance abuse grants (Div Behav Health, DHSS)
- FY10 - \$1.75 million increment mental health grants (Div Behav Health, DHSS)
- FY09 - \$1.4 million increment in Corrections Health, much of it to provide longer supplies of prescription medications for inmates transitioning out of Corrections.

In the current tight fiscal environment, such program increases are rare, and Alaska Tribal Health System advocacy in favor of these increases may well protect this funding from possible further reductions in the Governor's FY10 budget. These grants tend to help cover the cost of non-Medicaid-reimbursed gaps and support is critical in order to keep this funding off the chopping block.

House Bill 26, sponsored by House Finance Committee Co-Chair Mike Hawker, **reauthorizes ADULT DENTAL MEDICAID reimbursements** (preventative & restorative). Behavioral health groups have identified this issue as a one of their top priorities this session. The Governor's bill, S.B. 65, differs from Hawker's in that it reauthorizes this program only for 5 years. The FY10 Operating Budget provides \$6.1 million funding for Adult Preventative Dental Medicaid, of which \$2.6 million is from State of Alaska general funds. It appears the adult dental Medicaid program reauthorization has broad support, but details are still being worked out.

Senate Bill 35, sponsored by Senate HSS Committee Chair Bettye Davis, **reauthorizes the SUICIDE PREVENTION COUNCIL** until 2013. This bill likely has broad support. House Bill 63, sponsored by Representative Anna Fairclough, **COUNCIL ON DOMESTIC VIOLENCE** increasing to 4 members, including one from a rural area.

The FY10 Capital Budget includes a line item for **BRING THE KIDS HOME** initiative in the amount of \$2.2 million. The Fiscal note provides: *"This request will provide funding for construction and equipment grants for residential treatment alternatives for severely emotionally disturbed (SED) youth that support the Department's Bring the Kids Home initiative. The Denali Commission has contributed more than \$2.3 million for this program. The Denali Commission funds require a 50% cost share match for all construction costs...."*

#### **PRIORITY: WATER & SANITATION SUPPORT & FUNDING (VSW)**

The FY10 Capital Budget for the Department of Environmental Conservation (DEC) includes \$91.6 million for **VILLAGE SAFE WATER** and Wastewater infrastructure projects, of which \$39 million is from State general funds. Communities listed for projects include: Adak, Akiachak, Alatna, Ambler, Anchor Point, Anderson, Aniak, Atka, Beaver, Bethel, Buckland, Chenega Bay, Chignik Bay, Chistochina, Chuathbaluk, Coffman Cove, Crooked Creek, Eek, Ekwok, Emmonak, False Pass, Fort Yukon, Gambell, Glennallen, Golovin, Hooper Bay, Kachemak, Kasaan, Kasigluk, Kongiganak, Kotlik, Kotzebue, Lower Kalskag, Manokotak, Marshall, McGrath, Mountain Village, Nanwalek, Napaskiak, Nightmute, Nikolai, Niniilchik, Nunapitchuk, Old Harbor, Pelican, Pilot Point, Pitkas Point, Quinhagak, St. Mary's, St. Michael, St. Paul, Saxman, Seldovia, Shageluk, Shaktoolik, Shungnak, Slana, Stebbins, Takotna, Tanana, Thorne Bay, Togiak, Toksook Bay, Tuluksak, Tuntutuliak, Tununak, Unalakleet, Voznesenka, and Wales.

#### **PRIORITY: ELECTRONIC HEALTH RECORD SUPPORT & FUNDING**

DHSS Deputy Commissioner for Health Care Services, Bill Streur, recently testified to the House Health Finance Subcommittee regarding continued work on implementation of the **ALASKA MEDICAID MMIS SYSTEM**, as well as on the Department's discussions with CMS regarding 50% federal matching funds available to improve the Department's Medicaid enrollment information system. He feels strongly that improving the Medicaid enrollment information system would greatly benefit the cooperative efforts of the State and Alaska Tribal Health System providers to maximize the enrollment of individuals served by ATHS providers, for whom the State receives a 100% federal medical assistance percentage (FMAP). Deputy Commissioner Pat Hefley was also in attendance. He spoke at length to the Committee Members on Tribal health service issues.

Non-final versions of the federal **STIMULUS PACKAGE** bill appear to have very significant levels of funding for health information technology, both directly to the Indian Health Service, and to a more general national office for Health Information Technology (HIT). Separate, particular amounts are set aside in the provision for funding of Health Information Exchanges

(HIEs). Work continues to determine how that money might come down in Alaska and how it might impact Department of Health and Social Services and its HIT-related budgets.

The FY10 Capital Budget currently includes \$2.5 million for DHSS information technology projects related to encryption of personal data, HIPAA compliance, and disaster recovery, of which approximately \$1.8 million is from State of Alaska general funds.

### **PRIORITY: ENSURING SAFE COMMUNITIES**

There is a \$1.1 million decrease in the Governor's FY09 supplemental budget for the VPSO program. Explanation: *"The department (of Public Safety) has not been able to utilize the full VPSO Contract authority due to the inability of the grantees to hire VPSOs. Therefore, the department is reducing this amount to help fund other supplemental needs."*

The Governor's FY10 Operating Budget includes \$7.1 million for the VILLAGE PUBLIC SAFETY OFFICER program, of which \$6.9 million is from State of Alaska general funds.

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### **NATIONAL UPDATES**

Compiled by Lanie Fox, Tribal Liaison

Sen. Murkowski has been appointed to the Senate Republican Leadership Team. Murkowski was named a counsel to the Senate Republican leader. Sen. Mitch McConnell (KY) has three such counsels who offer input, guidance and advice to the Republican leadership.

Sen. Murkowski & Sen. Begich have introduced S. 342 which restores the Army's previous policy of crediting time served in the Alaska Territorial Guard towards Army retirement.

Sen. Murkowski & Sen. Begish, and Rep. Young Vote for the Children's Health Insurance Program (CHIP) which was signed into law by President Obama on February 4, 2009. The law contains two provisions specific to Indian Country. These provisions are the acceptance of tribal enrollment documents as proof of U.S. citizenship for Medicaid and SCHIP and increased outreach and enrollment of Indians in Medicaid and SCHIP.

### **National Tribal Steering Committee for Indian Health Care Improvement Act Reauthorization Meets Feb. 5, 2009**

The National Steering Committee (NSC) for IHCIA reauthorization met Feb. 4-5, 2009, to develop recommendations for changes or additions to IHCIA legislation expected to be introduced in the 111<sup>th</sup> Congress. Among the issues considered were provisions dropped or scaled back from the NSC's original 1999 proposal and policy positions adopted in subsequent years. The NSC generally worked from S. 1200 (110<sup>th</sup> Congress Senate bill). The NSC reaffirmed its fundamental objection to any regression from current law.

### **Hobbs, Straus, Dean & Walker: General Memorandum Feb. 10, 2009**

Today the Senate approved by a vote of 61 to 37 the American Recovery Reinvestment Act of 2009 (HR 1), an \$838 billion spending and tax bill also referred to as the economic stimulus bill.

The next step is for the House and Senate to conference or iron out the difference between their two bills- in some areas the differences are considerable. Congressional Democrats are hoping to complete the conference by the end the week; given the political complexity of the situation, it may take longer to finalize a bill.

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## OTHER NEWS

### [Senate Clears Stimulus Package Without a Vote to Spare](#)

#### **CQ TODAY ONLINE NEWS – ECONOMIC AFFAIRS**

Updated Feb. 13, 2009 – 10:48 p.m.

The Senate cleared a \$787.2 billion economic stimulus measure Friday night, sending the massive tax cut and spending package to President Obama for his signature.

### [Gains for Indian country in compromised stimulus bill](#)

#### **Indian Country Today**

By Rob Capriccioso

Story Published: Feb 13, 2009, Story Updated: Feb 13, 2009

WASHINGTON – Indian programs fared well in the final version of the economic stimulus plan brokered by the Senate and House. They would have fared even better had a compromise not occurred, but without a deal not enough Republicans would have supported the bill to prevent a filibuster in the Senate.

### [Interior head says he'll review tribal recognition process](#)

Great Falls Tribune Washington Bureau

By LEDYARD KING

February 13, 2009

WASHINGTON — Newly installed Interior Secretary Ken Salazar pledged Thursday to examine the federal process for recognizing Indian tribes after hearing about the decades-long struggle of Montana's Little Shell Chippewa.

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## UPCOMING MEETINGS

February 17-19, 2009: ATHD and ANHB Mega Meeting in Juneau, AK. ([Agenda](#))

February 27, 2009: ANMC Oncology Infusion Clinic Re-Opening Celebration in Anchorage, AK.

March 4 – 6, 2009: National Budget Workgroup in Washington, DC.

March 19 – 20, 2009: Alaska Native Health Research Conference in Anchorage, AK.

March 24, 2009: Renewing the Indian Health System discussion in Anchorage, AK.

March 25-26, 2009: Alaska Area Pre-Negotiations in Anchorage, AK.

March 27, 2009: ANHB FY2011 Federal/State Priority Strategy Session in Anchorage, AK.

March 27, 2009: Healthy Alaska Natives Foundation Raven's Ball in Anchorage, AK.

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