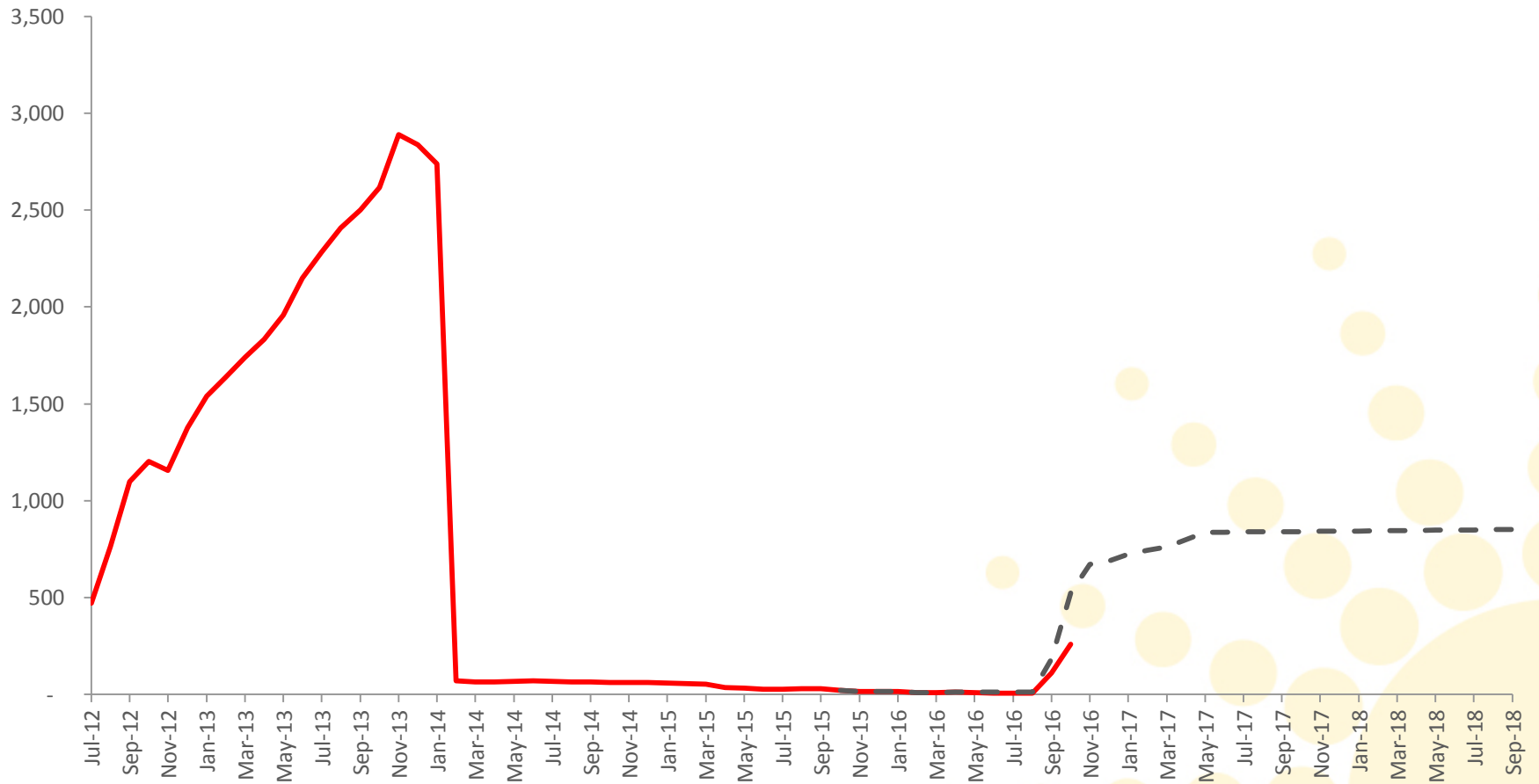




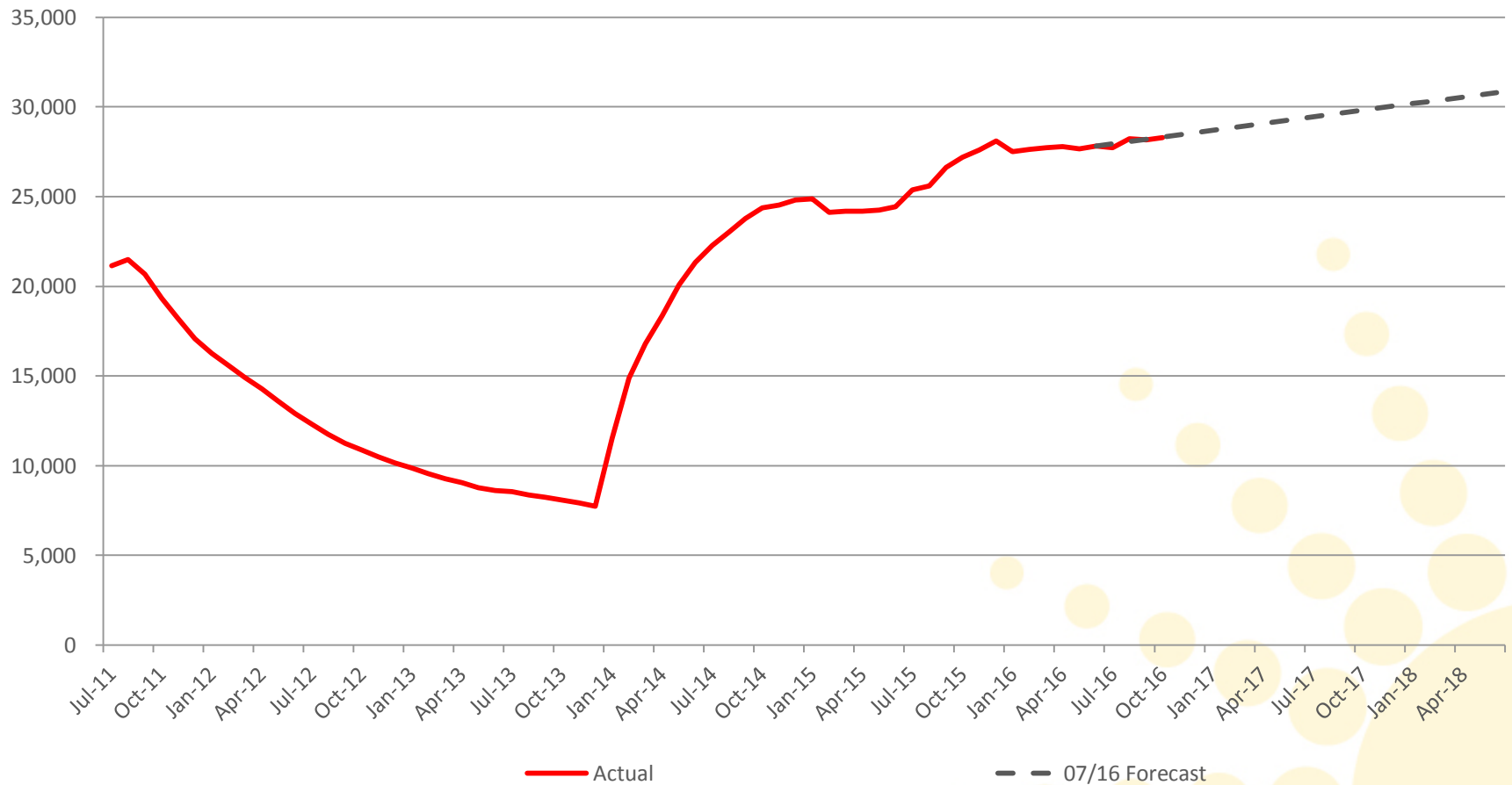
AHCCCS Update



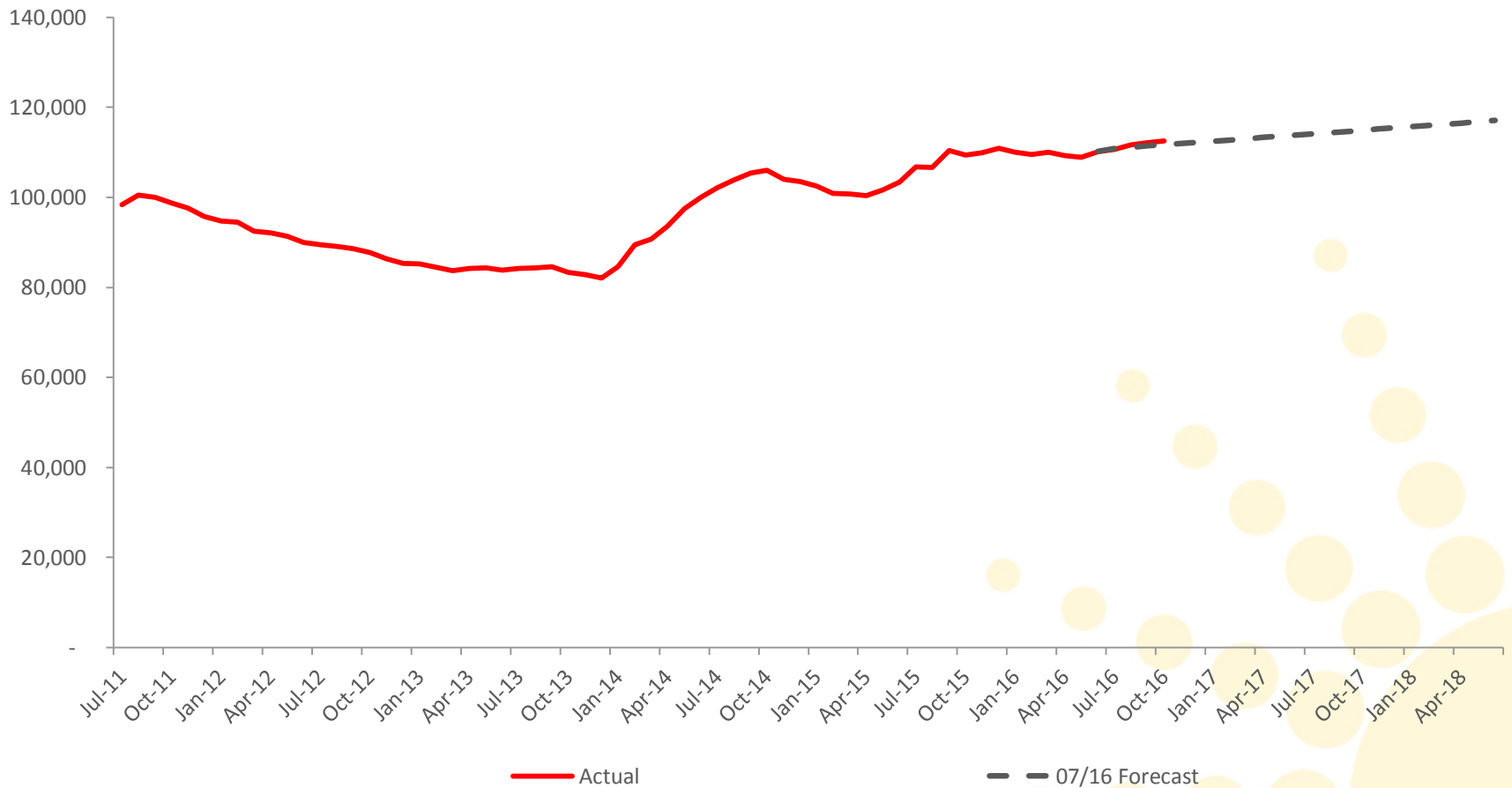
AIHP KidsCare



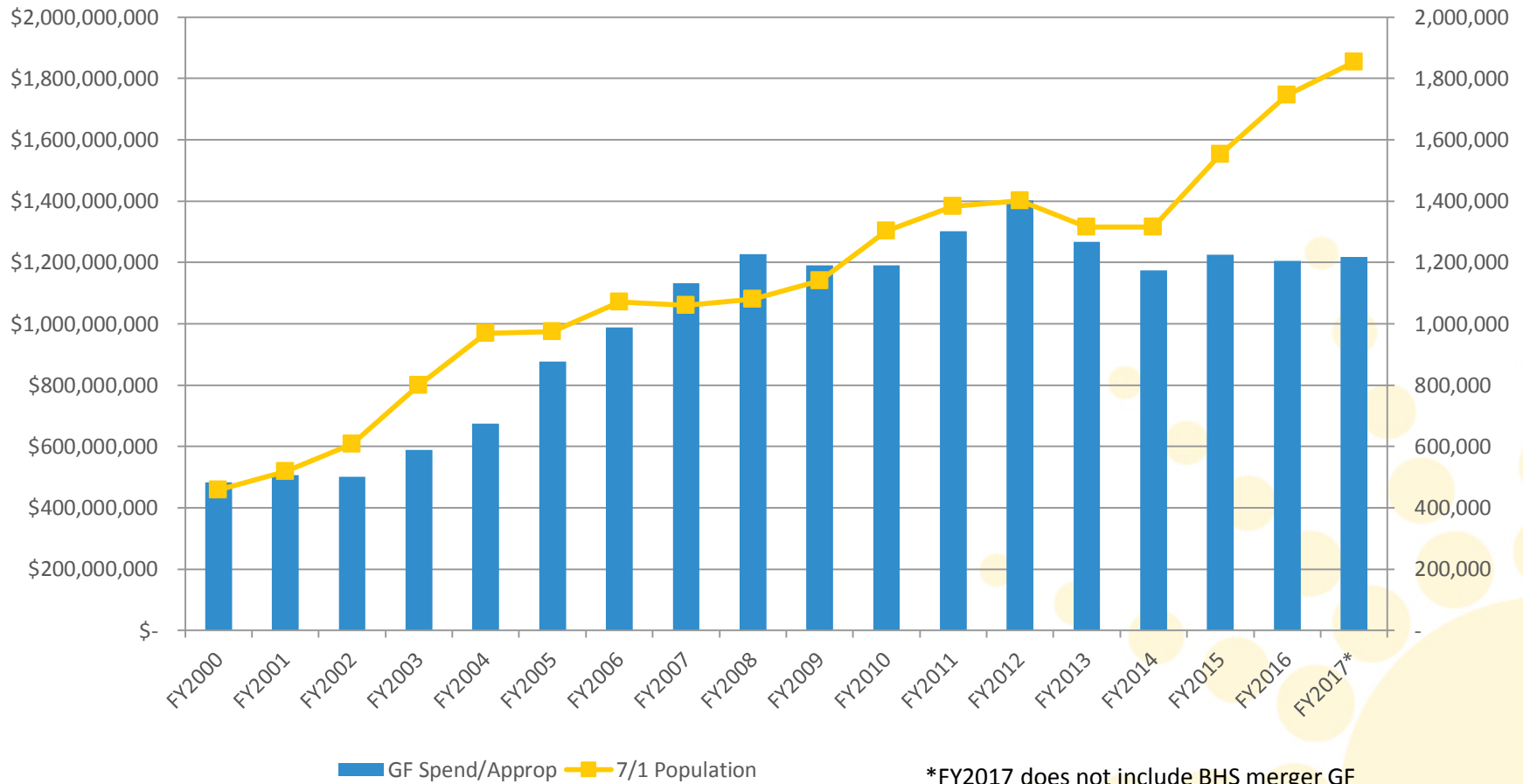
AIHP Childless Adults



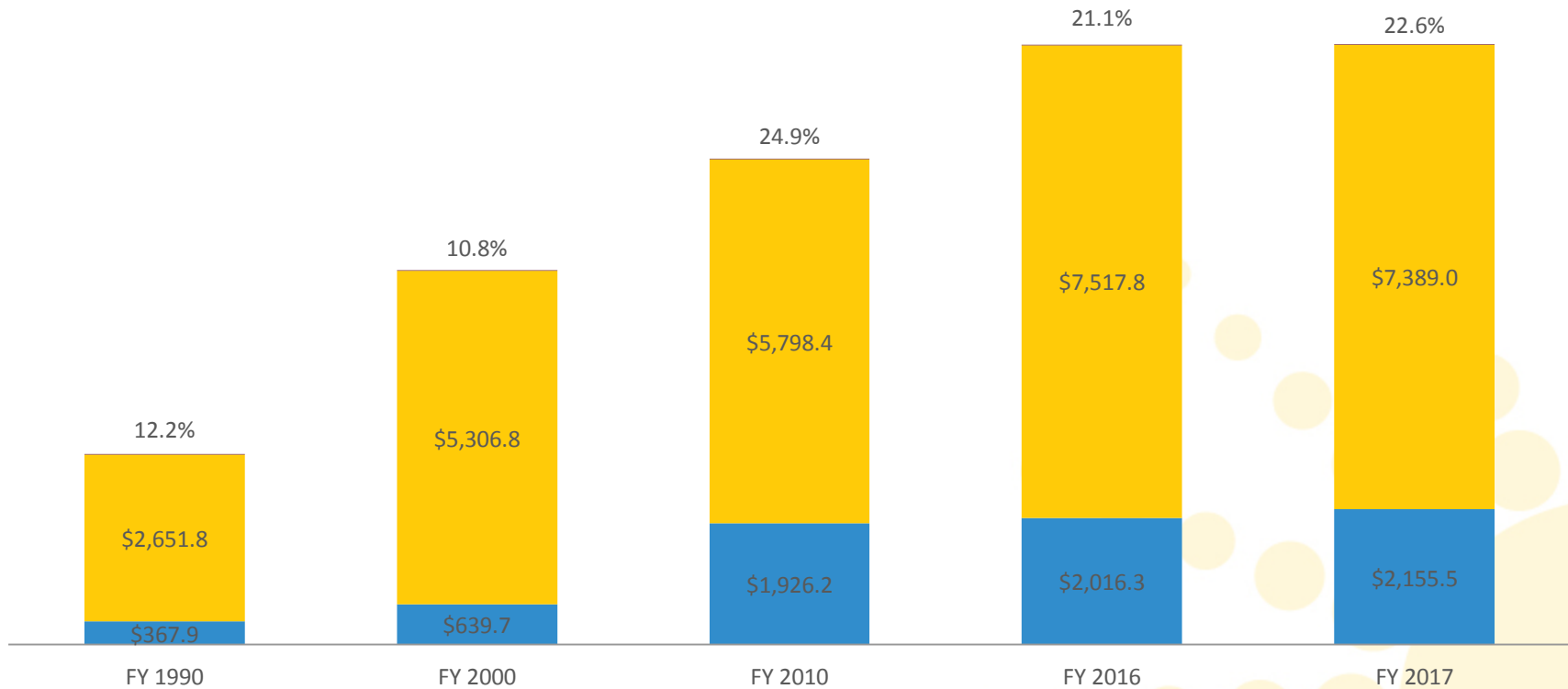
AIHP Population



Historical GF Spend vs Population



Medicaid Portion of General Fund

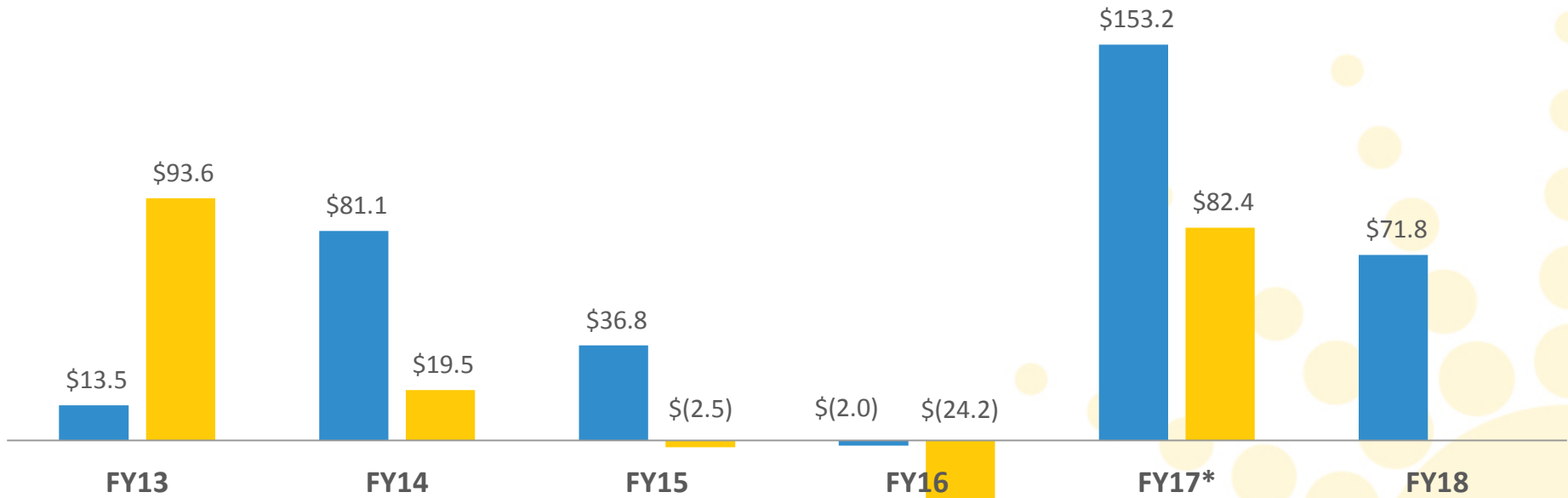


AHCCCS GF Budget Requests

Historical AHCCCS GF Requests

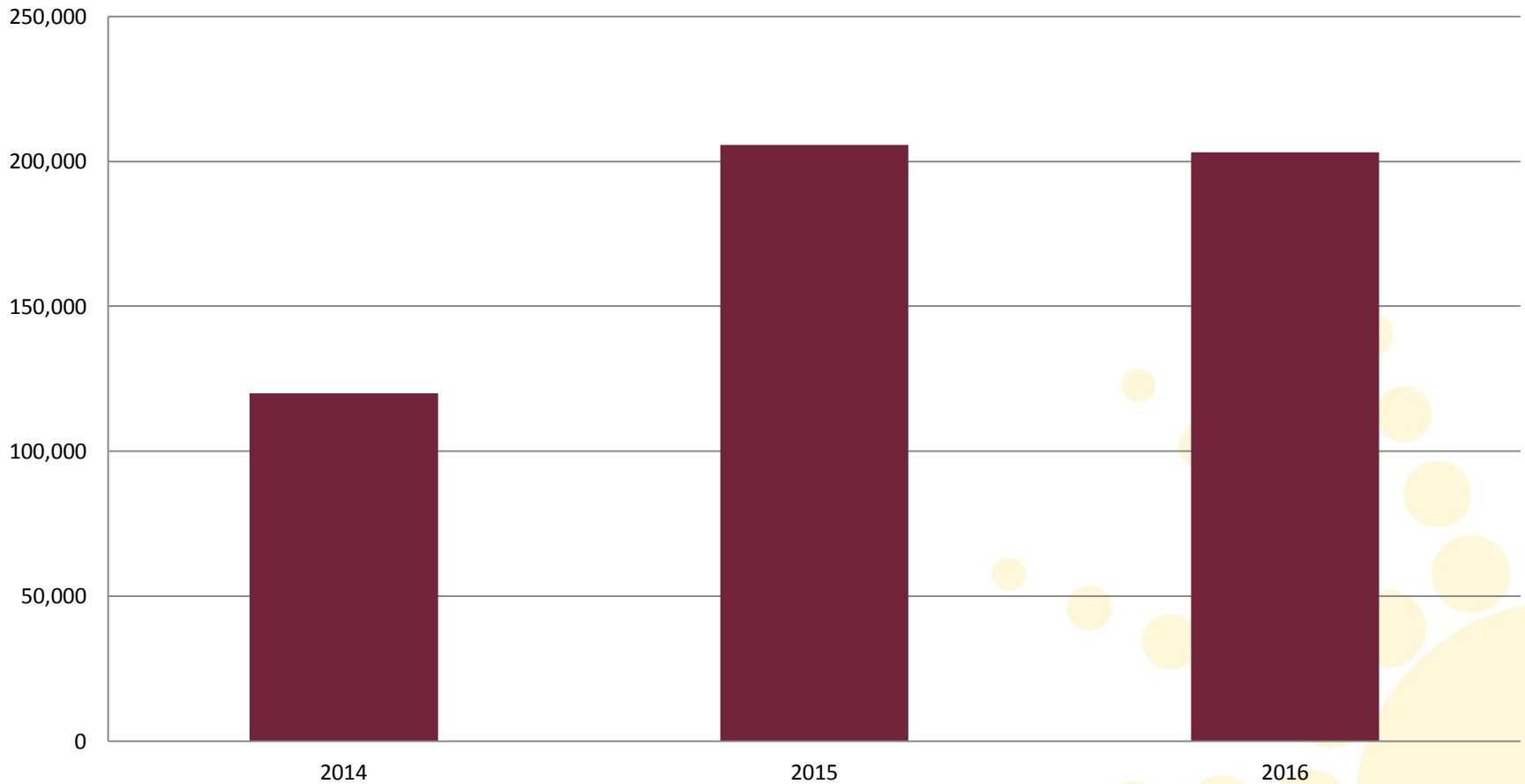
(in millions)

■ Submittal ■ Revision



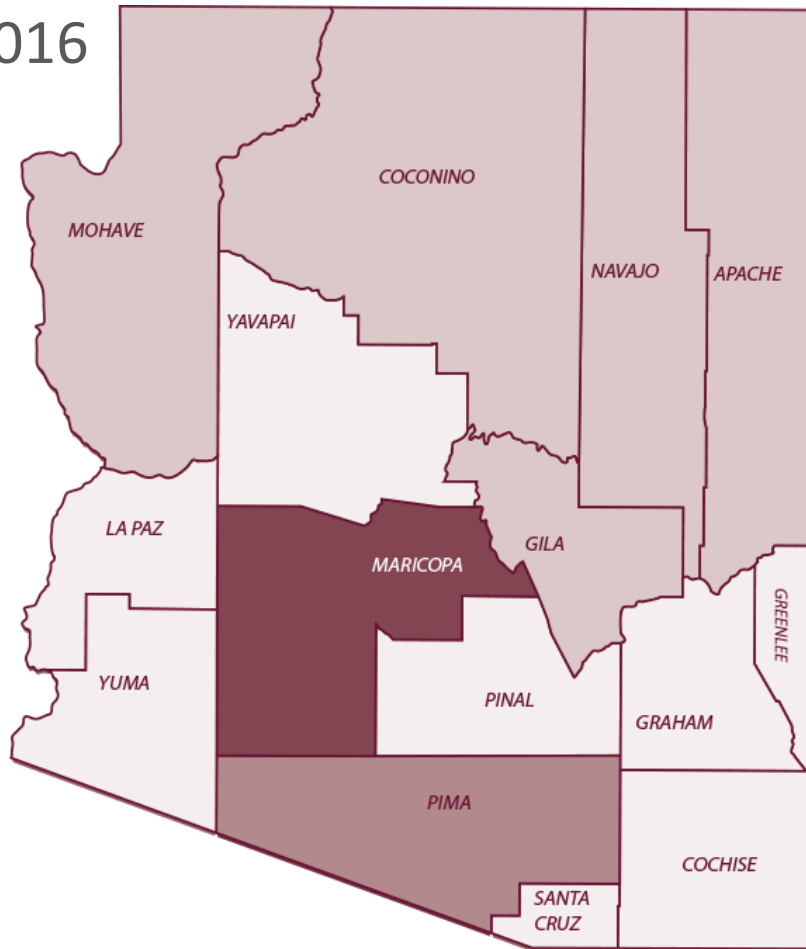
*Does not include \$517.3M BHS Base Mod

Marketplace Enrollment: Arizona



Marketplace Insurers 2014-2016

2016



Counties	2014	2015	2016	2017
Apache	6	7	3	1
Cochise	6	7	2	1
Coconino	6	7	3	1
Gila	6	7	3	1
Graham	6	7	2	1
Greenlee	6	7	2	1
La Paz	6	7	2	1
Maricopa	9	10	8	1
Mohave	6	7	3	1
Navajo	6	7	3	1
Pima	8	9	5	2
Pinal	7	8	2	1
Santa Cruz	7	7	2	1
Yavapai	7	7	2	1
Yuma	6	7	2	1



Arizona's 1115 Waiver

- Arizona's waiver expired September 30, 2016
- Arizona submitted its letter of intent to apply for a new Demonstration September 30, 2015
- Extension of Arizona's 1115 waiver was approved September 30, 2016 for 5 years: October 1, 2016 – September 30, 2021

Arizona's Application

- Arizona's application for a 5-year waiver included:
 - Part I: Governor Ducey's vision to modernize Medicaid: The AHCCCS CARE program
 - Part II: The Legislative Partnership
 - Part III: DSRIP: Arizona's Approach
 - Part IV: HCBS Final Rule
 - Part V: American Indian Medical Home
 - Part VI: Building Upon Past Successes
 - Part VII: Safety Net Care Pool

American Indian Waiver Tribal Workgroups and Status

- Uncompensated Care Funding – Continued with current methodology – AHCCCS has requested funding for final benefit of emergency dental care – if not granted in budget will revisit methodology with CMS
- American Indian Medical Home – Not included in 10-1-16 waiver - Seeking public comment on AIMH + proposal – ongoing conversations with CMS to get authority
- Traditional Healing Services – not included – ongoing discussions

New Authorities: The AHCCCS CARE Program



The AHCCCS CARE Program



- Required participation: Adults over 100% FPL in the New Adult Group
- Exceptions:
 - Persons with Serious Mental Illness
 - American Indian/Alaska Native
 - Medically Frail
 - Short-term hardship exemptions for members experiencing out-of-pocket expense

Strategic Co-Insurance

- Co-Insurance:
 - Up to 3% of annual household income
 - Members make monthly AHCCCS CARE payments reflecting co-insurance for services already obtained
 - Retrospective co-insurance removes burden from providers of collecting a payment at point of service
 - Co-insurance goes to AHCCCS as cost offset

Strategic Co-Insurance

- **\$4.00 for opioid prescriptions or refills**, with the exception of members with cancer or in hospice care.
- **\$8.00 for non-emergency use of the emergency room.** This strategic coinsurance requirement is designed to help steer members to lower levels of care that are more appropriate in non-emergency situations.
- **\$5 or \$10 for specialist services without a PCP referral**, to support the medical home model.
- **\$4.00 for brand name drugs when generic available**, except when the physician determines the generic drug is not as efficacious as the brand name drug.

AHCCCS CARE Premiums

- Members make monthly AHCCCS CARE premium payment
- Set at 2% of household income or \$25, whichever is lesser
- Premiums serve as contributions into member's AHCCCS CARE Account – funds belong to members in good standing

Penalty for Failure to Pay

- Members have a two month grace period to make premium payments
- Failure to pay results in disenrollment
- There is no lockout period
- Members may re-enroll at any time

The AHCCCS CARE Account

- Functions like a flexible spending account
- Members must be in good standing to be eligible for the AHCCCS CARE Account by
 - Making timely co-insurance and premium payments
 - Meeting a Healthy Arizona target
- Employers and the Philanthropic community can make AHCCCS CARE Account contributions

The AHCCCS CARE Account



- Contributions for premiums go into the AHCCCS CARE Account, which can be used for non-covered services
 - Dental
 - Vision
 - Chiropractic services
 - Nutrition counseling
 - Recognized weight loss programs
 - Gym memberships
 - Sunscreen

New Authorities: ALTCS Dental

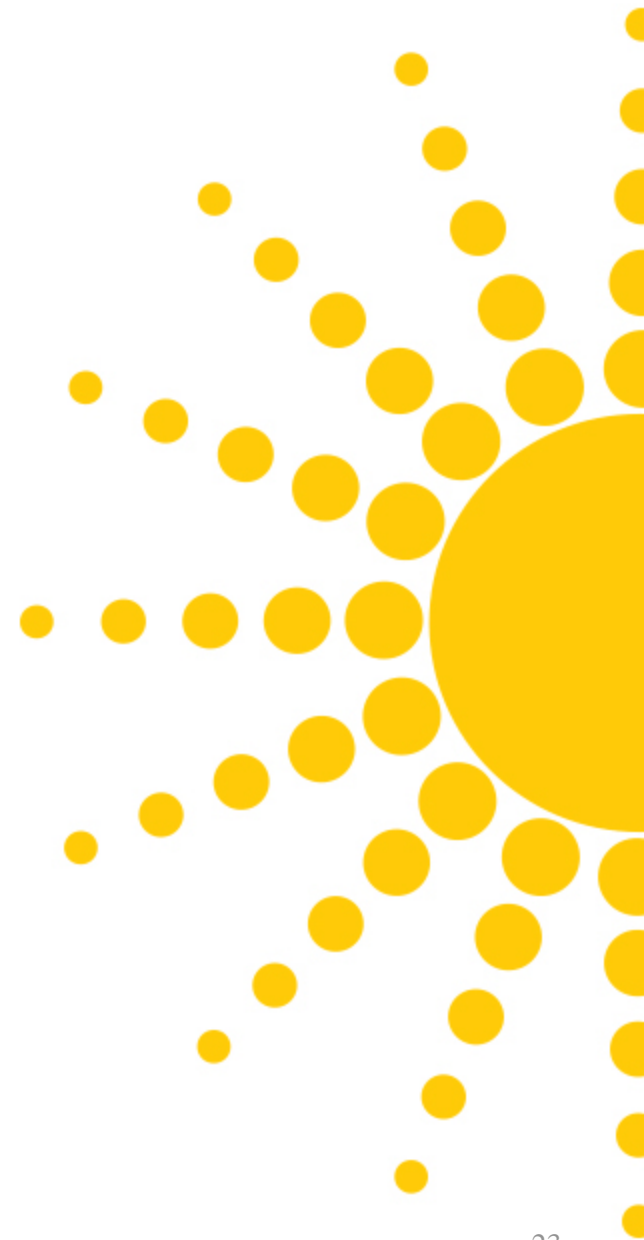


ALTCS Dental

- Adult dental benefit for ALTCS members
- Limit is up to \$1,000 per year per member
- Effective October 1, 2016
- Members receive the benefit through their ALTCS health plan and can talk to their case manager for more information

Other Requests for New Authorities

SB 1092 and SB 1475



Requests per SB 1092 and SB 1475

- Not approved:
 - Work requirement (will resubmit Mar. 2017)
 - 5 year lifetime limit (will resubmit Mar. 2017)
 - \$25 non-emergency use of ED
 - Elimination of non-emergency medical transportation
- May pursue:
 - Copayments for non-emergency medical transportation through the State Plan

Extensions and Amendments



Extensions of Existing Authorities

- Mandatory managed care
- Statewide integrated CRS program
- Integrated RBHAs providing behavioral and physical health for members with SMI
- HCBS for ALTCS members
- Statewide DDD and CMDP programs
- Spouses as paid caregivers in ALTCS
- Higher ALTCS income threshold (300% FBR)

Extensions of Existing Authorities

- Payments to IHS and Tribal 638 facilities for emergency dental to adults
- Direct payment to IHS and Tribal 638 facilities by AHCCCS for MCO enrolled AI/AN rather than requiring MCO payment
- Critical Access Hospital payments
- Case management for behavioral health

Pending Items

For Amendment Requests and
New Authorities



Pending Items – New Requests

- Delivery System Reform Incentive Payment (DSRIP)
- American Indian Medical Home
- Traditional Healing
- AHCCCS in active discussion with CMS on these pending items

Thank You.

