



Special Tribal Consultation on Differential Adjusted Payments

March 27, 2020

*This meeting was held VIRTUAL ONLY due to COVID-19 Mitigation Efforts

Overview and Purpose:

The AHCCCS Administration is publishing preliminary decisions for Differential Adjusted Payment (DAP) strategies to be implemented in the contracting year October 1, 2019 through September 30, 2020 (CYE 2020) for select AHCCCS registered Arizona providers, which meet Agency established performance criteria. This preliminary public notice also addresses future DAP reimbursement strategies that may be considered for implementation in CYE 2021 and thereafter. DAP rates are proposed to be implemented in order 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.

AHCCCS will implement DAP rates for the following providers:

1. Hospitals Subject to APR-DRG Reimbursement
2. Other Hospitals and Inpatient Facilities
3. Indian Health Services (IHS) and 638 Tribally Owned and/or Operated Facilities
4. Nursing Facilities
5. Integrated Clinics
6. Behavioral Health Outpatient Clinics
7. Physicians, Physician Assistants, and Registered Nurse Practitioners
8. Dental Providers
9. Home and Community Based Services Providers

The DAP rates currently in place expire after September 30, 2019 dates of service. The DAP rates in this notice for CYE 2020 will be effective with dates of service beginning October 1, 2019, through September 30, 2020, and all noted providers (based on distinct Provider Types) will have the opportunity to be considered for meeting the criteria described further below. The DAP Schedule represents a positive adjustment to the AHCCCS Fee-For-Service (FFS) rates.

The purpose of the DAP is to distinguish providers which have committed to supporting designated actions that improve patients' care experience, improve members' health, and reduce cost of care growth. These fee schedules will be limited to dates of service in CYE 2020. AHCCCS managed care organizations (MCOs; including Regional Behavioral Health Authorities - RBHAs) will be required to pass-through DAP increases to their contracted providers, maintaining rates to match the corresponding AHCCCS FFS rate increase percentages. Please note – Funding for DAP rate increases is subject to the appropriation of State funds and State budget constraints. Federal funding for DAP rate increases is contingent upon federal approval. All preliminary decisions or considerations included in this notice are therefore subject to the availability of funds and federal approval.