

MEDICAID REFORM ~ SB 74



Telemedicine

Breaking barriers to behavioral health



Pharma-Control

Preventing abusive drug shopping



Travel Smart

Preventing redundant trip requirements



Better Oversight

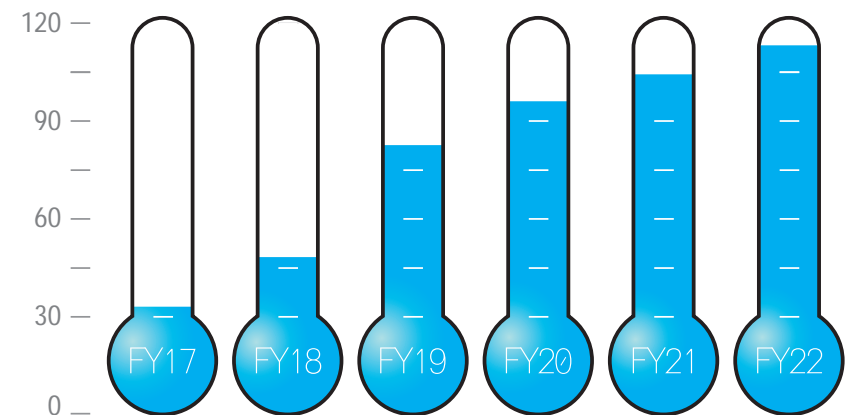
Vet real claims smarter
Fight fraud & abuse



Key Points

- ★ 5 year savings projection: \$479 million
- ★ Focus of SB 74 is on reducing waste and redundancy in Medicaid usage, billing & delivery
- ★ Alaska should pay for value instead of just volume
- ★ Alaska is only one of two states that relies solely on obsolete fee-for-service model. Alaska needs to use coordinated care and provider pooling to reduce costs and share savings
- ★ Coordinated care will treat patients as a whole person and with common sense.
- ★ SB 74 improves the current Prescription Drug Monitoring Program by making it mandatory to prevent “doctor shopping” and gives physicians an important tool to prevent abuse
- ★ SB 74 will help stop opioid abuse that killed 65 Alaskans in 2015
- ★ Telehealth will reduce travel costs and enable better delivery of Behavioral Health services
- ★ Enabled consumers to receive behavioral health at the same location as their primary care
- ★ The Alaska Mental Health Trust Authority has committed nearly \$10 million over the next 3 years to ensure its success.

Cumulative Savings: \$479 million



General Fund Savings from Medicaid Reform

Source: Department of Health & Social Services Memo: 4/11/16