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Governor

Alabama Medicaid Agency

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CAROL HERRMANN STECKEL, MPH
Commissioner

September 22, 2008

PN-08-004

PUBLIC NOTICE

SUBJECT: AMENDMENT TO ALABAMA STATE PLAN FOR MEDICAL ASSISTANCE

Effective October 1, 2008, the Alabama Medicaid Agency is proposing to amend Attachment 4.19-A, of the Alabama State Plan for Medical Assistance.

The purpose of the change to Attachment 4.19-A is because the Alabama Medicaid Agency is moving from a capitated payment system for inpatient hospital services through the use of Prepaid Health Plans (PHPs) to a per diem payment system based on actual days of service. The Agency is no longer going to contract with PHPs on a capitation arrangement to make inpatient hospital payments. This amendment is expected to result in a decrease in annual aggregate expenditures under the inpatient hospital program. The Agency is not able to estimate the amount of the decrease at this time.

A copy of the proposed changes will be made available upon request for public review at each county office of the Department of Human Resources and the State Office of the Alabama Medicaid Agency.

Written comments concerning this change are welcome and should be mailed to Administrative Secretary, Alabama Medicaid Agency, 501 Dexter Avenue, P.O. Box 5624, Montgomery, AL 36103-5624. All written comments will be available for review by the public during normal business hours at the above address.

Carol H. Steckel, Commissioner

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