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Governor Mike Dunleavy  
STATE OF ALASKA

February 16, 2024

The Honorable Gary Stevens  
Senate President  
Alaska State Legislature  
Capitol Building, Room 111  
Juneau, AK 99801-1182

Dear President Stevens:

Under the authority of Article III, Section 18 of the Alaska Constitution, I am transmitting a bill relating to elimination of the individualized education program requirement for certain services furnished to Medicaid-eligible children by school districts.

This bill would align State law with revised guidance published by the Centers for Medicare and Medicaid (CMS) on May 18, 2023, regarding Medicaid payments for rehabilitative, mandatory, and optional services furnished to Medicaid-eligible children by school districts. These services are often referred to as school-based services, or SBS. The revised CMS guidance allows for Medicaid to pay for SBS provided in schools to Medicaid-eligible children with or without an individualized education program (IEP).

State law currently limits the Department of Health's ability to pay school districts for school-based services to those provided to an "eligible child with a disability" who requires the services as part of the child's IEP. This bill would allow payment to school districts for services provided to any Medicaid-eligible child by amending the language that limits the payments to a "child with a disability" and by deleting the IEP requirement.

I urge your prompt and favorable action on this measure.

Sincerely,

A handwritten signature in blue ink, appearing to read "Mike Dunleavy".

Mike Dunleavy  
Governor

Enclosure