

State of Alaska FY2022 Governor's 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.

The 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

Core Services

- Provide payment for Catastrophic and Chronic Illness Assistance services.

Major Component Accomplishments in 2020

The Catastrophic and Chronic Illness Assistance program experienced the anticipated 99 percent decrease in number of enrolled recipients from FY2016 to FY2020 due to Medicaid expansion, from 704 to under five, and the decrease in expenditures, from \$450.1 in FY2016 to \$1.3 in FY2020.

Key Component Challenges

- Catastrophic and Chronic Illness Assistance provides no coverage for inpatient hospitalization, transportation, and other services that are mandatory under Medicaid coverage.
- Challenges that have existed with the Catastrophic and Chronic Illness Assistance program are mitigated by the expansion of Medicaid. Except for qualified immigrants who have not yet met the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 five-year waiting period for Medicaid eligibility, the majority of individuals who qualified for the program in the past now qualify for full coverage under Medicaid expansion.

Significant Changes in Results to be Delivered in FY2022

Catastrophic and Chronic Illness enrollment is anticipated to continue to decrease as eligible individuals enroll with Medicaid expansion. Ultimately, the only individuals who will enroll, or remain enrolled, are qualified immigrants who have not yet met the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 five-year waiting period for Medicaid eligibility.

Statutory and Regulatory Authority

Alaska Statutes:

AS 47.05 Administration of Welfare, Social Services, and Institutions
AS 47.07 Medical Assistance for Needy Persons

Component — Catastrophic and Chronic Illness Assistance (AS 47.08)

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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Component Detail All Funds
Department of Health and Social Services

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

Formula Component

	FY2020 Actuals	FY2021 Conference Committee	FY2021 Authorized	FY2021 Management Plan	FY2022 Governor	FY2021 Management Plan vs FY2022 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	1.3	153.9	153.9	153.9	153.9	0.0	0.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	1.3	153.9	153.9	153.9	153.9	0.0	0.0%
Fund Sources:							
1001 CBR Fund (UGF)	0.0	38.5	38.5	38.5	0.0	-38.5	-100.0%
1004 Gen Fund (UGF)	1.3	115.4	115.4	115.4	153.9	38.5	33.4%
Unrestricted General (UGF)	1.3	153.9	153.9	153.9	153.9	0.0	0.0%
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 FY2021 Conference Committee To FY2021 Authorized *****												
Conference Committee												
	ConfCom	153.9	0.0	0.0	0.0	0.0	0.0	153.9	0.0	0	0	0
1001 CBR Fund		38.5										
1004 Gen Fund		115.4										
Subtotal		153.9	0.0	0.0	0.0	0.0	0.0	153.9	0.0	0	0	0
***** Changes From FY2021 Management Plan To FY2022 Governor *****												
Fund Source Adjustment of CBRF to UGF												
	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1001 CBR Fund		-38.5										
1004 Gen Fund		38.5										
Replace Constitutional Budget Reserve Fund (CBRF) used as a one-time funding mechanism in FY2021.												
Totals		153.9	0.0	0.0	0.0	0.0	0.0	153.9	0.0	0	0	0

Line Item Detail (1676)
Department of Health and Social Services
Grants, Benefits

Component: Catastrophic and Chronic Illness Assistance (AS 47.08) (2330)

Line Number	Line Name		FY2020 Actuals	FY2021 Management Plan	FY2022 Governor
7000	Grants, Benefits		1.3	153.9	153.9
Object Class	Servicing Agency	Explanation	FY2020 Actuals	FY2021 Management Plan	FY2022 Governor
7000 Grants, Benefits Detail Totals			1.3	153.9	153.9
7002	Benefits	Catastrophic and Acute Medical Assistance recipient services and provider claims payments (AS 47.08 Assistance for Catastrophic Illness and Chronic or Acute Medical Conditions).	1.3	153.9	153.9