

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:**
 - a. AHCCCS Fee-For-Service (FFS) rates for Home and Community-Based Services to be effective for dates of service on and after July 1, 2017.
 - b. Capitation rate adjustments.
3. **The public information relating to the topic:**
 - a. This Notice describes changes to the Arizona Health Care Cost Containment System (AHCCCS) Fee-For-Service (FFS) rates to be effective for dates of service on and after July 1, 2017 to address the increased labor costs resulting from the Arizona minimum wage increase and employee benefit provisions mandated by Proposition 206, and the Flagstaff minimum wage increase mandated by Proposition 414 and later amended through action of the Flagstaff City Council. The total change in FFS payments as a result of the changes is an estimated increase of \$1,057,485 for the time period of July 1, 2017 through June 30, 2018.
 - b. AHCCCS' Managed Care Organizations (MCOs) will be required to pass-through these rate increases effective with dates of service beginning July 1, 2017, for all services covered by this Notice and described below.
 - c. Select Home and Community-Based Fee Schedule rates will be updated as illustrated below:

<i>Rates Effective 07/01/2017</i>				
HCPCS	Mod	Description	Statewide	Flagstaff
S5100		Day Care Services, Adult; per 15 min.	\$2.79	\$2.83
S5101		Day Care Services, Adult; per half day	\$33.81	\$34.29
S5102		Day Care Services, Adult; per diem	\$67.60	\$68.56
S5125		Attendant Care Services; 15 min.	\$4.53	\$4.60
S5125	U2	Attendant Care provided through SDAC service	\$3.26	\$3.31
S5130		Homemaker Services, NOS; 15 min.	\$5.70	\$5.79
S5135		Companion Care, adult; 15 minutes	\$4.53	\$4.60
S5140		Foster Care, adult; per diem	\$65.42	\$66.34
S5150		Unskilled Respite Care, not hospice; per 15 min.	\$4.53	\$4.60
S5151		Unskilled Respite Care, not hospice; per diem	\$229.18	\$232.42
S5170		Home Delivered Meals	\$9.35	\$9.48
T1019		Personal Care Services, per 15 min. (not inpatient or residential; not home health aide or CNA)	\$6.02	\$6.11
T1021		Home Health Aide or Certified Nurse Assistant, per visit	\$40.82	\$41.40

T2018		Habilitation, supported employment, waiver; per diem	\$23.55	\$23.88
T2019		Habilitation, supported employment, waiver; per 15 min	\$3.92	\$3.98

Percentage Increase Effective 07/01/2017				
HCPCS	Mod	Description	Statewide	Flagstaff
S5100		Day Care Services, Adult; per 15 min.	1.9%	3.3%
S5101		Day Care Services, Adult; per half day	1.9%	3.3%
S5102		Day Care Services, Adult; per diem	1.9%	3.3%
S5125		Attendant Care Services; 15 min.	1.9%	3.3%
S5125	U2	Attendant Care provided through SDAC service	1.9%	3.3%
S5130		Homemaker Services, NOS; 15 min.	1.9%	3.3%
S5135		Companion Care, adult; 15 minutes	1.9%	3.3%
S5140		Foster Care, adult; per diem	1.9%	3.3%
S5150		Unskilled Respite Care, not hospice; per 15 min.	1.9%	3.3%
S5151		Unskilled Respite Care, not hospice; per diem	1.9%	3.3%
S5170		Home Delivered Meals	1.9%	3.3%
T1019		Personal Care Services, per 15 min. (not inpatient or residential; not home health aide or CNA)	1.9%	3.3%
T1021		Home Health Aide or Certified Nurse Assistant, per visit	1.9%	3.3%
T2018		Habilitation, supported employment, waiver; per diem	1.9%	3.3%
T2019		Habilitation, supported employment, waiver; per 15 min	1.9%	3.3%

In addition, the increase in reimbursement will be applied to claims for the following services for which AHCCCS does not establish a capped fee-for-service fee schedule rate:

HCPCS	Description	Statewide	Flagstaff
T2016	Habilitation, Residential, Waiver; Per Diem	1.9%	3.3%
T2017	Habilitation, Residential, Waiver; 15 Minutes	1.9%	3.3%
T2021	Day Habilitation, Waiver; Per 15 Minutes	1.9%	3.3%
T2031	Assisted Living; Waiver, Per Diem	1.9%	3.3%
T2033	Residential Care, Not Otherwise Specified (NOS), Waiver; Per Diem	1.9%	3.3%

- d. The Flagstaff increase indicated above will apply to claims associated with one of the following zip codes: 86001, 86004, and 86005. Providers should note that AHCCCS' claims payment system does not currently permit different rates for Flagstaff. System changes

are in process to accommodate this difference but will not be in place on July 1, 2017. Fee-For-Service payments will be adjusted retroactively to July 1, 2017 as soon as practicable.

- e. The Department of Economic Security, Division of Developmental Disabilities (DES/DDD) is also increasing select Home and Community-Based Fee Schedule rates effective with dates of service on and after July 1, 2017, to address the same issues described in 3.a. above. AHCCCS will adjust the capitation rates for DES/DDD effective July 1, 2017.
- f. AHCCCS will adjust these FFS rates for Home and Community-Based Services again for dates of service on and after January 1, 2018 and will provide future public notice on that subject. AHCCCS will also adjust the capitation rates for the Department of Economic Security, Division of Developmental Disabilities effective January 1, 2018.
- g. The changes proposed for the rates in this Notice are proposed 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.
- h. Written comments may be sent to the following address and must be received no later than 5:00 p.m. on July 29, 2017:

Meggan Harley, Contracts and Purchasing Administrator
Arizona Health Care Cost Containment System
701 E. Jefferson St. Phoenix, Arizona 85034

- i. More information regarding these changes to reimbursement can be obtained from the AHCCCS website at:
https://www.azahcccs.gov/PlansProviders/RatesAndBilling/FFS/AHCCCSprovider_rateanalysis.html. Many public libraries offer access to the internet. In addition, the information can be obtained at the Offices of the AHCCCS Administration, 701 E. Jefferson, Phoenix, AZ 85034.