

**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, 2024.
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, 2024. 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 \$1,290,600 for the time period of October 1, 2024 through September 30, 2025. More detailed information regarding the fee schedule changes is included below.

The following fee schedules will be updated as described below:

- Federally Qualified Health Center and Rural Health Clinic will be adjusted according to the state plan methodology chosen by each health center. The Physicians Service Index increase is 2.37%.
- 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.
- FFS Emergency Ground Ambulance Fee Schedule rates (other than those based on rates established by the Arizona Department of Health Services, Bureau of Emergency Medical Services) will be updated for a decrease of 2.9% in rates.
- Transportation, Air Ambulance Fee Schedule rates will be adjusted on aggregate by 4.8%.
- Physician Drug Schedule rates will be updated to address changes in drug prices based on the state plan amendment language outlined in this [final notice](#).
- 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 2024 ratios.
- Inpatient Hospital APR-DRG fee schedule cost-to-charge ratios will be updated for October 1, 2024.
- AzEIP Speech Therapy Fee Schedule rates have been adjusted to more closely align with Department of Economic Security, Early Intervention rates, resulting in an approximately 8.0% rate adjustment.
- AHCCCS has developed an HQ rate for H2016 and H2026:
 - H2016 HQ- \$37.38 for FFS and \$27.34 for MCO schedule
 - H2026 HQ- \$39.93 for FFS and \$28.52 for MCO schedule

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 for an aggregate increase of 4.25%.
- Durable Medical Equipment Fee Schedule rates will be updated to reflect a 3.8% increase in aggregate.
- 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.

The following fee schedules will remain unchanged:

- Behavioral Health Inpatient Fee Schedule rates
- Behavioral Health Outpatient Fee Schedule rates
- Dental Fee Schedule rates
- Freestanding Dialysis Facility Composite rates
- Home and Community Based Services rates
- Hospital-Based Freestanding Emergency Department Fee Schedule rates
- Hospital Outpatient rates
- Multi-Specialty Interdisciplinary Clinic rates
- Nursing Facility Per Diem rates
- Transportation, Non-Emergency rates
- Treat and Refer rates

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, 801 E. Jefferson, Phoenix, AZ 85034.

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 19, 2024.