

# ALASKA STATE LEGISLATURE

## SESSION

State Capitol, Rm30  
Juneau, Alaska 99801-1182  
(907) 465-3873 Phone  
(907) 465-3922 Fax  
(877) 463-3873 Toll Free  
Sen.Bert.Stedman@akleg.gov



## INTERIM


1900 1st Ave., Suite 310  
Ketchikan, AK 99901-6442  
Phone (907) 225-8088  
Fax (907) 225-0713

201 Katlian St., Suite 103  
Sitka, AK 99835-7561  
Phone (907) 747-2952  
Fax (907) 747-5807

## SENATOR BERT K. STEDMAN

### MEMORANDUM

**TO:** Legislative Budget and Audit Committee Members

**FROM:** Senator Bert Stedman, Chairman 

**DATE:** October 3, 2018

**RE:** Special Audit Request / Medicaid and CHIP Eligibility, etc.,

I respectfully request an audit of the Department of Health and Social Services (DHSS) to determine whether the agency is meeting mandatory requirements for determining eligibility and re-eligibility or recertification of Medicaid and Children Health Insurance Program (CHIP) beneficiaries, implementing best practices to reduce error rates and maximizing the use of Medicaid and CHIP funds.

### Background

It is critically important to the State's fiscal condition to properly manage both initial enrollment and reenrollment or recertification. The State of Alaska Medicaid and CHIP program account for 17% of the total state agency operation general fund budget in FY 19. In FY 18, there are an estimated 237,732 Alaskans enrolled in Medicaid and CHIP. These numbers have increased by 86% since FY 09 (127,944). In addition, Alaska has the largest migratory population of any state in the Nation, with roughly 80,000 to 100,000 individuals moving in or out of the State each year. Alaska Medicaid benefits end when an individual receiving benefits moves and becomes a resident of another state. This can increase the risk of errors in eligibility determinations.

### Purpose of Audit

Determine whether the DHSS is properly and timely enrolling Medicaid and CHIP beneficiaries, terminating benefits for individuals no longer eligible for such benefits,

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and preserving and maximizing the use of Medicaid and CHIP funds. I ask that the audit include the following objectives over a timeframe determined appropriate by the legislative auditor:

- Determine whether DHSS is complying with Federal and State requirements for deciding eligibility (income, citizenship, and other requirements), and is meeting timeliness and documentation requirements for applicants.
- Determine whether DHSS is timely processing and removing persons from the Alaska Medicaid and CHIP rolls who no longer meet requirements.
- Estimate the amount the State of Alaska paid for benefits on behalf of ineligible beneficiaries.
- Determine whether DHSS is processing both initial eligibility and re-eligibility or recertification for certain applicants in mandatory groups such as individuals who qualify for Social Security Disability, in a timely and efficient manner.
- Determine whether DHSS is employing recognized best practices to reduce eligibility errors.
- Follow up on any other related concerns the Legislative Auditor identifies during the audit.