

## Major Decisions as of 10/09/2012 regarding AHCCCS members with Medicare

For many years now, AHCCCS has explored options to improve the care delivery system for dual eligible Medicare-Medicaid members. Currently, AHCCCS is pursuing the Capitated Financial Alignment Demonstration with CMS. This Demonstration would begin on January 1, 2014 and a contract would be entered into by CMS, AHCCCS, and a health plan for all Medicare and Medicaid service. Additional information can be found here: [AHCCCS Duals Page](#). AHCCCS had intended to have a signed contract (MOU) with CMS by October 2012, but this timeline will be delayed. As this is an historic opportunity to improve the delivery system for dual eligible members, AHCCCS continues to pursue the Demonstration. The Demonstration offers unprecedented opportunities for administrative simplification, including a uniform and automatic enrollment process and coordinated member materials. Additional information about the CMS Demonstration can be found here: [CMS Capitated Financial Alignment Demonstration](#)

1. Until AHCCCS has a signed contract (MOU) with CMS for this Demonstration, AHCCCS must require a secondary option to coordinate care. If the Demonstration is not in the best interest of the State, its health plans, providers, and members, AHCCCS will require plans to become Medicare Dual Eligible Special Needs Plans (D-SNP). Until AHCCCS has a definitive position on the Demonstration, AHCCCS will require plans to go down both tracks of becoming a Demonstration plan and a D-SNP. Beginning in January 2014, plans are required to offer a Demonstration plan or a D-SNP.
2. As a decision has not been made, all Offerors are required to submit a Notice of Intent to Apply as a Medicare-Medicaid Plan through the Capitated Financial Alignment Demonstration to CMS in November 2012 and in addition submit a Notice of Intent to Apply or Service Area Expansion as a Dual Eligible Special Needs Plan to CMS in November 2012 if applicable.
3. All Offerors are required to submit a Medicare-Medicaid Plan Application to CMS for the Demonstration and/or a D-SNP Application to CMS in February 2013. AHCCCS will provide updates in the Bidders' Library as timely as possible regarding any change in the requirement that both Applications be submitted.
4. Although AHCCCS is not requiring submission of network or LOIs, it is the responsibility of all Offerors to review the CMS Medicare Application requirements, including network requirements. Initial Demonstration contractual requirements can be found in this guidance [3/29/12 CMS Plan Guidance](#) and requirements will be released with the Application in January 2013. Prior D-SNP Application information can be found here: [Medicare Advantage Applications](#).
5. If AHCCCS determines that an Offeror has not submitted an Application to CMS or does not meet Demonstration or D-SNP requirements, AHCCCS reserves the right to take whatever action it deems is in the best interest of AHCCCS and may terminate the Medicaid contract.
6. In the event that the Demonstration does not go forward, in order to meet MIPPA requirement, Acute Contractors with D-SNPs will have a contract with AHCCCS to enroll Acute full benefit dual eligible members only and will need to apply with CMS accordingly. AHCCCS will not sign contracts with D-SNPs that do not have Acute contracts in the counties they offer their D-SNP. See [ACOM Policy 107](#) for details.