



AHCCCS Update



Hospital Assessment & Litigation

Assessment

- Collaborating with stakeholders – model no negative system
- Assessed \$75 m in FY 2014 - \$233 m in FY 2015
- FY 15 estimates - Will wait for several more data points – collaborate

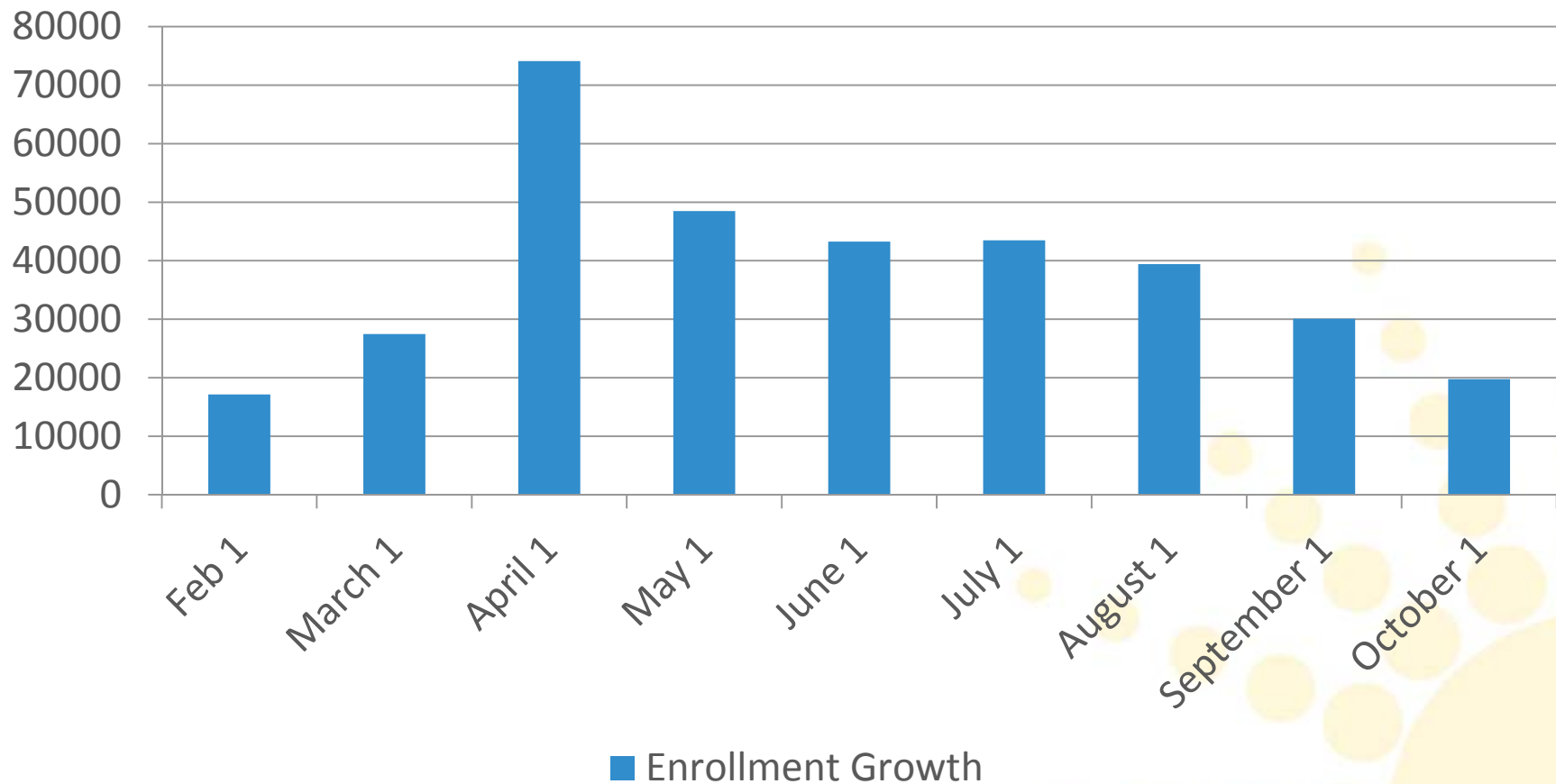
Litigation

- Lawsuit brought by 36 Republican Legislators
- Won at Superior Court – Standing
- Court of Appeals - 4-22-14 rules legislature has standing
- November 6th – State Supreme Court oral arguments

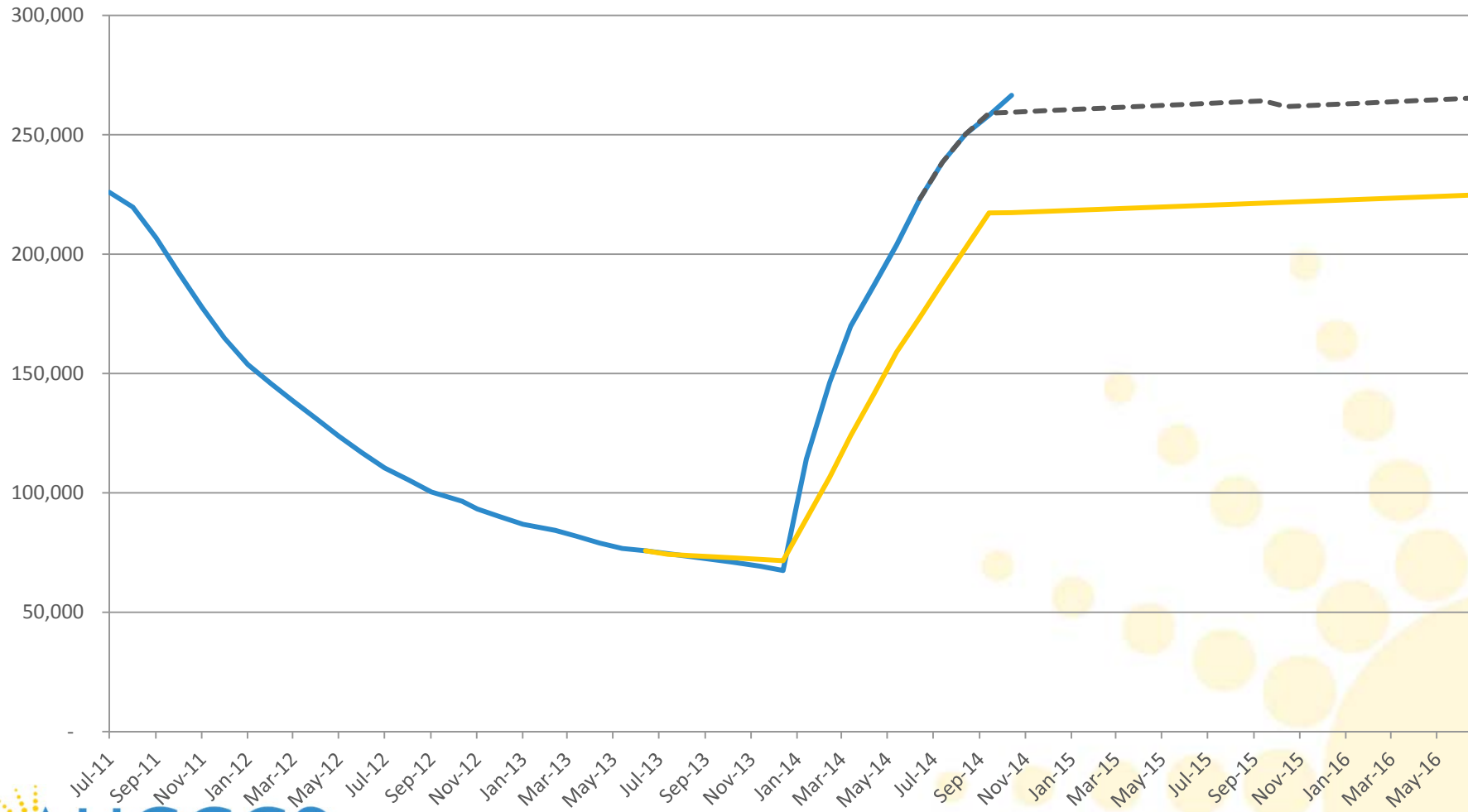
Medicaid Restoration

| | 12/1/2013 | 9/1/2014 | Change |
|--|-----------|-----------|---------|
| Prop 204 Restoration | 67,770 | 266,514 | 198,744 |
| Adult Expansion | 0 | 30,014 | 30,014 |
| KidsCare | 46,761 | 1,945 | -44,816 |
| Family Planning | 5,105 | 0 | -5,105 |
| AHCCCS for Families & Children (1931) | 672,135 | 746,715 | 74,580 |
| All Other | 505,379 | 596,228 | 90,849 |
| Total Enrollment | 1,297,150 | 1,641,416 | 344,266 |

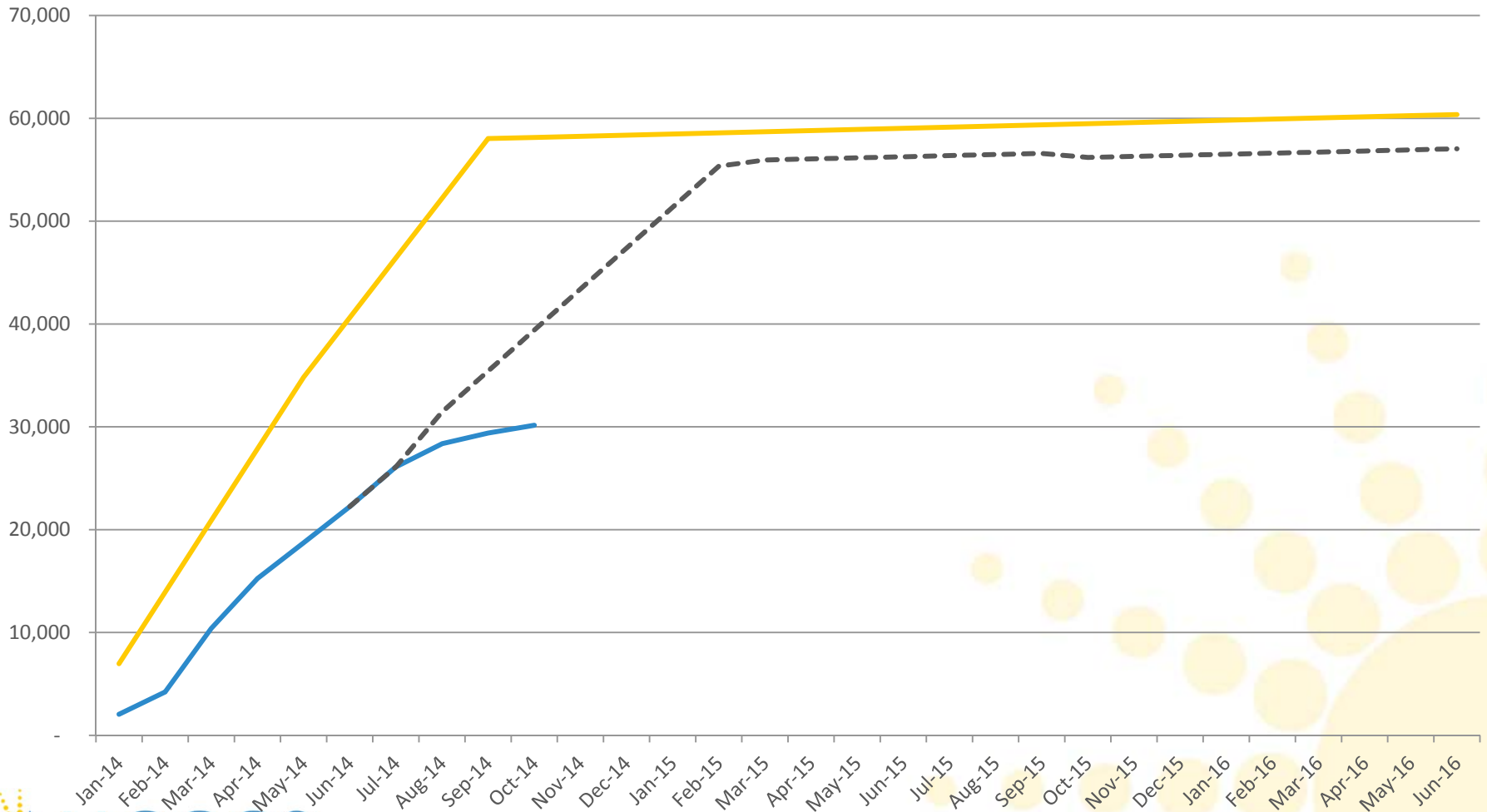
AHCCCS Enrollment Growth



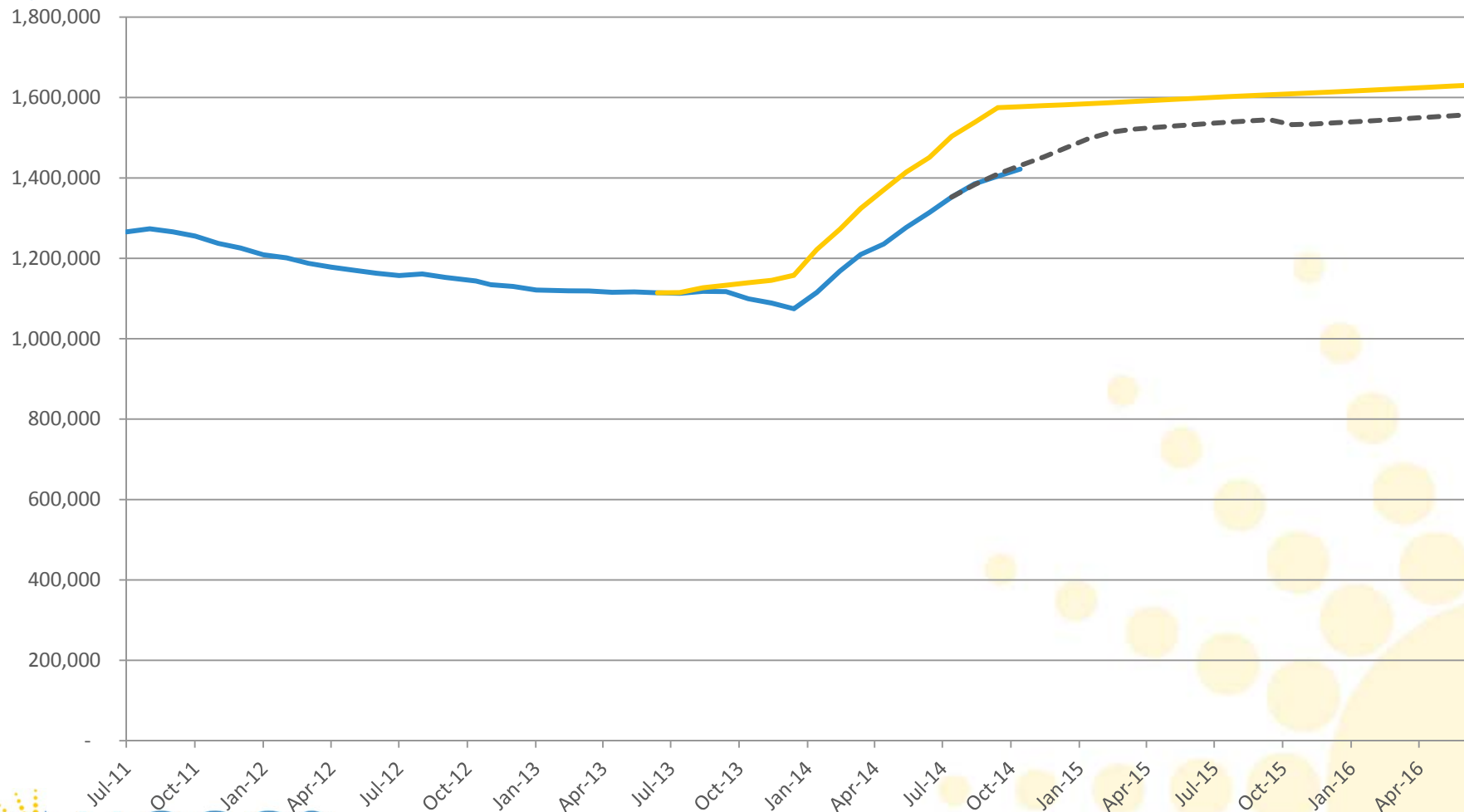
Prop 204 Adult Restoration



AHCCCS Adult Expansion

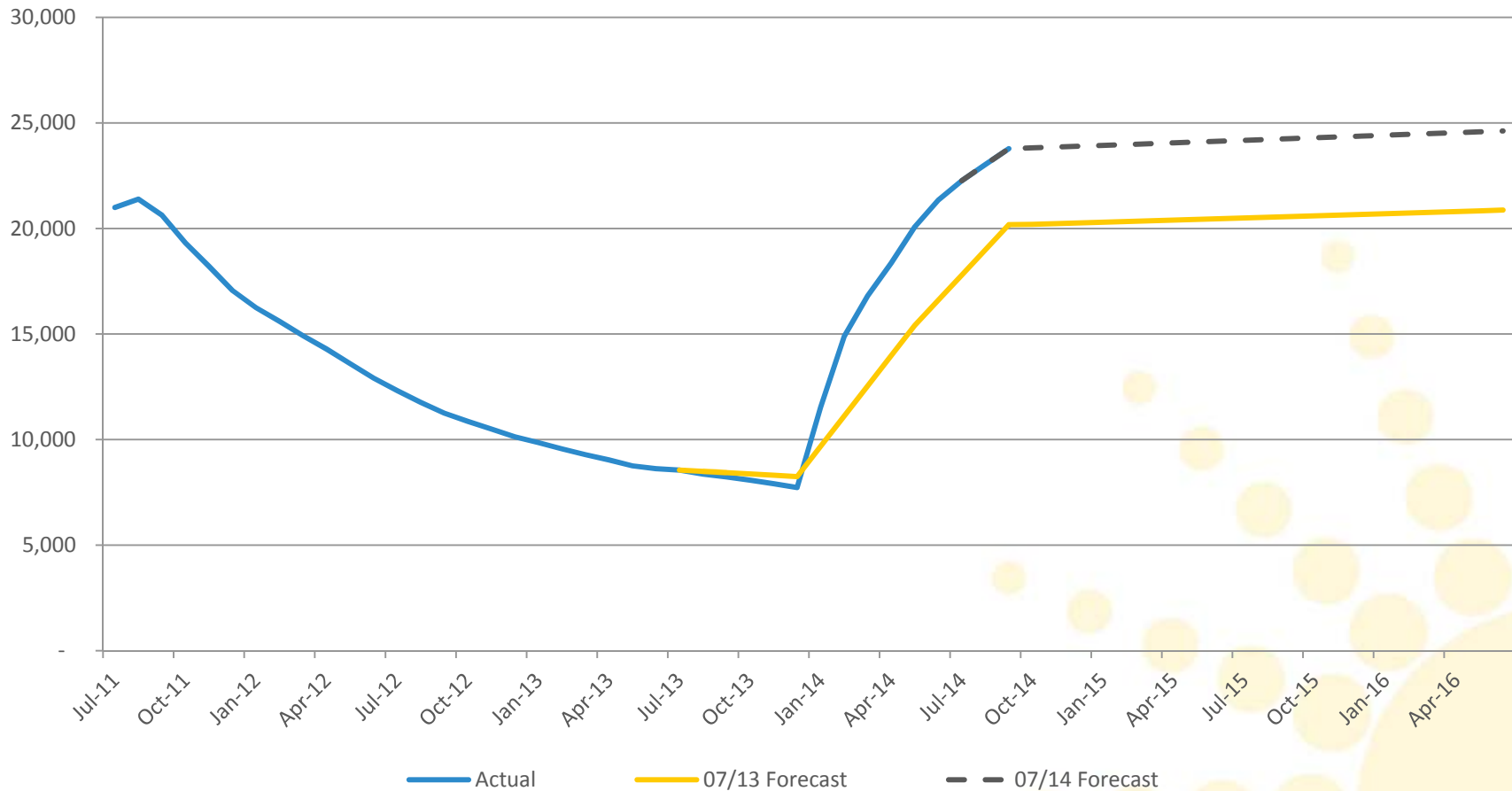


Total AHCCCS Acute

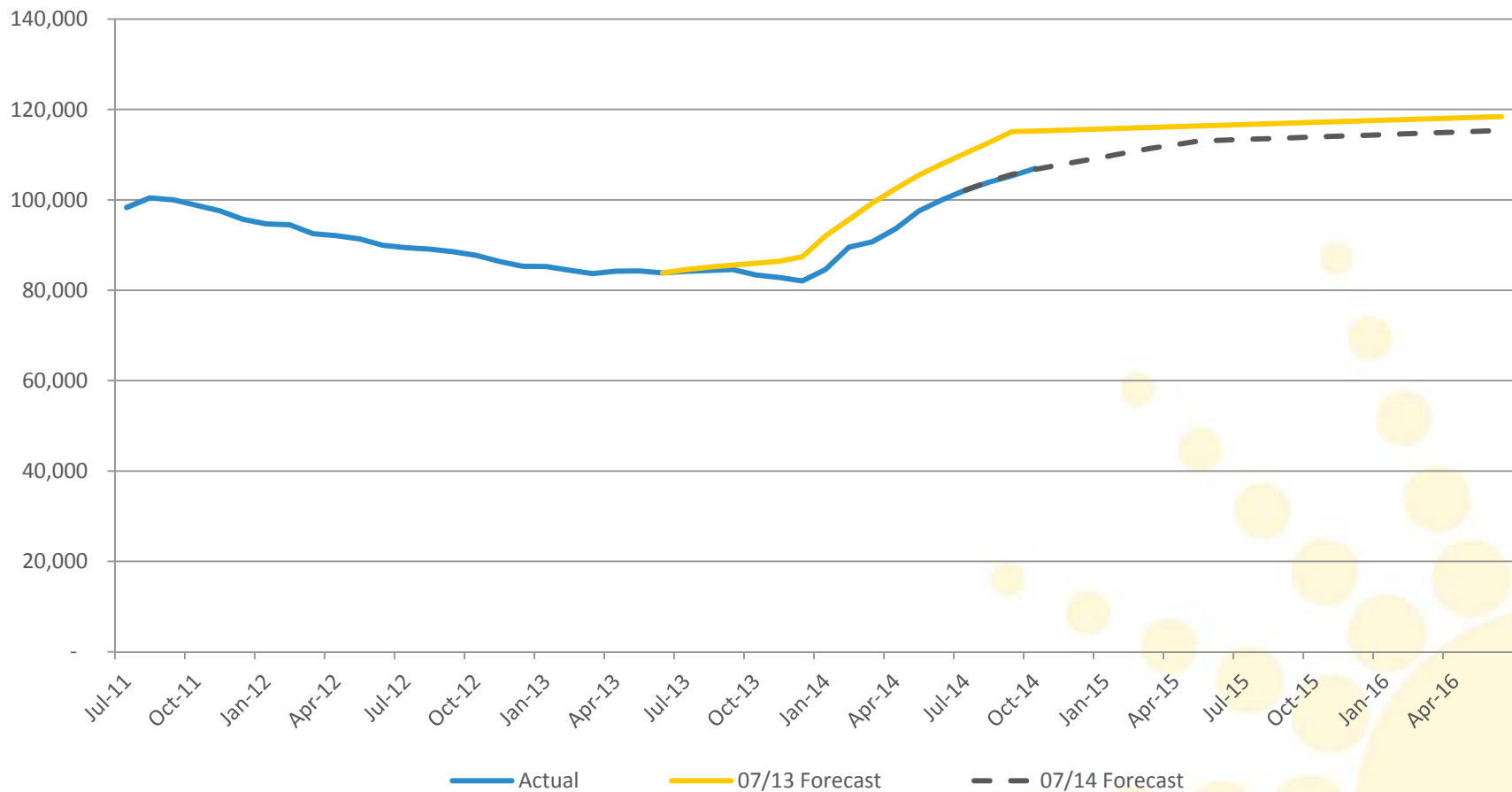


Reaching across Arizona to provide comprehensive quality health care for those in need

AIHP – Adults Restored Coverage



AIHP Enrollment



Medicaid / CHIP Enrollment

Millions of Enrollments per month

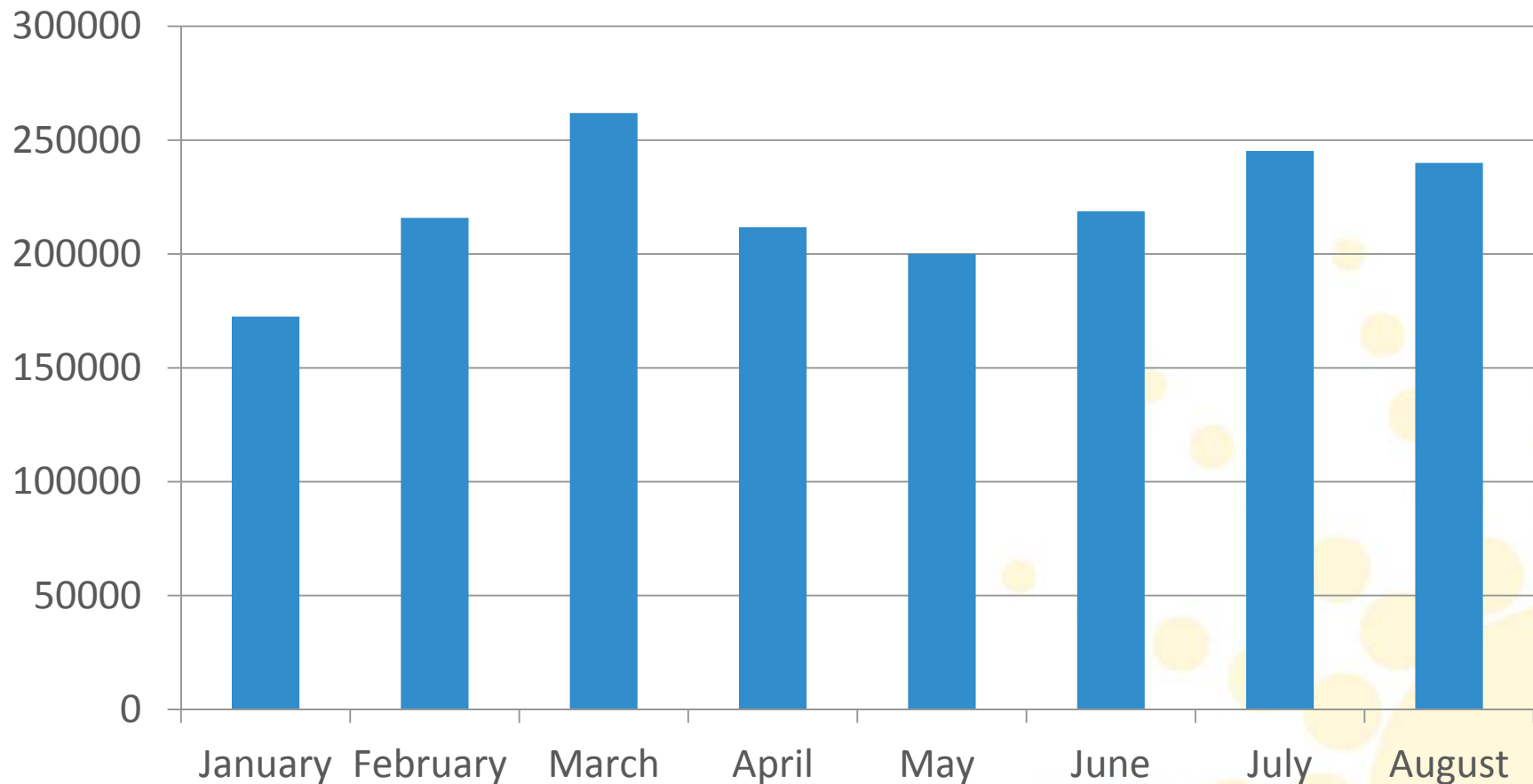


SOURCE: CMS Medicaid and CHIP: May 2014 Monthly Applications, Eligibility Determinations, and Enrollment Report (published July 11, 2014)

HEAplus Update

- HEAplus went live to public on 10-19-13
- Sent over 200,000 Account Transfers to FFM –
- Received over 150,000 from FFM
- Started pilot for roll out to eligibility workers
- Marketplace Enrollment – AZ – 120,071 (4-19-14)
- HHS OIG Review starting already
- November 15, 2014 Marketplace enrollment
- Expectations for better consumer experience

AHCCCS/DES Call Volume



Hospital Presumptive Eligibility

- Requirement of the ACA
- Hospitals and affiliated facilities eligible to submit streamlined PE applications
- Application can not require:
 - SSN
 - Documentation of Citizenship
 - Verification of income
 - Signature of application
- AHCCCS submitted SPA and Draft policy to CMS:
 - Emphasis on Program Integrity and leveraging HEAplus
 - Requirement of hospital staff to be subscribed users of HEAplus
 - Submission of complete application for 90% within PE period
 - 95% accuracy for PE determinations
 - Operational issues need to be resolved
 - Currently – 73% denial rate IP – 86% treat and release

Budget Update

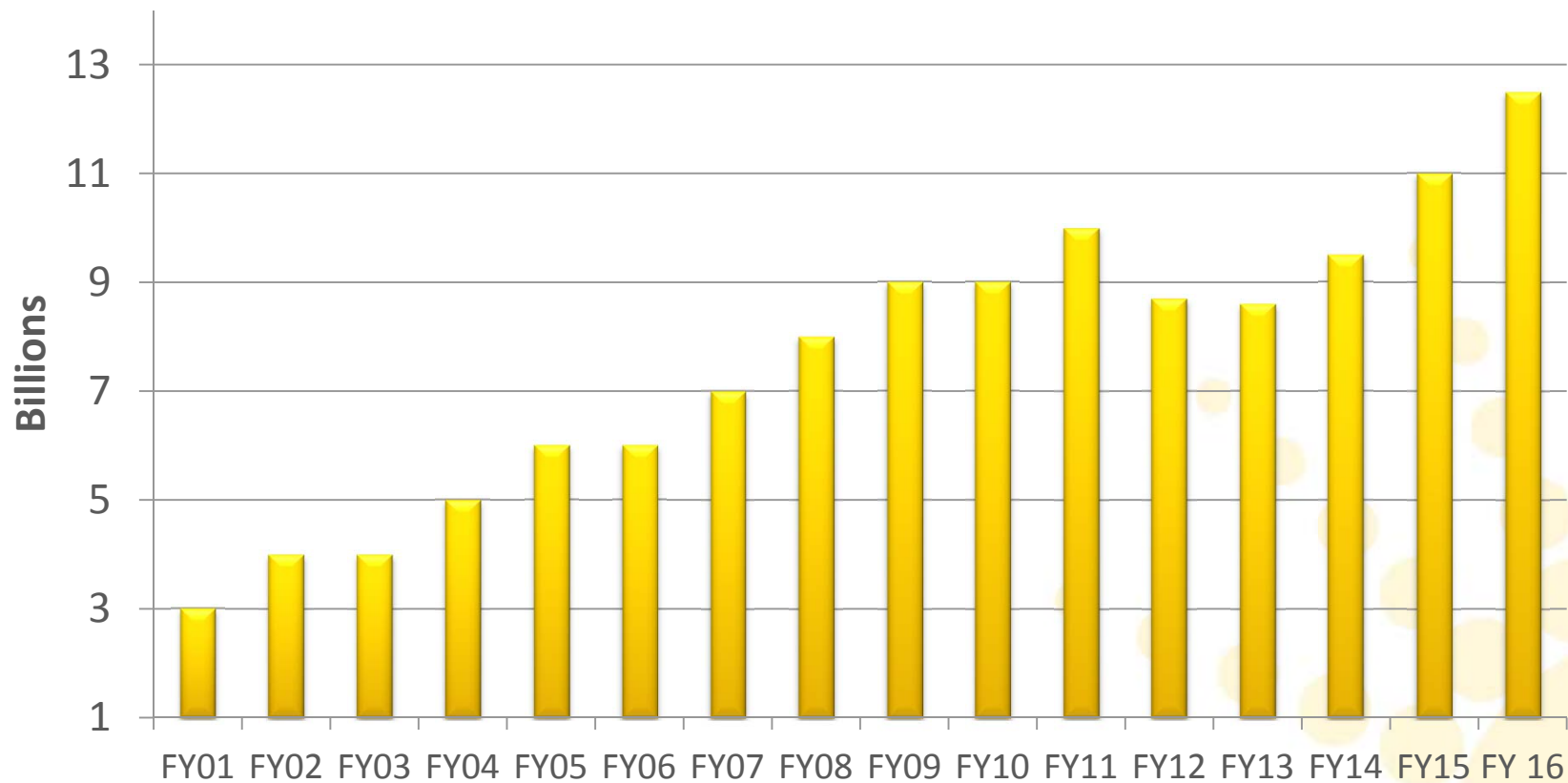
- FY 14 State revenues were **(\$113)** m below forecast – growth rate 2.8%
- K-12 Superior Court ruling for \$317 m in FY 2015

| In Millions | FY 2015 | FY 2016 |
|---------------------------|---------|---------|
| Adopted Budget Projection | 130 | (237) |
| Oct. JLBC Revenue Changes | (189) | (667) |
| Revenue + K-12 Ruling | (520) | (1,002) |

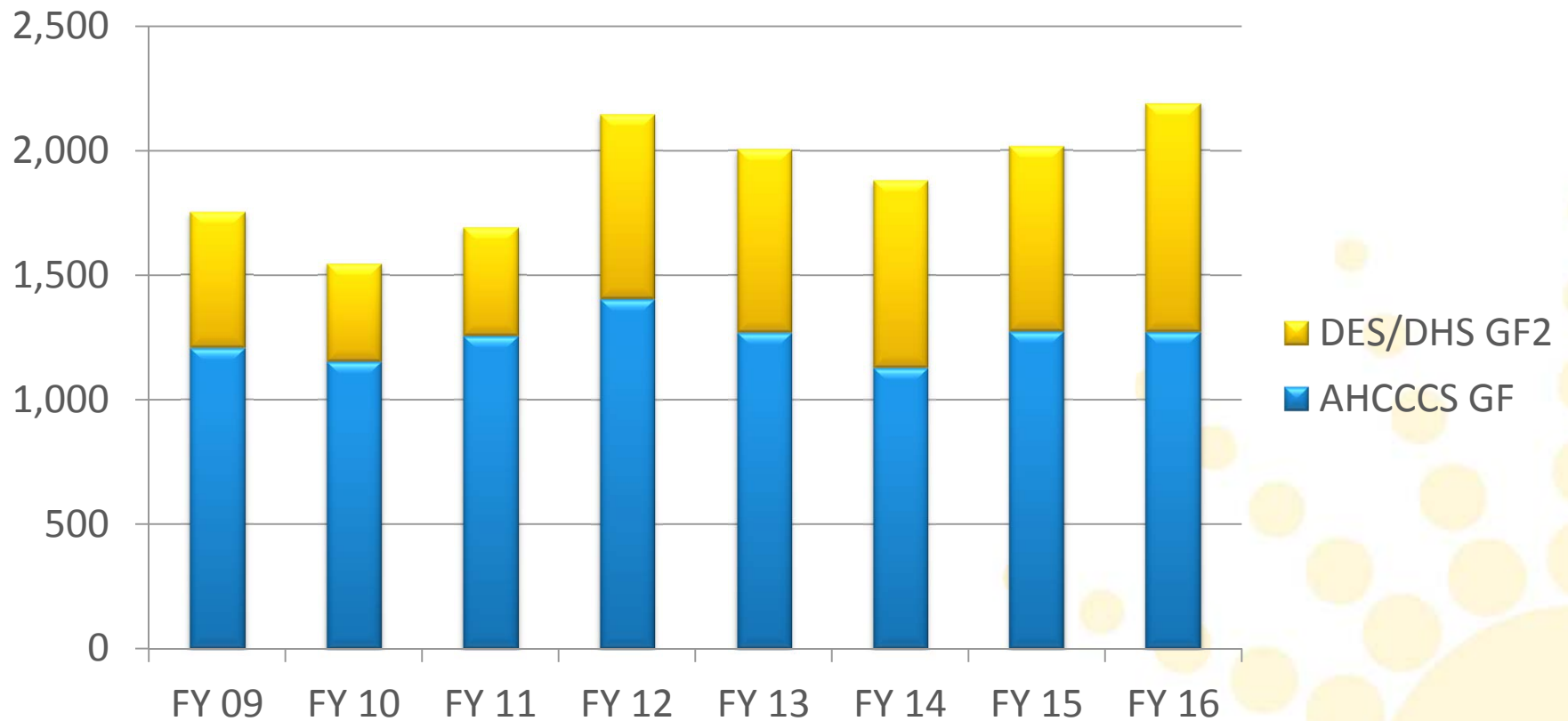
Budget Reduction Options

1. Eligibility – Freezes not an option – savings accrue to assessment
2. Optional Services – None left
3. Rate Reductions – Reductions never restored
4. Administration – still one-third less staff

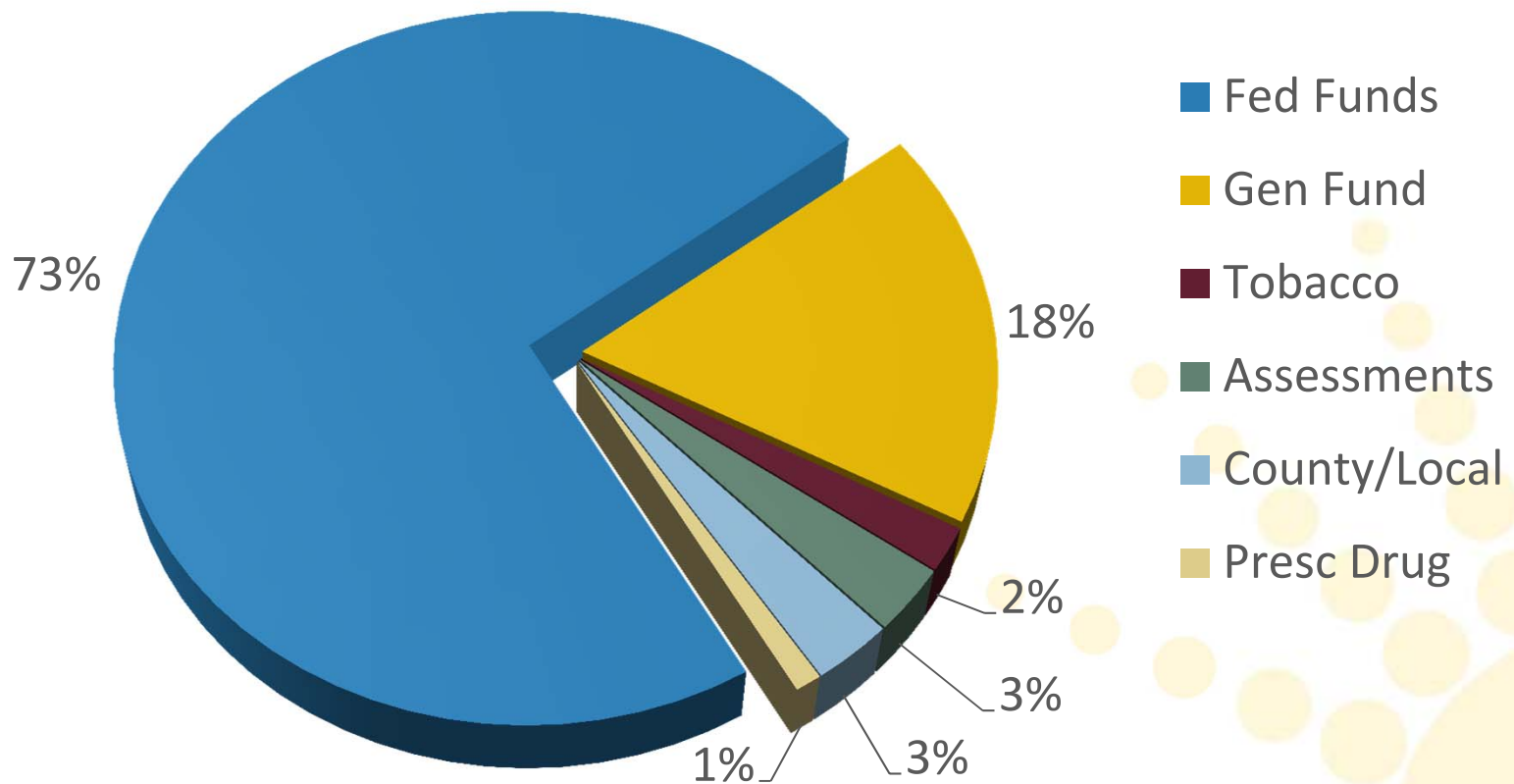
AHCCCS Spending 2001-2015



General Fund for AHCCCS Programs



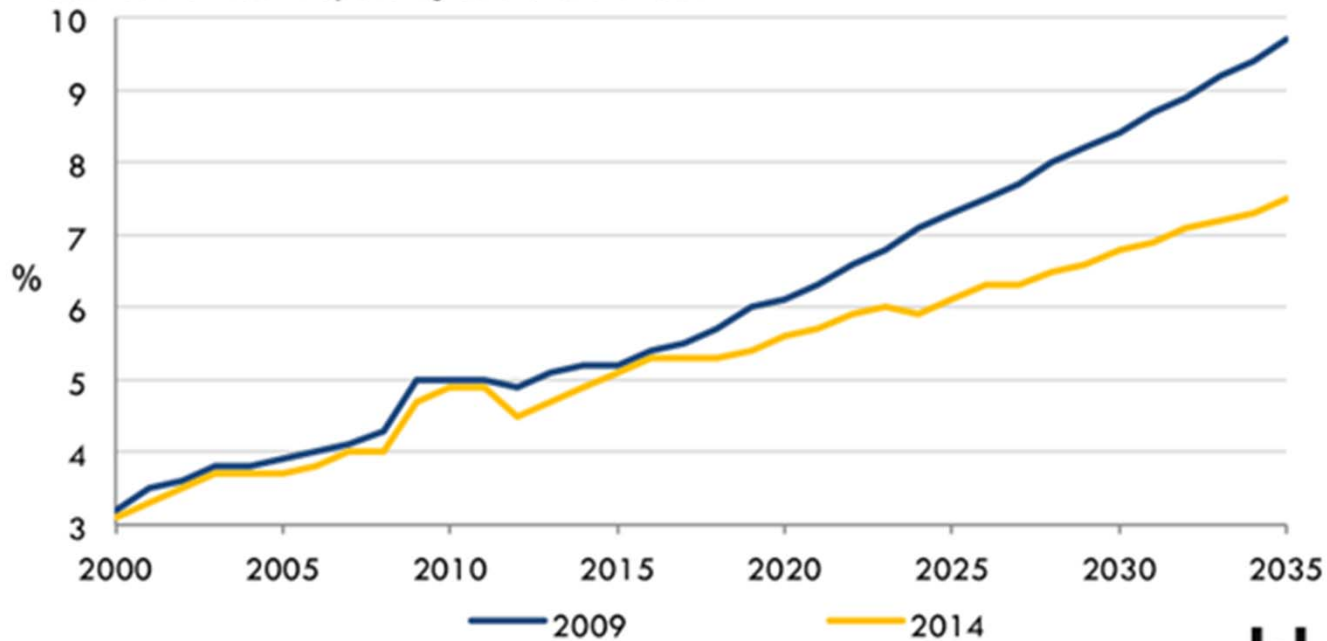
AHCCCS Funding by Source



Improving Federal Estimates

Federal health spending projections down significantly over the past 5 years

Total Federal Health Spending as a Share of GDP



Source: Congressional Budget Office



NEMT

- Had unacceptable error rates in fed. review
- Worked with Tribes to increase requirements
- Started Recertification process – still working through all 170 providers
- Held 3 public meetings on proposed procurement of NEMT broker for FFS
- Broker RFP process waiting for recertification process of NEMT providers and other providers of NEMT services

CAHPS Results

| | Children | Adult | CRS | SMI |
|-----------------------|----------|-------|-------|-----|
| Health Plan | 4 | 3 | 1 | 1 |
| Health Care | 5 | 3 | 4 | 1 |
| Doctor | 4 | 2 | 5 | 1 |
| Specialist | 4 | 3 | 5 | 2 |
| Needed Care | 3 | 3 | 3 | 2 |
| Care Quickly | 2 | 2 | 2 | 1 |
| Dr. Communication | 2 | 3 | 2 | 1 |
| Plan Customer Service | 4 | 4 | 2 | 2 |
| Members Surveyed | 10,302 | 5,077 | 1,360 | 555 |

CAHPS Survey of AIHP members

- 6,000 + surveys sent out
- Random selection of members
- November - Follow-up calls to those not responding
- March – results available

Arizona SIM Vision

Accelerate the delivery system's evolution towards a value-based integrated model that focuses on whole person health in all settings regardless of coverage source.

SIM Strategies

| Strategy | Funding |
|--|--------------|
| Implement SHIP strategies to accelerate transformation | \$ 5 million |
| Accelerate use of HIT/HIE in delivery system – BH emphasis | \$ 10 m |
| Competitive grants to large provider systems that partner with community based behavioral health providers | \$20 m |
| Workforce initiatives – training and best practices | \$7.5 m |
| EMS Partnerships for ED diversion | \$2 m |
| Accelerate care coordination for high need adults | \$6 m |
| QHP/Medicaid Care Coordination transition | \$2 m |
| Enhance and expand American Indian care coordination | \$3 m |
| Fund 4 regional care coordination models | \$10 m |
| American Indian Health Plan member education | \$1 m |
| Justice System Care Coordination | \$5 m |
| Value Based Payment Modernization | \$5 m |

