

PRELIMINARY NOTICE OF PUBLIC INFORMATION
PUBLIC NOTICE

1. **Name of the Agency:** Arizona Health Care Cost Containment System (AHCCCS)

2. **The topic of the public information notice:** AHCCCS Fee-For-Service (FFS) rates for designated fee schedules to be effective for dates of service beginning October 1, 2025.

3. **The public information relating to the topic:**

This Notice of Public Information describes changes to the Arizona Health Care Cost Containment System (AHCCCS) Fee-For-Service (FFS) rates to be effective October 1, 2025. The AHCCCS Administration is proposing changes to the FFS rates specified in this Notice to assure that payments are consistent with efficiency, economy, and quality of care and are sufficient to enlist enough providers so that care and services are available at least to the extent that such care and services are available to the general population in the geographic area. The estimated increase in FFS payments as a result of the rate changes is expected to be approximately \$4,801,237 for the time period of October 1, 2025 through September 30, 2026. More detailed information regarding the fee schedule changes is included below.

4. **The following fee schedules will be updated as described below:**

- Federally Qualified Health Center and Rural Health Clinic rates will be adjusted according to the state plan methodology chosen by each health center. The Physicians Service Index is forecasted to increase by 7%. In addition, rates will be increased by an additional 3.7% in aggregate with changes at the individual provider level.
- Hospice per diem rates will be updated based on the state plan language that incorporates the 2025 *Medicaid Hospice Payment Rates published by CMS*.
- Ambulance rates that are based on the Arizona Ground Ambulance Service Rate Schedule published by the Arizona Department of Health Services (ADHS), Bureau of Emergency Medical Services, will be updated in accordance with state law, which will result in a 2.0% aggregate increase.
- Transportation, Air Ambulance Fee Schedule rates will be increased in aggregate by 5%.
- Physician Drug Schedule rates will be updated based on the state plan amendment language.
- Inpatient Hospital Long-Term Acute Care Hospital and Rehabilitation Hospital inpatient per diem rates will be updated for changes in hospital case mix indices; and outlier cost-to-charge ratios will be updated to match Medicare 2025 ratios.
- Inpatient Hospital APR-DRG fee schedule cost-to-charge ratios will be updated for October 1, 2025.

5. **In addition to the general increases this year, AHCCCS has set rates for the following codes:**

- AHCCCS has set rates for the codes on the Behavioral Health Fee Schedule listed below:
 - H2038 - SKILLS TRAINING AND DEVELOPMENT, PER DIEM - \$488.88
 - H2018 - PSYCHOSOCIAL REHABILITATION SERVICES, PER DIEM - \$400.80
 - H2016 - COMPREHENSIVE COMMUNITY SUPPORT SERVICES, PER DIEM-\$123.63

- Respite Codes S5150 and S5151 modifier percentages will be updated to the following:
 - UN – 2 members served 62.5%
 - UP – 3 members served 50%
 - UQ – 4 members served 50%
 - UR – 5 members served 50%
 - US – 6 or more members served 50%
- The adult vaccination rates are being set at \$21.33 in line with vaccines for children. The CPT codes are listed below.
 - 90460
 - 90471
 - 90472
 - 90473
 - 90474
- A rate has been set for T1017 - Targeted Case Management, per 15 minutes \$26.10
- The new telehealth code set CPT codes 98000 to 98007 will be priced based on the Physician Fee Schedule methodology using CMS RVU's to calculate the rates.
- The AHCCCS MSIC fee schedule will be updated as illustrated below:

		Tucson	Flagstaff	Yuma
T1015	Flat Rate	\$ 350.54	\$ 706.24	\$ 558.16
All Other Codes	Percent of Capped Fee Schedule	130%	125%	125%

6. The following fee schedules will be updated to reflect changes to the Medicare fee schedules on which they are based:

- Ambulatory Surgical Center Fee Schedule rates were budget neutral in aggregate with changes at the individual code level.
- Durable Medical Equipment Fee Schedule rates are budget neutral in aggregate with changes at the individual code level.
- Physician Fee Schedule rates have been updated to reflect the change in Relative Value Units on the Medicare Fee Schedule rates
- Clinical Laboratory Fee Schedule rates were budget neutral in aggregate with changes at the individual code level.

7. The following fee schedules will remain unchanged:

- Applied Behavioral Analysis (ABA)
- AzEIP Speech Therapy Fee Schedule rates
- Behavioral Health Inpatient Fee Schedule rates
- Community Health Worker Fee Schedule rates
- Dental Fee Schedule rates
- Dialysis Fee Schedule rates
- Doula Fees Schedule rates
- Emergency Ground Ambulance
- Freestanding Dialysis Facility Composite rates
- Health and Housing Opportunities (H20)
- Home and Community Based Services rates
- Hospital-Based Freestanding Emergency Department Fee Schedule rates

- Hospital Outpatient rates
 - Nursing Facility Per Diem rates
 - Transportation, Non-Emergency rates
 - Treat and Refer rates
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- a. Individual FFS rates reflecting the changes to reimbursement described above can be obtained from the AHCCCS website at:
<https://azahcccs.gov/PlansProviders/RatesAndBilling/FFS/>
 - b. Many public libraries offer access to the internet. In addition, the information can be obtained at the Offices of the AHCCCS Administration, 150 N. 18th Avenue, Phoenix, AZ 85007.
 - c. Comments regarding the proposed AHCCCS FFS rates may be submitted electronically at FFSRates@azahcccs.gov. All comments must be received no later than 5:00 p.m. on August 30, 2025.