



AHCCCS MCO Update Meeting

July 31, 2024

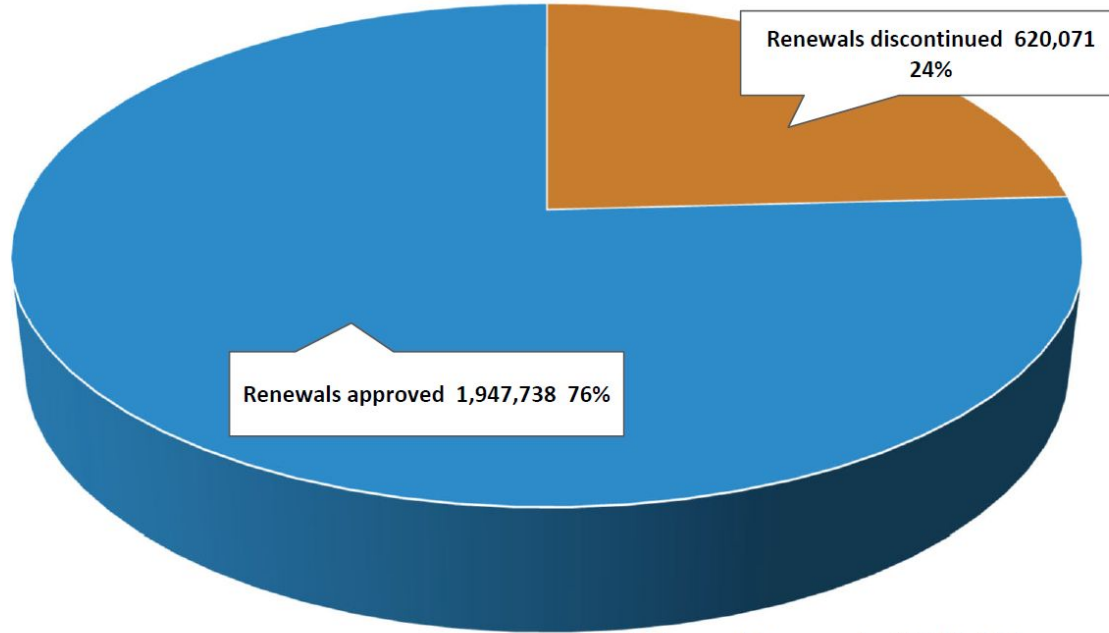


Welcome AHCCCS Update

Dr. Sara Salek, AHCCCS
Chief Medical Officer

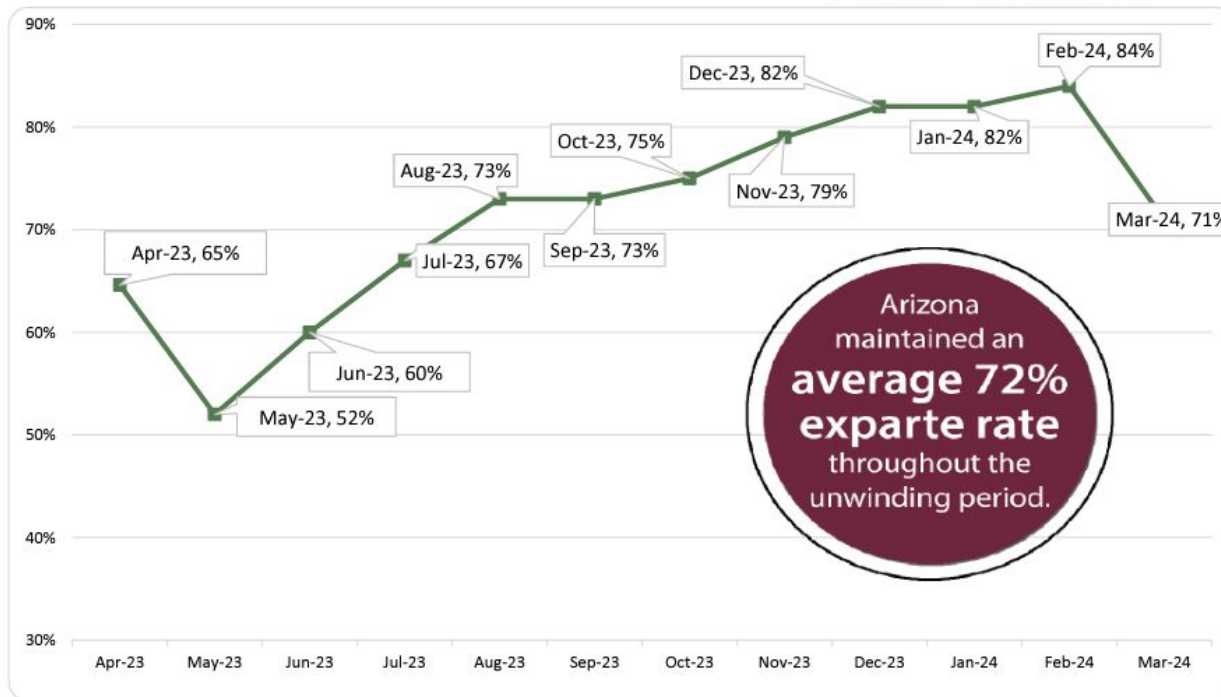


The Unwinding, Unwound



Total Planned Renewals: 2,545,454

*Total Renewals Completed: 2,567,809

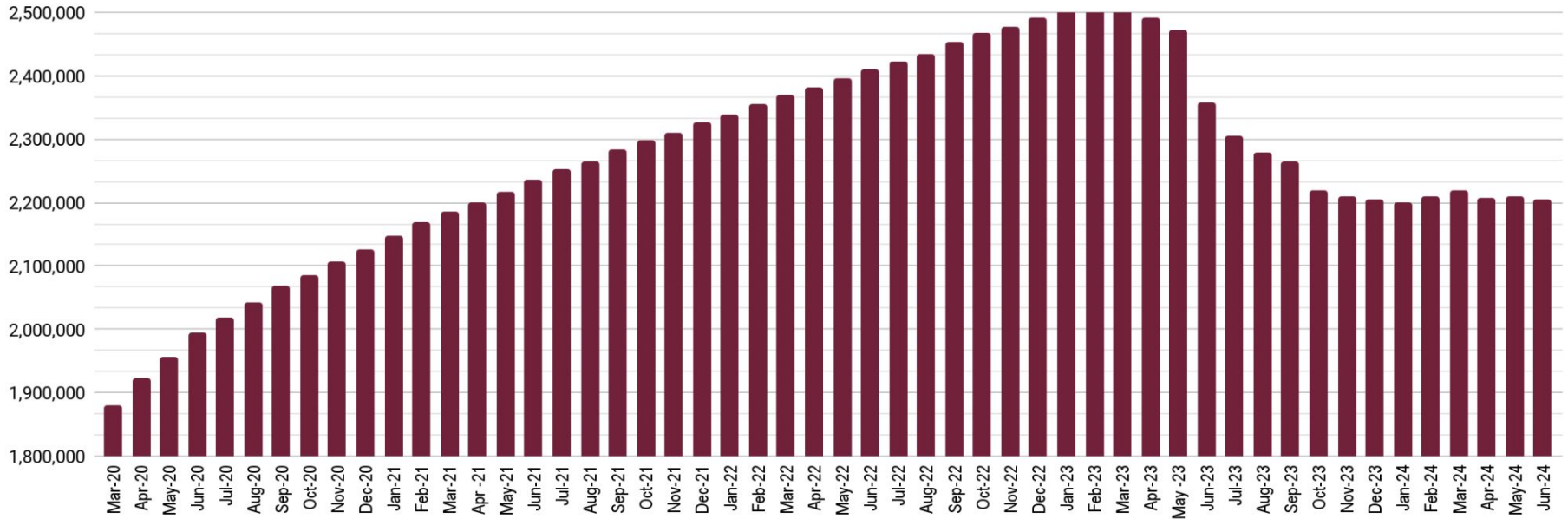


Exparte approvals occur when AHCCCS has enough information through electronic sources to renew Medicaid eligibility automatically without member or state staff intervention. Our electronic sources include real-time data from State and Federal databases including but not limited to: earned income verification from Equifax, residency verification from DMV, citizenship, Medicare and other income information from SSA, and more.

Data calculations were modified in August 2023 to match CMS reporting criteria.

March 2024 renewal populations had a higher number of earned income results found by federal hub sources.

AHCCCS Population: March 2020 - June 2024





Sobering Living Fraud, Waste and Abuse

May 16th: A Year in Review



Suspensions for Credible Allegations of Fraud

Since May 2023, AHCCCS has suspended payments to **306** providers for credible allegations of fraud.

| Current status | Number of Providers (since May 2023) |
|--|--------------------------------------|
| Payment suspension and open law enforcement case | 286 |
| Provider Quality of Care terminations | 90 |
| Provider moratorium application denials | 229 |
| Rescinded suspensions | 40 |
| Suspensions upheld at state fair hearing | 28 |

Recent & Upcoming FWA Reforms

- Provider Moratorium Extension
- Covered Behavioral Health Services Guide
 - 7/1 Public Release
 - 10/1 Effective Date
- AI bots to support provider enrollment
- AIHP eligibility verification (currently working with Tribes)

Tribal Outreach Campaign

**Know
the red
flags.**

Protect yourself and your family from dishonest health providers. Learn the warning signs to stay safe.



AHCCCS
Arizona Health Care Cost Containment System

**Stronger.
Together.**



AHCCCS
Arizona Health Care Cost Containment System

**Hope is just
around the
corner.**



**Get help.
Get hope.**

Find treatment for mental health and addiction challenges.



www.azahcccs.gov/SoberLivingFraud

New web page includes:

- Year in Review Document
- One-Page Information Sheets
- Fact Sheet
- Newsroom
- Outreach Information
- Resources for Members & Providers

Humanitarian Response

30,000+ Calls to 2-1-1 (press 7) Hotline

10,000+ Victims Directly Served

103 Requests for Out of State Transportation

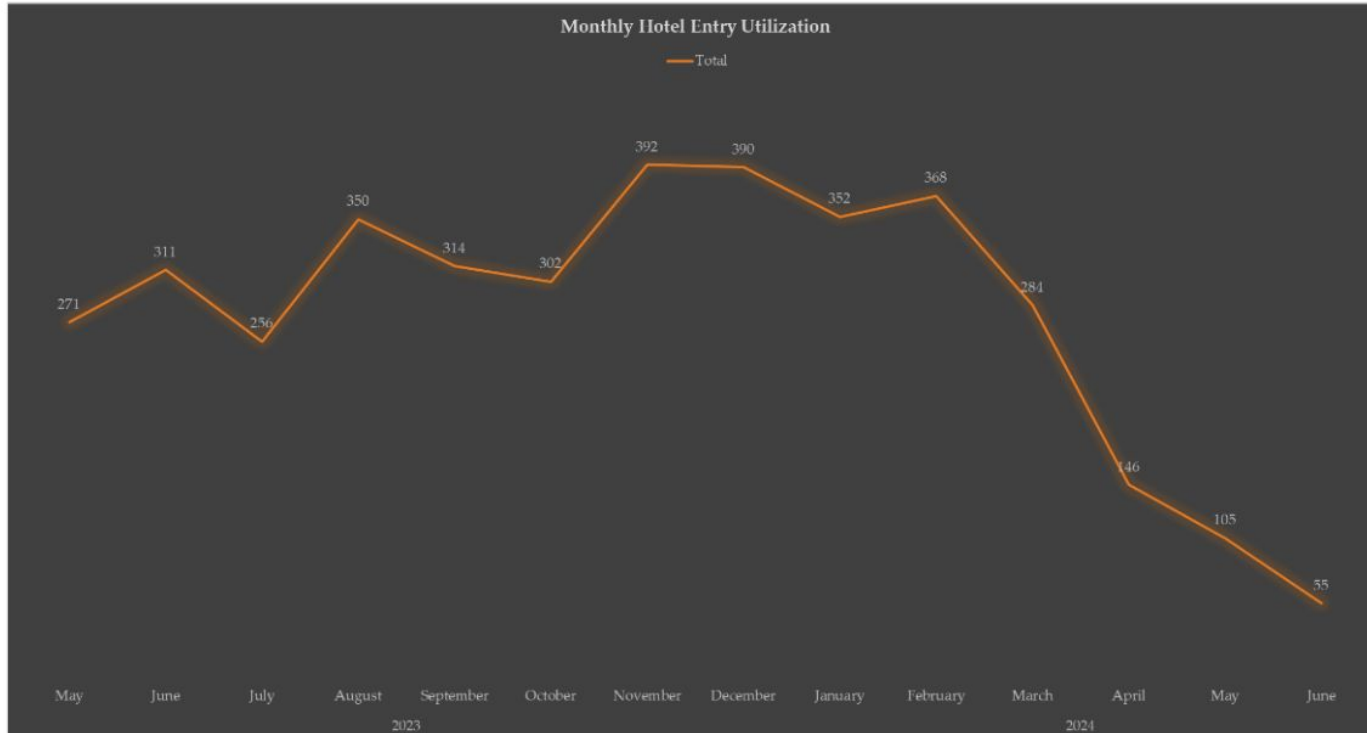
| Response/Resource | Total Members |
|--|---------------------------------|
| Phone calls to 211*7 hotline for resources | 31,994 |
| Hotel - Temporary Lodging | 3,848 |
| Out-of-state Transports (Top 3 States) | 115 NM (37), MT (27), CA (5) |

Number of Calls to Solari by Week



Total calls to Solari 32,883. Calls have been removed for ease of viewing.

Monthly Hotel Entry Utilization



FWA Humanitarian Response: The Next Phase

What's next?

- Moving from Crisis Response to Maintenance
 - Current response includes: 3 lodging locations, daily meals, care coordination, transport to lodging, transportation to work/school, travel home to other states, 211(press 7) resource hotline
- Working with Tribes on a phasedown plan



State Budget Implications

On the Horizon

- **ALTCS E/PD contracts start 10/1/24**
- **1115 Approval Implementation (10/1/2024)**
 - Targeted Investments 2.0
 - Housing and Health Opportunities Demonstration (H20)
- **CMS Negotiations Continuing**
 - Reimbursement for traditional healing services
 - Reimbursement for services pre-release
 - Former foster youth continuous eligibility
- **MES Roadmap**
 - Awarded a System Integrator (SI) contract; will begin implementation upon CMS approval
- **Continued roll out of CommunityCares (Closed-Loop Referral System)**
- **CHW Enrollment Training/Resources**
- **Continued support for the [Opioid Services Locator](#) tool**
- **Continued system improvements to combat fraud and member exploitation**
- **Federal Rulemaking: Access to Care and Nursing Facility Staffing Rules**



Eligibility Outcomes Dashboard Demo

Jesse Pare, DMPS

Research, Reporting, Automation & Design Administrator



H2O Update

Elizabeth Da Costa, DBHH

Housing Program Administrator

David Rudnick, ISD

Data Management and Oversight Manager

AHCCCS Housing & Health Opportunities (H2O) Demonstration Goals

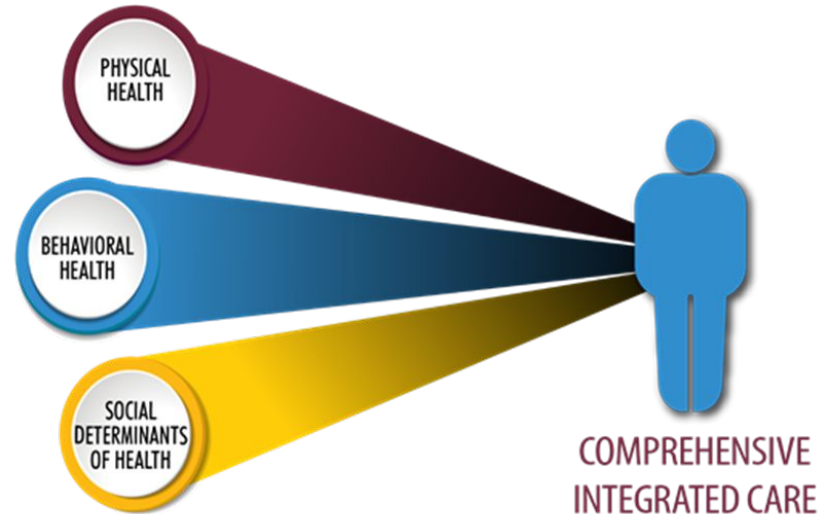
Increase positive
health and
wellbeing outcomes
for target
populations

Reduce the cost of
care for individuals
successfully housed

Reduce
homelessness and
maintain housing
stability

1115 Waiver H2O HRSN Services

- Outreach and Education Services
- Transitional Housing - 6 Months
 - Transitional Housing Setting (Enhanced Shelter)
 - Apartment or Rental Unit (Rental Assistance)
- One-time Transition and Moving Costs
- Home Accessibility Modifications
- Housing Pre-Tenancy Services
- Housing Tenancy Services

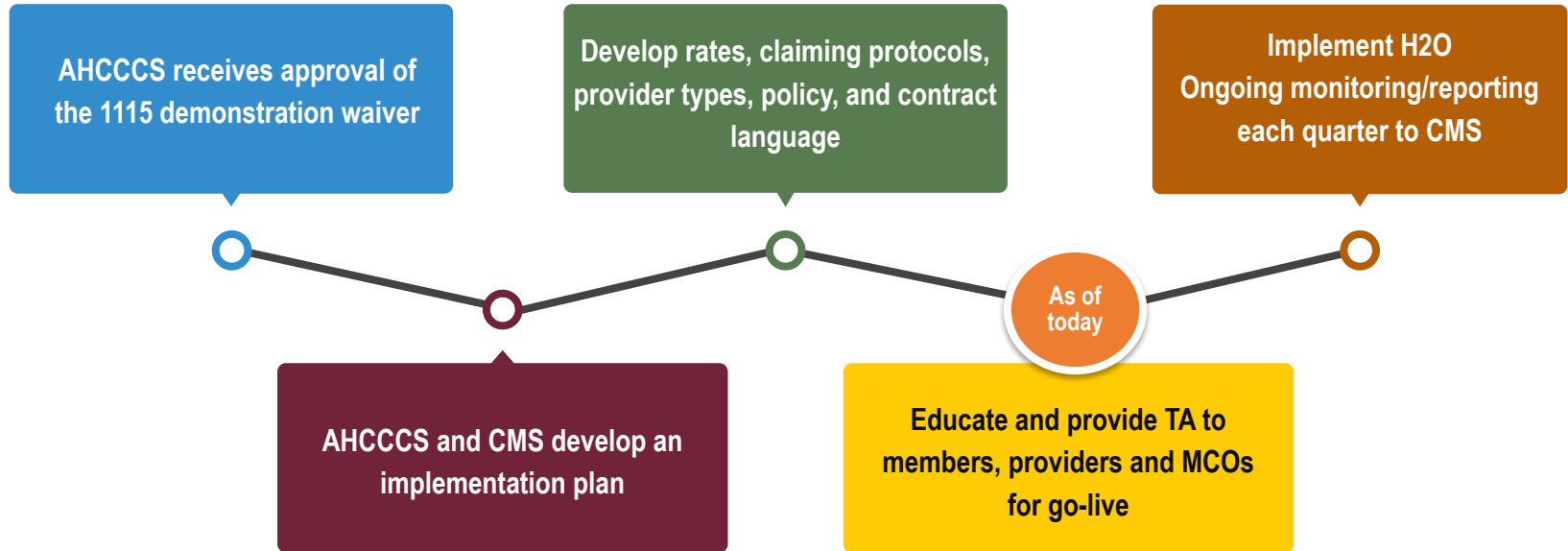


H2O Eligibility Criteria

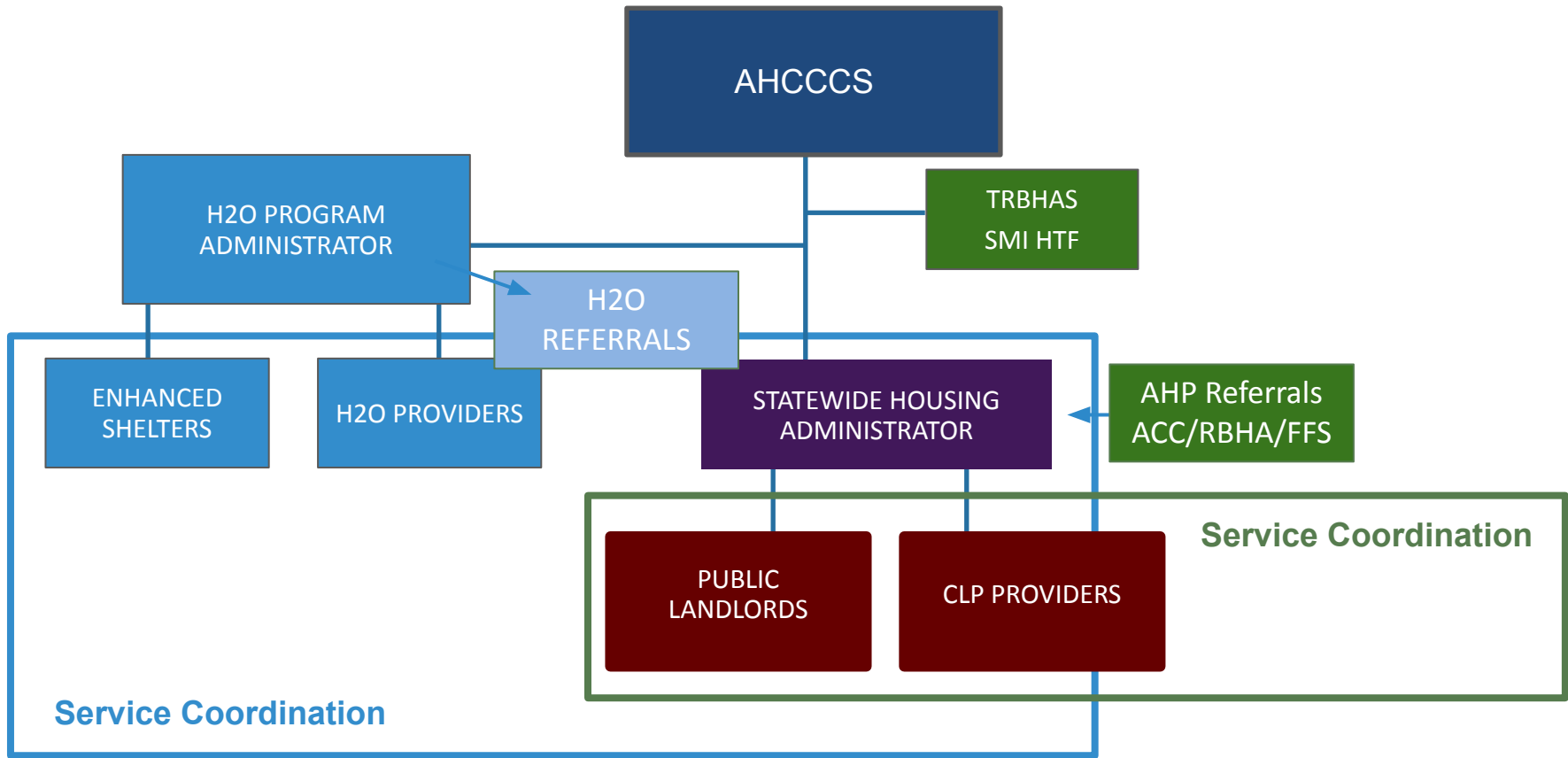
- Member must be **experiencing homelessness and**,
 - Z Code for Housing Instability or
 - Identified through a Homeless Management Information System (HMIS) report

H2O Provider will verify homelessness at intake
- Member must have **SMI Designation and**,
 - Diagnosed with a chronic health condition or,
 - Currently in a correctional facility with a release date scheduled within 90 days or released from a correctional facility within the last 90 days.

Waiver Implementation - H2O



**Deliverables are ongoing throughout the entire demonstration period.



H2O Program Administrator – **Solari, Inc.**



Front-end: Member Management

Subject Matter Expert (SME):

- HMIS Maricopa County
- HMIS Balance of State
- SMI Administrator
- Health Plan Data Exchange



Back-end: Provider Support

Subject Matter Expert (SME):

- Network Development
- Billing and Claims
- Fraud, Waste & Abuse
- Contracting

Key Implementation Activities

Hiring H2O
Leadership & Staff

Provider
Onboarding &
Training Process

Eligibility File
Transfer &
Notification

Closed Loop
Referral &
Coordination
Tracking

Phone System for
Member & Provider
Support

Claims &
Reimbursement
System

H2O Program Administrator – **Solari, Inc.**

Questions & Feedback

H2O@Solari-inc.org

AHCCCS H2O-PA and MCO Communication

- Member level data
 - Exception codes: HE - H2O Eligible Member, RA - Rental Assistance/Enhanced Shelter Member
 - This data will be shared via the monthly Unique Population File
- New Providers
 - H2O PA will be a group biller (01) and will have the H2O PA indicator on the RF682
 - HA - Statewide Housing Administrator/Rental Assistance Provider
 - HO - H2O Provider
 - ES - Enhanced Shelter Provider
 - This data will be shared via the usual Provider/Reference extracts found in the SHAREINFO folder.

AHCCCS H2O-PA and MCO Communication

- Encounter Edit
 - P606 - H2O Process FFS Only (Denial)
 - Edit will fire if we receive encounters where the H2O PA or the three H2O specific provider types are servicing or billing providers on the encounter.
- H2O Utilization
 - This data will be shared via the monthly Dex (Blind Spot) File

Next Steps

- Add H2O to MCO/Provider Meeting Agendas
- [Future Community Presentations](#)
- Future technical meetings with MCOs



Legislative Update

Kyle Sawyer, Public Policy and Strategic Planning
Assistant Director

2024 Legislative Session Timeline

- January 8 – Start of Legislative Session
- January to March – Regular committees.
- April to June – Budget negotiations, non-regular committees.
- Week of June 10– Budget week
- June 16 – Legislature adjourns sine die



Legislative Highlights

- **Agency Bills/Initiatives:**
 - SB 1250 (“AHCCCS; claims”) signed into law 3/29/2024.
 - HB 2764 (“long-term care; enforcement; memory care”) signed into law 4/8/2024.
- **Additional bills of note:**
 - HB 2520 (“Community health centers; graduate education”)
 - SB 1609 (“Behavioral Health; AHCCCS; health facilities”)
 - SB 1311 (“Mental Health; oversight; data; documentation”)

AHCCCS Bills/Budget Provisions:

(Not all inclusive)

- Ongoing funding for MES updates and IT projects
- 101 FTEs for AHCCCS FFS program
- Hospital Assessment Model Changes
- SMI Case Management Provider Wage Increases

Federal Rules Update

Ruben Soliz, Federal Relations Chief and Health
Policy Advisor

Access to Care Rules

Major Provisions:

- **Beneficiary Advisory Council (BAC)** to be created, comprised of beneficiaries, their families or caregivers.
- **Appointment wait-time standards** are established for primary care and select additional services.
- **Direct care worker compensation** - 80% of all Medicaid payments for select HCBS must go toward DCWs.
- **New HCBS requirements** for person-centered plans and incident management systems.

Nursing Facility Staffing and Payment Rules

Major Provisions

- **Nurse staffing standards** based on hours per resident day, including care from a RN and nurse aide.
- **Reporting on DCW Compensation** - Requires states to collect and report on the percent of Medicaid payments that are spent on direct care worker compensation.
- **Nursing Facility Assessment Requirements** - Evidence-based patient assessments and requiring a staffing plan.

AHCCCS Implementation of the Final Rules

To support implementation of the final rules, AHCCCS is engaged in the following activities:

- Analysis of the Final Rules by Federal Policy Team.
- Analysis of agency operations to determine needed changes.
- Analysis of contracts and policy to determine needed changes.
- Stakeholder engagement.
- Contracting with an outside Project Manager to create an implementation plan and project management tools to support implementation.

Finance and Rates Update

Ben Kauffman, DBF
Reimbursement Administrator

Preliminary October 1, 2024 Fee Schedules

- The [preliminary fee schedule](#) can be found in the public notice section under rates. In addition, the detailed preliminary fee schedule can be found [here](#).
- Below are some high level details from the public notice:
 - Transportation, Air Ambulance will see an aggregate 4.8% increase, primarily as a result of mileage rates being increased by 7.0%.
 - Transportation, Ambulance regulated by ADHS will see an aggregate increase of 2.0%.
 - AzEIP rates will experience an aggregate increase of 8.0% as well as implementation of POS 02 and 10 for telehealth.
 - AHCCCS has proposed group modifier (HQ) rates for H2016-Comprehensive Community Support Services and H2026- Ongoing Support to Maintain Employment.
 - Establishment of a proposed rate for G0137-Intensive Outpatient Services
 - FQHC/RHCs will see a 2.37% rate increase for 10/1/24.
 - Multiple Fee Schedules (ASC, DME, PFS, Clinical Lab) have been updated based on CMS data as is standard each year.

Preliminary October 1, 2024 Fee Schedules- Cont.

- Physician Drug Schedule Updates
 - AHCCCS has implemented significant changes to the physician drug schedule starting July 2024. Please see the [public notice](#).
 - All covered physician drug codes will be updated quarterly on the website and PMMIS. As a result, there may be some delay on quarterly updates based on availability of the data sources required to be utilized.
 - Drugs priced on the CMS ASP file will be 100% of the ASP rate.
 - If a drug is not listed on the ASP file, AHCCCS will utilize the wholesale acquisition cost (WAC) as the primary source for pricing.
 - Radiopharmaceuticals will continue to be priced at 100% of the CMS Noridian price if not available based on the methodology above.
- In addition to the annual updates listed above, AHCCCS has implemented a DAP rate adjustment for primary care services starting 10/1/2024 as outlined in the [public notice](#).
 - The changes for primary care services only impact Provider Type 08, 18, 19, 31 and will be reflected on the code level basis on RF618.

HEALTHII and Nursing Facility Supplemental Payment

- **Nursing Facility Supplemental Payments**

- Beginning in FFY 2025, AHCCCS is implementing a fifth payment after the four quarterly payments. AHCCCS will hold 15% of the total assessment funds for the final payment and reconciliation process.
- AHCCCS will be requesting bed day data directly from the health plans for the first quarter of FFY 25 to assist with the allocation of the supplemental payments. Please be on the lookout for a request near the end of the calendar year.
- With the changes above, AHCCCS believes this should minimize any recoupments that could occur in the fifth payment.

- **HEALTHII Directed Payment Program**

- Total payments to hospitals in FFY 25 will total \$3.03B, an increase of \$500M compared to FFY 24.
- AHCCCS will continue the quarterly payments and the reconciliation process.
- To assist with the reconciliation process, AHCCCS has stopped interim payments once a facility has closed.
- AHCCCS will not be reimbursing for any HEALTHII payment that is unable to be collected by a health plan. AHCCCS can assist with some general outreach to hospitals and associations.

FWA Workgroup Update

Thomas Henny, OIG
Deputy Assistant Director

Questions?

Thank You.