



Finance & Rates Update

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CYE 22 Capitation Rate Development

AHCCCS sent draft rates to MCOs during July 16-20

- Includes a proposed increase in the regular reinsurance deductible from \$35k to \$50k for CYE 22
- Consensus feedback needed on that deductible from AzAHP by this Friday, July 23
- General rates feedback also expected by then
- Some items not yet incorporated into rates include CLRS adjustment (maintaining ACC funding from CYE 21), increased costs for use of the recently FDA-approved Alzheimer's drug (Aduhelm), and expansion of HCBS coverage under the state's proposed American Rescue Plan Act spending plan.

CYE 22 Capitation Rate Timeline

Rates are on schedule, expected to be sent to CMS in mid-August and then ready for payment in October

#	Key Activity	Date
1	MCO Encounter Data Submission for CYE 22 Rate Setting (first cycle)	2/4/2021
2	MCO Encounter Data Submission for CYE 22 Rate Setting (final cycle)	2/18/2021
3	MCO Identification of Items for Consideration by Actuaries via email or meeting	February 1 through March 5, 2021
4	AHCCCS Send MCO Data Request (non-exhaustive list: MMs, admin, encounters, anything noted during MCO meetings)	On or before 3/19/2021
5	MCO Data Request Responses Due	(2 weeks after sent)
6	AHCCCS Send Projected Trends to MCOs	On or before 5/28/2021
7	MCO Feedback to AHCCCS on Projected Trends	(2 weeks after sent)
8	AHCCCS Send Projected Admin, Case Management (CM), and HCBS Mix % (if applicable) to MCOs	On or before 6/25/2021
9	MCO Feedback to AHCCCS on Projected Admin, CM, and HCBS Mix % (if applicable) to MCOs	(2 weeks after sent)
10	AHCCCS Send Rates to MCOs with Summary of Key Items	Send on 7/16/2021
11	MCO Feedback to AHCCCS on Rates	(1 week after sent)
12	AHCCCS Submit Actuarial Certifications to CMS	Send on 8/13/2021

CYE 22 Rate Guidance

- AHCCCS has released the public notice for the proposed AHCCCS Fee for Service(FFS) rates beginning October 1, 2021.
 - <https://azahcccs.gov/AHCCCS/Downloads/PublicNotices/rates/NOPIRateChanges20211001.pdf>
- Final Public Notice should be posted by the end of August after reviewing any public comments.
- Detailed rate guidance will be sent to MCOs no later than the beginning of September.

CYE 22 Rate Guidance

- Items of Interest beginning October 1, 2021:
 - Nursing Facilities and HCBS rates will receive a 7.2% rate increase as part of the SFY 2022 budget.
 - Transition of APR-DRG from Version 34 to Version 38.
 - AHCCCS rebased the Hospital Outpatient Fee Schedule for CYE 22 per the Arizona Administrative Code requirements.
 - Vaccines for Children (VFC) Program administration rate will be increased to the state maximum payment amount at \$21.33.
 - Implementation of rates for the new ET3 program, licensed health aide, and tiered therapeutic foster care.