

Janice K. Brewer, Governor
Thomas J. Betlach, Director

801 East Jefferson, Phoenix, AZ 85034
PO Box 25520, Phoenix, AZ 85002
Phone: 602-417-4000
www.azahcccs.gov



Our first care is your health care
ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM

DATE: 12/6/2011

TO: Interested Stakeholders

FROM: Marc Leib, M.D., Chief Medical Officer

SUBJECT: Permissible Missed Appointment Fee For Members Living Outside of Maricopa and Pima Counties Beginning January 1, 2012

Under the Governor's Medicaid Reform Plan and in accordance with ARS §36-2930.01, "Members; missed medical appointments; fee; provider remedy", AHCCCS included a proposal to our Section 1115 Research and Demonstration Waiver (Waiver) renewal application that would allow providers (physicians, nurse practitioners, and physician assistants) to charge a missed appointment fee to AHCCCS members. This request was part of our latest renewal application, which is a lengthy process in which AHCCCS and the Centers for Medicare and Medicaid Services (CMS) renegotiates our Waiver every five years. AHCCCS requested permission from CMS to allow providers to charge members up to a \$25.00 "no-show" fee for missed appointments.

On October 21, 2011, CMS approved Arizona's Section 1115 Research and Demonstration Waiver¹. As part of its approval process, CMS significantly modified the original AHCCCS request. CMS also established significant requirements that providers must meet before they would be allowed to charge fees to members for missed appointments.

On January 1, 2012, AHCCCS will implement the CMS provisions regarding missed appointment fees and allow physicians, nurse practitioners, and physician assistants to charge a missed appointment fee when they meet the CMS-required criteria outlined below. The CMS-approved Waiver allows providers to charge certain populations of AHCCCS members a \$3 fee for missed appointments if the member lives outside of Maricopa and Pima counties. The Waiver also permits providers to prohibit members from rescheduling their appointments until the member has paid the missed appointment fee. CMS has authorized imposition of the missed appointment fee through December 31, 2012. A "missed appointment" is defined by CMS as one where a member has not cancelled an appointment 24 hours in advance or is more than 20 minutes late to the scheduled appointment. Physicians, nurse practitioners, and physician assistants are only permitted to charge 1) Persons who are eligible for [AHCCCS Care](#)² and 2) Adults who are eligible for [AHCCCS for Families with Children under Section 1931 of the Social Security Act](#)³ if they reside in a rural county and when certain conditions are met (refer to pages 2 & 3). AHCCCS will develop mechanisms by which these providers will be able to determine which members

¹ Arizona's Section 1115 Research and Demonstration Waiver package information can be found on our website: <http://www.azahcccs.gov/shared/news.aspx#ArizonaSection1115DemonstrationProjectWaiver>

² Refer to the following link for a description of AHCCCS Care population: <http://www.azahcccs.gov/applicants/categories/adults.aspx>

³ Refer to the following link for a description of the AHCCCS for Families with Children (1931) population : <http://www.azahcccs.gov/applicants/categories/families.aspx>

are eligible under these programs so they will know whether a particular member is potentially subject to the missed appointment fee.

As part of its approval to allow providers to charge a missed appointment fee, CMS requires providers to meet several requirements, including a requirement that providers submit a plan for their missed appointment fee process, reporting requirements, notification to members regarding the providers' missed appointment fee policies, and reminders of the appointment to members prior to their appointment date. These are outlined in Sections A and B.

A. Provider Plan Submission Requirements

Prior to the implementation of the \$3 charge to members, the provider must submit a plan to AHCCCS that:

1. Assures compliance with the member-related requirements in Section B below.
2. Describes the circumstances when the member would be exempt from the missed appointment fee. CMS examples include:
 - a. Lack of adequate transportation
 - b. Disability or mental illness
 - c. Appointment made by third party
3. Agrees to track, and report to AHCCCS on a quarterly basis:
 - a. The reason(s) the member missed the appointment
 - b. The number of missed appointment fees in the reporting period
 - c. The number of members who have been assessed the missed appointment fee and
 - d. The number of members who have been assessed the fee more than once during the reporting period, including the average number of times the fee has been assessed for this subpopulation.

The format for these reports will be provided by AHCCCS and reports are due 30 days after the end of each quarter.

B. Member Notice Requirements

A \$3 fee may be charged when the Provider meets **ALL** of the requirements below:

1. Member Notice of Missed Appointment Policy
 - a. Members must be notified in easily understood, plain language when scheduling their appointment of the consequences of missing appointments. This includes, but is not limited to the definition of "missed appointment", notification of the \$3 fee, and the possibility of the provider refusing future service(s) until the \$3 fee has been paid.
 - b. The provider must present its missed appointment policy to each member subject to these fees and obtain a signed acknowledgment of such policy from the members on an annual basis.
2. Member Notice of Scheduled Appointment
 - a. Members must receive written confirmation of their scheduled appointment. This could include, but is not limited to, a postcard given to the member at the time the appointment is scheduled, a mailed letter, an email, or a text message to a mobile device.
 - b. The provider must maintain a record of the times and dates of individual appointments, and a record of the date and time that confirmation was delivered.
3. Member Notice/ Reminder of Upcoming Appointment
 - a. Members must be notified 48 hours in advance of their scheduled appointment time.

- b. The members must have a choice from among two or more different notice mechanisms (i.e. telephone call, text message to a mobile device, and/or an email) and permit the member to utilize whichever method of communication is preferable to the member.
- c. The provider must maintain a record of such notifications.

AHCCCS will provide information to physicians, nurse practitioners, and physician assistants regarding how to determine which members are subject to the \$3 missed appointment fee, should these providers decide to charge that fee. Interested providers may submit their plan for AHCCCS approval and or questions to the following email address: missedappts@azahcccs.gov.

Additional information about the benefit changes can be found at <http://www.azahcccs.gov/commercial/ProviderBilling/ProviderBilling.aspx>