



Rates Update

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CYE 2020 Rate Guidance

- Pass-Through Requirements
 - Differential Adjusted Payments (DAP)
 - HCBS & NF provider rate increases (all LOBs)
 - Behavioral Health Residential Facilities (BHRF)
- APSI & PSI are Lump Sum Payments
 - Payments to MCOs by 11/30
 - Payments to providers within 15 business days
- Technical guidance on flagging encounters

Behavioral Health Outpatient Rates

- Beginning 10/1/18, AIHP members transitioned from RBHAs to AIHP FFS
- FFS rates were found to be approximately 20% lower than RBHA contracted rates (on average)
- Eff. 10/1/19, BH OP FFS rates were increased to align with market rates paid by MCOs
- MCO rates did not receive a corresponding increase because already paying those rates

Independent Rate Adequacy Study

- BH IP & OP Fee Schedules
- Rates found to be marginally adequate
 - Analyzed utilization and spend on services
 - Surveyed providers for wait times
 - MCO reimbursement higher than FFS rates
 - Identified cost pressures, e.g. minimum wage
- https://www.azahcccs.gov/shared/Downloads/Reporting/2019/BH_Provider_Reimbursement_Study.pdf

Differential Adjusted Payments (DAP)

- Request for Information (RFI) to be posted 11/29
 - <https://www.azahcccs.gov/Resources/Downloads/Solicitations/Open/RFPs/YH19-0048/YH19-0048RFIforDAP.pdf> (Last Year)
- Requirements
 - Qualifying criteria aligned with Quality Strategy
 - Criteria based on publicly available data
 - Not all providers should qualify – differentiation
 - Criteria thresholds binary (yes/no)
 - Qualifying providers identified by 5/1/20 for 10/1/20
 - One-year, time-limited funding

CYE 2021 Risk Adjustment

- Preliminary decision to move to diagnosis based risk adjustment using CDPS+Rx
 - Working with a Consultant (Wakely) to ensure proper implementation
 - Will test national weights v. state-specific weights
 - Analysis will be done to determine if additional factors should be in place for SDoH
- Kick-off Meeting with AHCCCS, Wakely, and MCOs will occur on 12/16/19

CYE 21 Risk Adjustment Timeline

Key Activity	Date
Kick-Off Meeting with MCOs	12/16/2019
MCO Feedback and Survey	12/17/19-1/30/20
Preliminary Risk Scores to MCOs	4/30/2020
Final Risk Scores to MCOs	7/31/2020
Risk Adjusted Rates to CMS	8/3/2020

CYE 21 Cap Rate Development Timeline

Key Activity	Date
MCO Meetings for items to monitor during CYE 20	October/November 2019
MCO Encounter Data Submission for CYE 21 Rate Setting (1 st cycle)	2/7/2020
MCO Encounter Data Submission for CYE 21 Rate Setting (final)	2/21/2020
MCO Identification of Items for Consideration (Email or Meeting)	2/1/20 through 3/9/20
MCO Data Request (MMs, encounters, completion, rebates, etc.)	On or before 3/23/2020
AHCCCS Send Projected Admin, CM, HCBS Mix %, and Trends	On or before 5/29/2020
MCO Feedback to AHCCCS	(2 weeks after sent)
AHCCCS Send Rates to MCOs with Summary of Key Items	On or before 7/9/2020
MCO Feedback to AHCCCS	(1 week after sent)
AHCCCS Submit Actuarial Certifications to CMS and MCOs	Send on 8/3/2020

Discussion

