



# Rates Update

April 20, 2017



# Value-Based FFS Rate Differential

- Hospitals Subject to APR-DRG Reimbursement – effective 10/1/17
  - VBP adjustment +0.5% on inpatient and outpatient
  - Must participate in the Network by 03/15/2017
- Psychiatric Hosp., Long-Term Acute Care Hosp., Rehabilitation Hosp., Subacute Facilities (1-16 Beds) – effective 1/1/18
  - VBP adjustment of +0.5% on inpatient and outpatient
  - Must participate in the Network by 10/01/2017

# Value-Based FFS Rate Differential

- Nursing Facilities – effective 10/1/17
  - VBP adjustment +1% for pneumococcal vaccine measure
  - VBP adjustment +1% for influenza vaccine measure
  - Based on Medicare Nursing Home Compare Arizona Average

# Value-Based FFS Rate Differential

- Physicians, Physician Assistants, and Registered NPs – eff. 10/1/17
  - VBP adjustment +1% on all reimbursable services
  - At least 100 AHCCCS prescriptions, at least 50% e-prescribe
- Integrated Clinics – eff. 10/1/17
  - VBP adjustment of +10% on selected physical health procedures
  - IC provider must have had at least 40% BH claims in FFY 2016

# Inpatient Hospital DRG Rebase

- DRG was implemented 10/01/2014
  - Three-year phase-in complete this year
- Rebase targeted for 1/1/2018
  - Update APR-DRG grouper to 3M version 34
  - Realign rates to most recent complete year of data (2016), and most recent year wage and labor indices (2017)
  - Slight procedural changes to address operational issues

# Inpatient Hospital DRG Rebase

- Analysis will study more robust system of identifying Potentially Preventable Events and Readmissions
  - Workgroup to discuss possible implementation of reimbursement methodology that excludes payment for preventable events or readmissions
- IHS and Tribal 638 facilities remain exempt from DRG methodology