



# Arizona Health Care Cost Containment System (AHCCCS)

## 2025 – 2029 Strategic Plan

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**Statewide Vision:** An Arizona for everyone.

**Agency Vision:** To be the recognized national leader in providing high quality whole-person public health care.

**Agency Mission:** Helping Arizonans live healthier lives by ensuring access to quality health care across all our communities.

**Agency Description:** Founded in 1982, the Arizona Health Care Cost Containment System (AHCCCS) is Arizona's Medicaid program, a federal health care program jointly funded by the federal and state governments for individuals and families who qualify based on income level. Built on principles of competition and choice, AHCCCS operates under an integrated care model for its American Indian Health program (fee-for-service) and contracted managed care organizations (MCOs) (health plans) to coordinate and pay for physical and behavioral health care services delivered by more than 100,000 health care providers to approximately 2 million Arizonans. AHCCCS also serves as the state behavioral health authority, which includes the administration of grant funding from the Substance Abuse and Mental Health Services Administration (SAMHSA) and other sources. Arizona receives national recognition for its innovative approach to behavioral health crisis services. For example, Arizona operates 24/7 crisis call centers to respond to people in need (regardless of insurance coverage) and dispatch mobile crisis teams.

<b>Resource Assumptions:</b> Enter Full-time Employees (FTEs) and funding data by type (e.g. General fund (GF), appropriated funds (AF), non-appropriated funds (NAF), and federal funds (FED). <i>Include actuals for FY24 and approved for FYs 25 &amp; 26</i>	<u>FY</u>	<u>FTEs</u>	<u>GF</u>	<u>AF</u>	<u>NAF</u>	<u>FED</u>	<u>Total</u>
	24	1,173.5	\$2,475,457,000	\$415,626,200	\$3,405,188,300	\$17,437,469,700	\$23,733,741,200
	25	1,274.5	\$2,669,731,700	\$455,300,200	\$3,492,110,400	\$18,496,508,400	\$25,113,650,700
*Total reflects GF + AF + NAF. FED funding shown is broken out from NAF.	26	1,274.5	\$2,611,707,100	\$621,150,200	\$3,592,186,700	\$18,772,322,800	\$25,597,366,800

**Progress Summary:** AHCCCS is committed to enhancing health care access and improving the quality of care through targeted, data-driven initiatives. Our strategic focus has been on advancing whole-person care by ensuring individuals receive comprehensive support that extends beyond medical needs. This has been achieved through key improvements in our closed-loop referral system and initiatives that connect housing and health resources through our H2O program. Additionally, we have prioritized reducing the uninsured rate by leveraging data analysis to identify underserved areas and direct outreach efforts where they will have the greatest impact. To support providers, we continue to enhance engagement and satisfaction by monitoring interactions and strengthening provider resources. Together with our Tribal partners we have started work on a targeted strategic plan to align resources and initiatives that promote lasting, community-driven impact across Tribal Nations. At the same time as these various initiatives, we remain dedicated to reducing fraud, waste, and abuse through claim monitoring processes, both pre- and post-payment. Looking ahead, we will continue refining these efforts, ensuring our strategies evolve to meet the changing needs of our communities while upholding our commitment to high-quality care.



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#	Agency Five-Year Outcomes	Start Year	Statewide Strategic/ Operational Priority	Status / Progress
1	Improve member access to whole-person care by increasing the percentage of closed-loop referrals that are resolved (fulfilled) from 44% to 55% by June 2029.	FY24	Accessible Healthcare	This year, the AHCCCS Whole-Person Care team focused on addressing enrollment barriers within the closed-loop referral system. These efforts led to increased referrals and improved accessibility for members. Through close collaboration with providers, AHCCCS identified key challenges and implemented targeted solutions to streamline the referral process. While some months exceeded the goal of 45%, the 12-month average for FY25 was 43%. This percentage is reported monthly. Ongoing improvements are underway to further refine the user experience and expand referral capabilities.
2	Decrease the uninsured rate among individuals earning up to 100% FPL by 20% by 2029.	FY25	Affordable Healthcare	This outcome has been modified to focus on the population earning up to 100% of FPL as opposed to <138%. This strategic adjustment aligns with anticipated impacts of recent federal changes to Medicaid. While our metrics will now reflect this targeted <100% FPL population, we remain committed to supporting individuals up to <138% FPL and will continue working with our expansion population to ensure access to care. FY25 efforts for this outcome centered on analyzing geographic areas with high rates of eligible but unenrolled individuals to guide outreach strategies. Census data, released annually, informs this work. The most recent report from CY 2023 indicated that 15.3% of individuals <100% FPL were uninsured. Updated data for CY 2024 is expected in September 2025.
3	Increase the percentage of provider callers who report being "very satisfied" from 78% to 84% by June 2029.	FY25	Accessible Healthcare	This year, AHCCCS established provider satisfaction metrics for those reaching out for support, enabling us to track performance and identify areas for improvement. The average for this metric for FY25 was 78.5%. Moving forward, we will expand methods to gather feedback from providers, enhancing our ability to improve satisfaction, strengthen provider relationships, and retain a strong provider network.
4	Increase % of Targeted Preventive Care (TPC) measures meeting or exceeding the National Committee for Quality Assurance (NCQA) Medicaid Mean from 25% to 35% by June 2029.*	FY25	Accountable Healthcare	AHCCCS has prioritized preventive care through provider collaboration. In the coming year, we will deepen our understanding of barriers to preventive care and engage with other states to identify best practices that can inform and strengthen our efforts. *AHCCCS' performance measure results are available each year approximately in December for the prior calendar year; NCQA data are available approximately 4-5 months later. There will always be a lag of about 18 months.
5	Improve quality of care and reduce fraud, waste, and abuse as indicated by an increase of 10 percentage points in claims approved after prepayment review of medical documentation by 2029.	FY25	Accountable Healthcare	AHCCCS has reduced prepayment reviews while maintaining strong oversight to prevent improper payments. At the start of FY25 the percentage of claims approved after prepayment review was 71%, we finished FY25 with an average of 78%. Through ongoing efforts and strategic technology enhancements – including investments to modernize our Medicaid Enterprise System (MES) -- we strengthen our ability to conduct targeted audits, prepayment reviews, and investigations. The MES modernization project directly supports our commitment to identifying, addressing and preventing fraud, waste, and abuse in both provider and member activities.



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Current Annual Focus

Outcome #	FY26 Annual Objectives	Objective Metrics	Annual Initiatives
1	1.1. Increase the % of resolved closed-loop referrals to 45.50% by June 30, 2026.	1.1 % of resolved closed-loop referrals	1.1a We will engage with providers to gather insights on system usability, identifying opportunities to enhance interfaces and streamline workflows for improved adoption. 1.1b Targeted outreach through the H2O program will expand access to whole-person care services, by proactively connecting individuals with available resources.
2	<b><u>Breakthrough Outcome</u></b> 2.1 Increase the Medicaid enrollment rate among eligible uninsured individuals by 5% by June 30, 2026.  2.2 Identify top 10% of zip codes with high eligibility rates and high uninsured rates by June 30, 2026.	2.1 # of individuals newly enrolled among targeted populations  2.2 # of zip codes identified for potential outreach	2.1a Using newly-acquired technologies, we will develop and implement data-driven outreach campaigns in high-eligibility areas to increase Medicaid enrollment among uninsured populations. 2.1b Increased efforts to strengthen partnerships with community organizations will provide more hands-on support and guidance during Medicaid enrollment.  2.2 Establish baselines for uninsured in targeted outreach areas to track impact of enrollment outreach in those areas.
3	3.1 Increase very satisfied provider callers from 78% to 82.5% by June 30, 2026.  3.2 Maintain member caller satisfaction at or above 85% by June 30, 2026.	3.1 % very satisfied provider callers  3.2 % very satisfied member callers	3.1a Ongoing analysis of provider and member satisfaction data will be used to identify key areas for improvement and implement process changes that enhance overall experience. 3.1b We will expand feedback mechanisms to ensure ongoing engagement with providers and members about their support needs and overall satisfaction.
4	4.1. Increase 25% of the Targeted Preventive Care (TPC) Measures which were below the NCQA Mean in the previous reporting period by 2% by January 30, 2027.	4.1 % TPC measures meeting or exceeding the associated NCQA Medicaid Mean	4.1 We will engage with other states to learn from their successes in preventive care initiatives, adapting proven strategies to strengthen our own programs.



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5	5.1. Increase the % of claims approved after prepayment review by 2 percentage points by June 30, 2026.	5.1 % of claims approved after prepayment review	<p>5.1. We will continue monitoring of pre- and post-payment reviews to identify patterns of fraud, waste, and abuse more effectively.</p> <p>5.1 The implementation of the modernized Medicaid Enterprise System will enhance our ability to refine tracking mechanisms that assess fraud, waste, and abuse risks at both the provider and member level. The new MES will support oversight across the Medicaid system, ensuring more robust and data-driven monitoring capabilities.</p>

### Stakeholder Engagement Plan:

**Internal:** To ensure alignment with our strategic objectives, we will engage internal stakeholders through dedicated strategy sessions. This will foster a deeper understanding of our initiatives and allow for ongoing discussions, ensuring stakeholders can actively contribute to the successful implementation of our strategy.

**External:** We will engage external advisory and consultation groups through structured sessions designed to keep them informed on prioritized initiatives and solicit valuable feedback. These sessions will provide a forum for external stakeholders to share insights and guidance on how best to support our goals. Strengthening relationships with community partners will also be a priority, as their involvement is essential in achieving our desired outcomes and advancing our shared objectives.

### Communication Plan:

**Internal:** To ensure organization-wide alignment with our strategic objectives, we will communicate with staff through multiple communication channels. Town halls will provide updates on progress, reinforcing transparency and engagement. Additionally, emails will be used to distribute the strategic plan, ensuring easy access for all employees. Where applicable, divisional-focused presentations will be developed to enhance understanding and alignment, supporting teams in translating strategy into actionable priorities.

**External:** We will actively share strategic planning information with external stakeholders, including Tribal consultation, SMAC, and BAC to ensure alignment and understanding. Targeted outreach will also be conducted when strategic initiatives involve partner organizations, ensuring understanding of shared goals. These efforts will strengthen external understanding of our strategic plan.