



## **Fee For Service Nursing Facility and Home and Community Based Service Provider Specialty Rate Increase Effective January 01, 2017**

AHCCCS has taken action to address the increased labor costs resulting from the Arizona minimum wage increase and employee benefit provisions of A.R.S. § 23-363 as approved by voters as Proposition 206 on November 8, 2016, and to assure that payments are consistent with efficiency, economy, and quality of care and are sufficient to enlist enough providers so that care and services are available at least to the extent that such care and services are available to the general population in the geographic area. For more information please visit:

<https://www.azahcccs.gov/AHCCCS/Downloads/PublicNotices/rates/PUBLICNOTICEOFCHANGEINPAYMENTRATES.pdf>

In accordance with Proposition 206 AHCCCS fee-for-service nursing facility (NF) rates and specific home and community based service (HCBS) provider rates have been adjusted to reflect an increase for service dates on or after January 1, 2017. This increase has also been applied to fee-for-service Specialty Rates for NFs and to specific services billed by HCBS providers. The specialty rate increase for nursing facilities is 3.5%. The HCBS provider increase for Assisted Living Facilities (ALFs) is 7% for specific services to include: T2031, and T2033. For additional rate information please see: <https://www.azahcccs.gov/PlansProviders/RatesAndBilling/FFS/>.

### **How to Receive the Increase on Claims for Date of Service January 1, 2017 or Later That Were Reimbursed at the October 1, 2016 Rate**

#### **Nursing Facilities**

Claims reimbursed for date of service January 1, 2017 and forward that were paid at the 10/01/16 specialty NF rate will need to be replaced by the NF. Replacement claims must be billed at the new specialty rate to receive the 3.5% increase. NF providers must verify receipt of the authorization letter confirming revision of their authorized specialty rate, or verify



authorization of the new rate using the AHCCCS online system to view authorization status at:  
<https://azweb.statemedicaid.us/Account/Login.aspx?ReturnUrl=%2f>.

For instruction on how to submit a replacement claim to fee-for-service, please view Chapter 4 of the Fee-For-Service Provider Manual at:

[https://www.azahcccs.gov/PlansProviders/Downloads/FFSProviderManual/FFS\\_Chap04GeneralBillingRules.pdf](https://www.azahcccs.gov/PlansProviders/Downloads/FFSProviderManual/FFS_Chap04GeneralBillingRules.pdf)

### **Assisted Living Facilities**

Assisted Living Facilities must work with the Tribal ALTCS member's Tribal Case Manager to ensure completion of required January 1, 2017 Residency Agreement revisions. Upon notification of the revised Residency Agreement from the member's Tribal Case Manager, AHCCCS will revise ALF specialty per diem rates, where applicable, for dates of service January 1, 2017 or later. Claims reimbursed for date of service January 1, 2017 and forward, that were paid at the 10/01/16 specialty ALF per diem rate, will need to be replaced with a new claim billed at the increased rate. Replacement of claims should occur after the ALF has received an authorization letter verifying application of the increased rate to the member's case plan, or by verifying application of the increased rate using the AHCCCS Online system to view case plan information at: <https://azweb.statemedicaid.us/Account/Login.aspx?ReturnUrl=%2f>.

Replacement claims for specialty ALF per diem rates must be billed at the increased rate in order to receive the 7% increase. For instruction on how to submit a replacement claim to fee-for-service, please view Chapter 4 of the Fee-For-Service Provider Manual at:

[https://www.azahcccs.gov/PlansProviders/Downloads/FFSProviderManual/FFS\\_Chap04GeneralBillingRules.pdf](https://www.azahcccs.gov/PlansProviders/Downloads/FFSProviderManual/FFS_Chap04GeneralBillingRules.pdf).

Status of fee-for-service authorizations, ALTCS member case plans, and fee-for service claims, must be verified using the AHCCCS Online system. If you require assistance with:

- AIHP member authorizations: call the FFS Prior Authorization area at 602-417-4400, or 800-433-0425 (outside Phoenix).



- Tribal ALTCS member Case Plan information: contact the member's Tribal Case Manager.
- Billing or Claims questions: call the FFS Claims Customer Service area at: 602-417-7670 or 800-794-6862.