

**State of Alaska
FY2016 Governor Amended Operating
Budget**

**Department of Health and Social Services
Catastrophic and Chronic Illness Assistance (AS 47.08)
Component Budget Summary**

Component: Catastrophic and Chronic Illness Assistance (AS 47.08)

Contribution to Department's Mission

Enable eligible Alaskans to manage their chronic medical illnesses and conditions.

Core Services

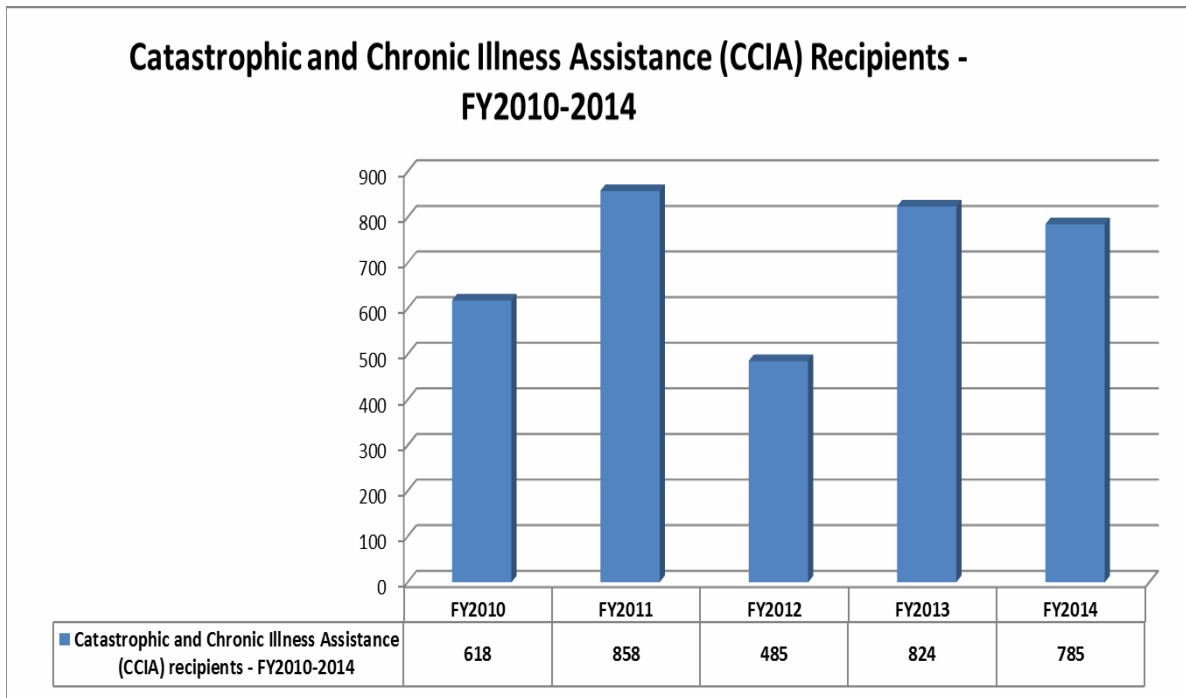
- Provide payment for Catastrophic and Chronic Illness Assistance services.

Major Component Accomplishments in 2014

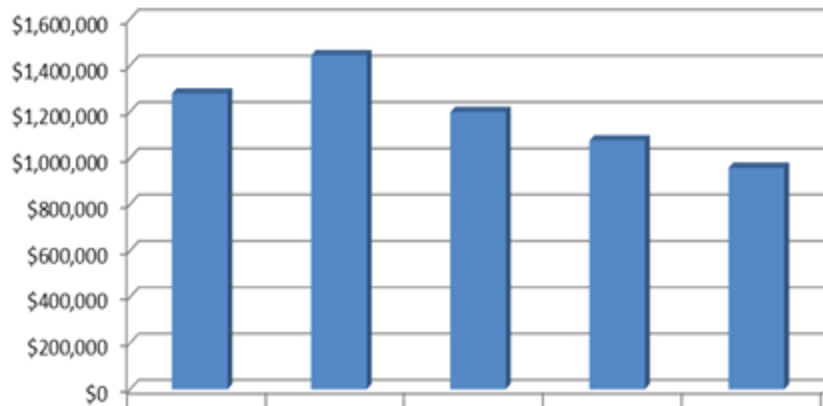
The Catastrophic and Chronic Illness Assistance program provided payment to health care providers for 824 individuals totaling \$957.1. This represents 67.5 percent of the authorized general fund amount of \$1,471.0. The Division meticulously manages this program and ensures that each individual applies for Medicaid, thus allowing Medicaid funding to reimburse the Catastrophic and Chronic Illness Assistance program when appropriate individuals become Medicaid eligible. Based upon the appropriation, the average annual benefit available per individual is \$1,805; the average amount utilized per individual accessing care under Catastrophic and Chronic Illness Assistance was \$1,219. The majority of component expenditures were for Catastrophic and Chronic Illness Assistance covered medications and for the treatment of the chronically mentally ill.

Department Core Service 1.1/ Division Core Measure 4
 Department Core Service 2.1/ Division Core Measure 4
 Department Core Service 2.2/ Division Core Measure 4

The following charts show the total number of Catastrophic and Chronic Illness Assistance (CCIA) recipients and the total expenditures for a five year period.



Catastrophic and Chronic Illness Assistance (CCIA) Expenditures - FY 2010-2014



■ Catastrophic and Chronic Illness Assistance (CCIA) Expenditures - FY 2010-2014	\$1,278,557	\$1,443,692	\$1,198,250	\$1,075,551	\$957,120
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Note: The Division of Health Care Services makes every effort to ensure that reported numbers are as accurate as possible. However, due to possible defects in the new Health Enterprise Medicaid Management Information System, claims processing system (including converted historical records), the data provided in this report is to be considered a draft and may be updated in future iterations.

Key Component Challenges

Department Priorities, Core Services, and Division Core Services to Meet Department's Mission

1. Health and Wellness Across the Lifespan

Core Service:

- 1.1 Protect and Promote the Health of Alaskans

2. Health care Access Delivery and Value

Core Service:

- 2.1 Manage Health Care Coverage for Alaskans in Need
- 2.2 Facilitate Access to Affordable Health Care for Alaskans

Division Core Services

4. Ensure Access of Clients to Health Care

Catastrophic and Chronic Illness Assistance is a state-funded program for low-income Alaskans who have inadequate or no health insurance, but who do not qualify for Medicaid. Catastrophic and Chronic Illness Assistance provides limited services to eligible individuals only if diagnosed with one of the following conditions:

- Terminal illness
- Cancer requiring chemotherapy
- Chronic diabetes or diabetes insipidus
- Chronic seizure disorder
- Chronic mental illness
- Chronic hypertension

Covered services for those who qualify for Catastrophic and Chronic Illness Assistance are limited to:

- medical services provided by a physician, advanced nurse practitioner, and physician assistant in the practitioner's office or an outpatient clinic
- outpatient hospital services limited to chemotherapy and radiology for the treatment of cancer
- three (3) prescriptions per month and medical supplies limited to a 30-day supply

Catastrophic and Chronic Illness Assistance provides no coverage for inpatient hospitalization, transportation, and other services that are mandatory under Medicaid coverage.

Department Core Service 1.1/ Division Core Measure 4

Department Core Service 2.1/ Division Core Measure 4

Department Core Service 2.2/ Division Core Measure 4

Significant Changes in Results to be Delivered in FY2016

Significant changes would be anticipated only in the event Alaska expands its Medicaid program. If the Medicaid program is expanded, Catastrophic and Chronic Illness Assistance would be eliminated.

Statutory and Regulatory Authority

Alaska Statutes:

AS 47.05 Administration of Welfare, Social Services, and Institutions

AS 47.07 Medical Assistance for Needy Persons

AS 47.08 Catastrophic Illness and Chronic or Acute Medical Conditions (CAMA)

AS 47.25 Public Assistance

Social Security Act:
Title XVIII Medicare
Title XIX Medicaid
Title XXI Children's Health Insurance Program

Administrative Code:
7 AAC 105 - 7 AAC 160 Medicaid Coverage and Payment
7 AAC 48 Catastrophic Illness and Chronic and Acute Medical Assistance

Code of Federal Regulations:
Title 42 CFR Chapter IV

Contact Information
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**Catastrophic and Chronic Illness Assistance (AS 47.08)
Component Financial Summary**

All dollars shown in thousands

	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
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	957.1	1,471.0	471.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	957.1	1,471.0	471.0
Funding Sources:			
1004 General Fund Receipts	957.1	1,471.0	471.0
Funding Totals	957.1	1,471.0	471.0

**Summary of Component Budget Changes
From FY2015 Management Plan to FY2016 Governor Amended**

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>
FY2015 Management Plan	1,471.0	0.0	0.0	0.0	1,471.0
Proposed budget decreases:					
-Reduce Individual Benefits in the Catastrophic and Chronic Illness Assistance Program for Clients Eligible to Medicaid	-1,000.0	0.0	0.0	0.0	-1,000.0
FY2016 Governor Amended	471.0	0.0	0.0	0.0	471.0

**Component Detail All Funds
Department of Health and Social Services**

Component: Catastrophic and Chronic Illness Assistance (AS 47.08) (AR23305) (2330)
RDU: Health Care Services (485)

	FY2014 Actuals	FY2015 Conference Committee	FY2015 Authorized	FY2015 Management Plan	FY2016 Governor Amended	FY2015 Management Plan vs FY2016 Governor Amended	
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	957.1	1,471.0	1,471.0	1,471.0	471.0	-1,000.0	-68.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	957.1	1,471.0	1,471.0	1,471.0	471.0	-1,000.0	-68.0%
Fund Sources:							
1004Gen Fund (UGF)	957.1	1,471.0	1,471.0	1,471.0	471.0	-1,000.0	-68.0%
Unrestricted General (UGF)	957.1	1,471.0	1,471.0	1,471.0	471.0	-1,000.0	-68.0%
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	0.0	0.0	0.0	0.0	0.0	0.0%
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: Catastrophic and Chronic Illness Assistance (AS 47.08) (2330)

RDU: Health Care Services (485)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2015 Conference Committee To FY2015 Authorized *****												
FY2015 Conference Committee												
1004 Gen Fund	ConfCom	1,471.0	0.0	0.0	0.0	0.0	0.0	1,471.0	0.0	0	0	0
		1,471.0										
Subtotal		1,471.0	0.0	0.0	0.0	0.0	0.0	1,471.0	0.0	0	0	0
***** Changes From FY2015 Authorized To FY2015 Management Plan *****												
Subtotal		1,471.0	0.0	0.0	0.0	0.0	0.0	1,471.0	0.0	0	0	0
***** Changes From FY2015 Management Plan To FY2016 Governor Amended *****												
Reduce Individual Benefits in the Catastrophic and Chronic Illness Assistance Program for Clients Eligible to Medicaid												
1004 Gen Fund	Dec	-1,000.0	0.0	0.0	0.0	0.0	0.0	-1,000.0	0.0	0	0	0
		-1,000.0										

In FY2014, 463 recipients were served by the Catastrophic and Chronic Illness Assistance program for a total cost of \$957.1 from a budget of \$1,471.0.

Catastrophic and Chronic Illness Assistance is a state-funded program for low-income Alaskans who have inadequate or no health insurance, but who do not qualify for Medicaid. Catastrophic and Chronic Illness Assistance provides limited services to eligible individuals only if diagnosed with one of the following conditions:

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- Medical services provided by a physician, advanced nurse practitioner, and physician assistant in the practitioner's office or an outpatient clinic
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- Three (3) prescriptions per month and medical supplies limited to a 30-day supply

Catastrophic and Chronic Illness Assistance provides no coverage for inpatient hospitalization, transportation, and other services that are mandatory under Medicaid coverage.

This component was chosen because it is 100 percent funded by unrestricted general funds and because the services provided under this program will be absorbed by Medicaid expansion. Medicaid expansion is expected to be implemented by the State on July 1, 2015.

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

Component: Catastrophic and Chronic Illness Assistance (AS 47.08) (2330)
RDU: Health Care Services (485)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
	Totals	471.0	0.0	0.0	0.0	0.0	0.0	471.0	0.0	0	0	0

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

Component: Catastrophic and Chronic Illness Assistance (AS 47.08) (2330)
RDU: Health Care Services (485)

Line Number	Line Name		FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
77000	Grants, Benefits		957.1	1,471.0	471.0
Expenditure Account	Servicing Agency	Explanation	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
77000 Grants, Benefits Detail Totals			957.1	1,471.0	471.0
77670	Benefits	CAMA recipient services and provider claims payments (AS 47.08 Assistance for Catastrophic Illness and Chronic or Acute Medical Conditions).	957.1	1,471.0	471.0