

7 AAC 43.1054. Environmental modification services

☒ (a) The department will reimburse for environmental modification services that

(1) are approved under 7 AAC [43.1030](#) as part of the recipient's plan of care; and

(2) receive prior authorization.

(b) The department will consider services to be environmental modification services if they make physical adaptations to the recipient's home, as identified in the recipient's plan of care, and are necessary to ensure the health, welfare, and safety of the recipient.

(c) To pursue reimbursement from the department under this section, a home and community-based services provider must comply with the following requirements:

(1) before an environmental modification service is approved as part of the recipient's plan of care, the home and community-based services provider that is to deliver the service must demonstrate to the department that the requirements of [AS 08.18](#) for contractor registration and bonding have been met;

(2) upon completion of an environmental modification service, the home and community-based services provider shall verify compliance with applicable provisions of 13 AAC [50](#), 13 AAC [55](#), and applicable municipal building codes;

(3) the home and community-based services provider with prior authorization for the environmental modification service must complete the service or subcontract with a contractor registered and bonded under AS 08.18;

(4) for environmental modification services expected to exceed \$1,000, cost estimates from three home and community-based services providers must be solicited and, if obtained, appended to the plan of care;

(5) the cost of all environmental modification services for a recipient, including the cost of labor and the cost of building materials, parts, supplies, permits, demolition, and other goods that are necessary to accomplish the modifications in the recipient's home and that remain with the recipient, may not exceed a total of \$10,000 in a continuous 36-month period, beginning with the month the recipient is enrolled under 7 AAC [43.1010\(e\)](#) , and may not exceed a total of \$10,000 in each subsequent continuous 36-month period that the recipient remains enrolled; however, within any of those periods, the total for environmental modification services may exceed \$10,000 if the excess expenditure

(A) is for the repair or replacement of a previous environmental modification, does not exceed \$500 per year of the remaining 36-month period, and is approved by the department before the expenditure is made; or

(B) results solely from the cost of freight to deliver materials and supplies to a rural community; in this subparagraph, "rural community" means a municipality or unincorporated community that is a social unit, that has a residential population of no less than 25 and no more than

(i) 10,000, and that is not connected by road or rail to Anchorage or Fairbanks; for purposes of this sub-subparagraph, a connection by road or rail does not include a connection by the Alaska marine highway system or by an international highway; or

(ii) 1,600, and that is connected by road or rail to Anchorage or Fairbanks and at least 50 miles outside of Anchorage or 25 miles outside of Fairbanks; for purposes of this sub-subparagraph, a connection by road or rail does not include a connection by the Alaska marine highway system or by an international highway;

(6) in addition to reimbursing for the actual environmental modification services, the department will reimburse the home and community-based services provider an administrative fee under 7 AAC [43.1058\(e\)](#) , if the provider

(A) is certified and enrolled under 7 AAC [43.1090\(b\)](#) (1)(J); and

(B) acts as an organized health care delivery system under 42 C.F.R. 447.10 for the purpose of overseeing the purchase of an environmental modification for a recipient;

(7) once the home and community-based services provider that received the prior authorization has been paid in full, the environmental modification will be considered complete and the provider shall be financially responsible for any additional work necessary to complete the modification.

(d) The department will not reimburse under this section for

(1) modifications that increase the square footage of an existing residence, are part of a larger renovation to an existing residence, or are included in construction of a new residence;

(2) general utility adaptations, modifications, or improvements to the existing residence; for purposes of this paragraph, general utility adaptations

(A) include routine maintenance or improvements, including flooring and floor coverings; bathroom furnishings, carpeting, roof repair, central air conditioning, heating system or sewer system replacement, appliances, cabinets, and shelves; and

(B) do not include improvements made to substantially reduce the risk of serious injury or illness to the recipient if another practical modification is not available to reduce that risk;

(3) adaptations, modifications, or improvements to the exterior of the dwelling, including outbuildings, yards, driveways, and fences, and except for adaptations, modifications, or improvements to doors, exterior stairs, and porches necessary for egress for the recipient;

- (4) duplicate accessibility modifications to the same residence;
- (5) elevator installation, repair, or maintenance; or
- (6) installation of privately purchased specialized medical equipment that would not be reimbursed under 7 AAC [43.1055](#).
- (e) The department will reimburse for an environmental modification service under this section only upon completion of the environmental modification and upon compliance with (g) of this section, except that the department will issue prior authorization for 25 percent or less of the accepted cost estimate for materials required for an environmental modification service plus 25 percent or less of the cost for any specialized medical equipment, material, and supplies not locally available, if the department determines that those materials and the specialized medical equipment, material, and supplies are essential to the environmental modification service. The home and community-based services provider shall repay the department for any charges paid on this prior authorization if the environmental modification is not completed within 90 days after the first date of billing.
- (f) Home and community-based services providers shall purchase and install all required material, supplies and equipment required for the environmental modification service, except for those supplies and equipment provided as specialized medical equipment and supplies under 7 AAC [43.1055](#).
- (g) The department will make final payment under this section for an environmental modification service only upon submission by the
- (1) home and community-based services provider to the department of a photograph of the completed environmental modification and a copy of a written final inspection by the municipality concurring that the project is complete and meets applicable codes; or
- (2) recipient or recipient's representative to the department of written verification that the project is complete and a photograph of the completed environmental modification, if the recipient's home is not within a municipality that conducts inspections.
- (h) The state is not responsible for removal of any modification if the recipient ceases to reside at a residence.
- (i) Environmental modifications will not be authorized for waiver recipients who reside in an assisted living home licensed under [AS 47.33](#) or a foster home licensed under [AS 47.35](#), unless the recipient residing in the assisted living home or foster home is receiving family habilitation home services under 7 AAC [43.1046\(b\)](#) (1).

⊕ **History:** Eff. 5/15/2004, Register 170

⊕ **Authority:** [AS 47.05.010](#) [AS 47.07.030](#)