AHCCCS Quarterly Report
October 1, 2018 – December 31, 2018

TITLE

Arizona Health Care Cost Containment System – AHCCCS
A Statewide Approach to Cost Effective Health Care Financing

Section 1115 Quarterly Report
Demonstration Year: 36
Federal Fiscal Quarter: 1st (October 1, 2018 – December 31, 2018)

INTRODUCTION

As written in Special Terms and Conditions, paragraph 41, the State submits quarterly progress reports to CMS. Quarterly reports inform CMS of significant demonstration activity from the time of approval through completion of the Demonstration.

ENROLLMENT INFORMATION

Table 1 contains a summary of the number of unduplicated enrollees for October 1, 2018 through December 31, 2018, by population categories. The table also includes the number of voluntarily and involuntary disenrolled members during this period.

Table 1

Population Groups	Number Enrollees	Number Voluntarily Disenrolled-Current Qtr	Number Involuntarily Disenrolled-Current Qtr
Acute AFDC/SOBRA	1,151,972	2,428	245,165
Acute SSI	193,940	219	20,773
Prop 204 Restoration	532,680	757	59,823
Adult Expansion	120,037	285	27,589
LTC DD	33,591	44	2,882
LTC EPD	33,670	52	5,392
Non-Waiver	42,669	130	16,923
Total	**2,108,559**	**3,915**	**378,547**

Table 2 is a snapshot of the number of current enrollees (as of January 1, 2019) by funding categories as requested by CMS.

Table 2

State Reported Enrollment in the Demonstration (as requested)	Current Enrollees
Title XIX funded State Plan [1]	**1,334,589**
Title XXI funded State Plan [2]	**32,522**
Title XIX funded Expansion[3]	**393,823**
• **Prop 204 Restoration (0-100% FPL)**	77,461
• **Adult Expansion (100% - 133% FPL)**	316,362
Enrollment Current as of	1/1/19

OPERATIONAL/POLICY DEVELOPMENTS/ISSUES

Waiver Update

The Arizona Health Care Cost Containment System (AHCCCS) is submitting a formal request to amend Arizona's Section 1115 Research and Demonstration Waiver. AHCCCS proposes technical amendments to the language of the Special Terms and Conditions to reflect the delivery system changes resulting from the AHCCCS Complete Care managed care contract award.

On October 1, 2018, AHCCCS transitioned 1.5 million AHCCCS members into managed care plans called AHCCCS Complete Care plans that provide integrated physical and behavioral health care services. Specifically, the ACC Plans serve AHCCCS Acute Care Program enrollees except for adults determined to have a Serious Mental Illness and foster children enrolled with the Comprehensive Medical and Dental Program (CMDP).

The public was given the opportunity to review and submit comments on the proposal posted on the AHCCCS website.[4]

Targeted Investment Program Update

Below is a summary of the Targeted Investments (TI) program implementation activities conducted by AHCCCS from October 1, 2018 through December 31, 2018:

- AHCCCS coordinated with State's Health Information Exchange to establish required data elements and process for TI program participants to achieve bi-directional data exchange capability in order to meet the relevant milestone;
- The Agency conducted multiple stakeholder presentations on the TI program's integration objectives in alignment with the initiation of the Arizona Complete Care health plan roll out;

[1] SSI Cash and Related, 1931 Families and Children, 1931 Related, TMA, SOBRA child and pregnant, ALTCS, FTW, QMB, BCCP, SLMB, QI-1

[2] KidsCare

[3] Prop 204 Restoration & Adult Expansion

[4] https://azahcccs.gov/Resources/Federal/PendingWaivers/ACCTechnicalAmendmentCorrection.html

- AHCCCS developed and implemented systems to review and validate Year Two milestone attestations and document validation submissions;
- AHCCCS developed and provided guidance and resource materials to Program participants for meeting Year Three milestones;
- AHCCCS developed the TI program Process Plan that documents TI requirements and the payment determination process;
- AHCCCS organized and held a TI participant Focus Group that included MCO medical directors to secure input and feedback on Year 3 requirements;
- AHCCCS held ongoing meetings with MCO medical directors to discuss opportunities to align TI integration efforts with the plans' provider network integration initiatives;
- The Agency continued its ongoing engagement and communication with TI participants including, newsletter, blast emails, and individual consultations;
- AHCCCS analyzed the results of the initial submission by the TI participants of the Integrated Practice Assessment Tool [IPAT], measuring the level of collaboration/integration; and
- AHCCCS initiated development of Year Three milestone attestation and document validation data base system.

State Plan Update

During the reporting period, the following State Plan Amendments (SPA) were filed and/or approved:

SPA #	Description	Filed	Approved	Eff. Date
Title XIX				
SPA 18-011 EMS Rates	Updates the State Plan to make update to EMS rate methodologies.	10/03/2018	03/18/2019	10/01/2018
SPA 18-012 Outpatient Drug Rule	Updates the State Plan to comply with the Outpatient Drug Rule.	11/08/2018		10/01/2018
SPA 18-013 Outpatient Hospital Rates	Updates the State Plan to revises the Outpatient Hospital Rates effective 10/1/18.	12/26/2018	02/07/2019	10/01/2018
SPA 18-014 Other Provider Rates	Revises the other provider rates effective 10/1/18.	12/26/2018	02/07/2019	10/01/2018
SPA 18-015 Disproportionate Share Hospitals (DSH)	Updates the State Plan to renews the DSH program for 2019.	12/27/2018		10/01/2018

SPA #	Description	Filed	Approved	Eff. Date
SPA 18-016 Inpatient DAP	Updates the State Plan to make changes to inpatient Differential Adjusted Payments Program for Inpatient Hospitals.	12/27/2018	03/06/2019	10/01/2018
SPA 18-017 LTAC and Rehab Rates	Updates the State Plan to update LTAC and Rehab rates.	12/27/2018	02/21/2019	10/01/2018
SPA 18-018 Nursing Facilities Differential Adjusted Payments	Updates the State Plan to update differential adjusted payments for nursing facilities.	12/27/2018	03/06/2019	10/01/2018
SPA 18-019 Outpatient Differential Adjusted Payments	Updates the State Plan to update outpatient differential adjusted payments.	12/27/2018	03/21/2019	10/01/2018
SPA 18-020 Nursing Facilities Rates	Updates the State Plan to update nursing facilities rates.	12/28/2018	02/21/2019	10/01/2018
Title XXI				
None				

CONSUMER ISSUES

In support of the quarterly report to CMS, presented below is a summary of advocacy issues received in the Office of Client Advocacy (OCA) for the quarter October 1, 2018 – December 31, 2018.

Advocacy Issues[5]	October	November	December	Total
9+Billing Issues • Member reimbursements • Unpaid bills	9	10	8	**27**
Cost Sharing • Co-pays • Share of Cost (ALTCS) • Premiums (Kids Care, Medicare)	0	0	0	**0**
Covered Services	84	30	37	**151**

[5] Categories of good customer services, bad customer service, documentation, policy, and process are captured under the category it may relate to.

ALTCS • Resources • Income • Medical	4	9	6	**19**
DES • Income • Incorrect determination • Improper referrals	31	23	20	**74**
KidsCare • Income • Incorrect determination	0	4	1	**5**
SSI/Medical Assistance Only • Income • Not categorically linked	9	7	12	**28**
Information • Status of application • Eligibility Criteria • Community Resources • Notification (Did not receive or didn't understand)	64	65	51	**180**
Medicare • Medicare Coverage • Medicare Savings Program • Medicare Part D	2	6	3	**11**
Prescriptions • Prescription coverage • Prescription denial	5	3	4	**12**
Fraud-Referred to Office of Inspector General (OIG)	0	0	0	**0**
Quality of Care-Referred to Division of Health Care Management (DHCM)	2	2	4	**8**
Total	**210**	**159**	**146**	**515**

Table 2 **Issue Originator**[6]	Oct.	Nov.	Dec.	Total
Applicant, Member or Representative	186	136	126	448
CMS	3	3	0	6
Governor's Office	13	11	5	29
Ombudsmen/Advocates/Other Agencies…	5	5	10	20
Senate & House	3	4	5	12
Total	**210**	**159**	**146**	**515**

[6] **This data was compiled from the OCA logs from the OCA Client Advocate and the Member Liaison.**

OPT-OUT FOR CAUSE

Attached is a summary of the opt-out requests filed by individuals with SMI in Maricopa County and Greater Arizona, broken down by months, health plans, counties, reasons for opt-out requests, opt-out outcome, and post-appeal opt-out outcomes.

QUALITY ASSURANCE/MONITORING ACTIVITY

Attached is a description of AHCCCS' Quality Assurance/Monitoring Activities during the quarter. The attachment also includes updates on implementation of the AHCCCS Quality Assessment and Performance Improvement Strategy, in accordance with Balanced Budget Act (BBA) requirements.

ENCLOSURES/ATTACHMENTS

Attachment 1: SMI Opt-Out for Cause Report

Attachment 2: Quality Assurance/Monitoring Activities

Attachment 3: Arizona Medicaid Administrative Claiming Random Moment Time Study Report

Attachment 4: Budget Neutrality Tracking Schedule

STATE CONTACT(S)

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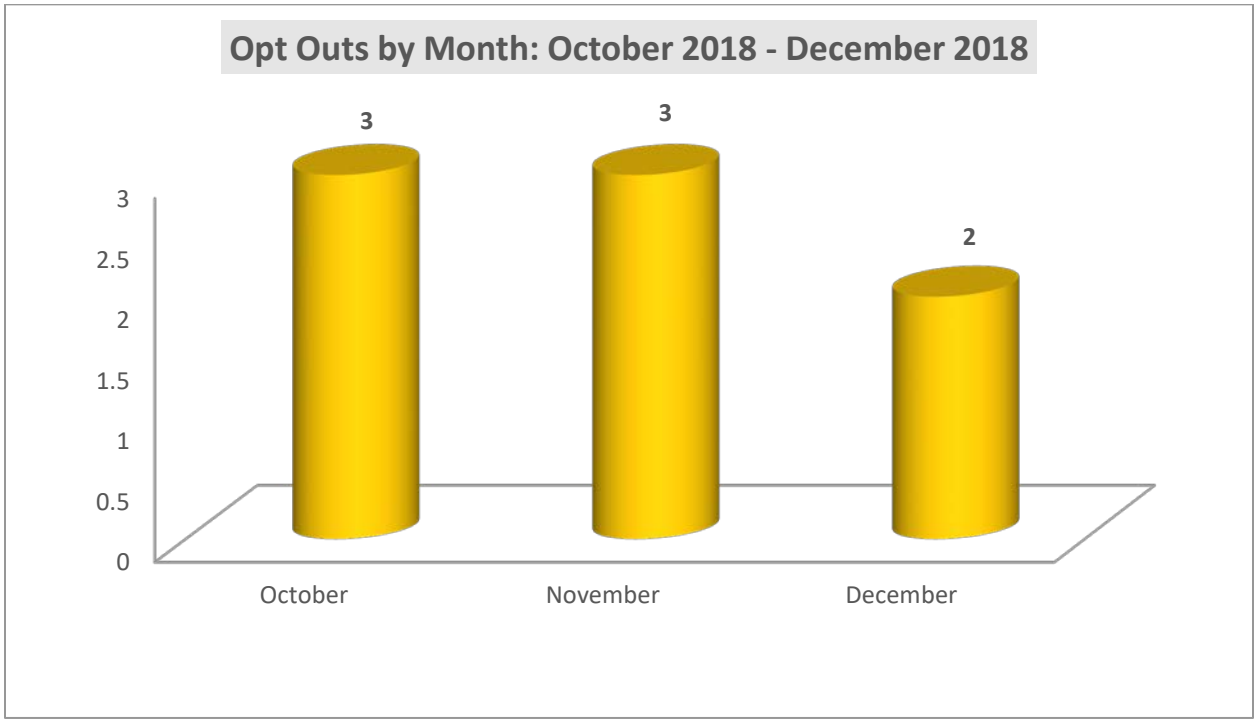
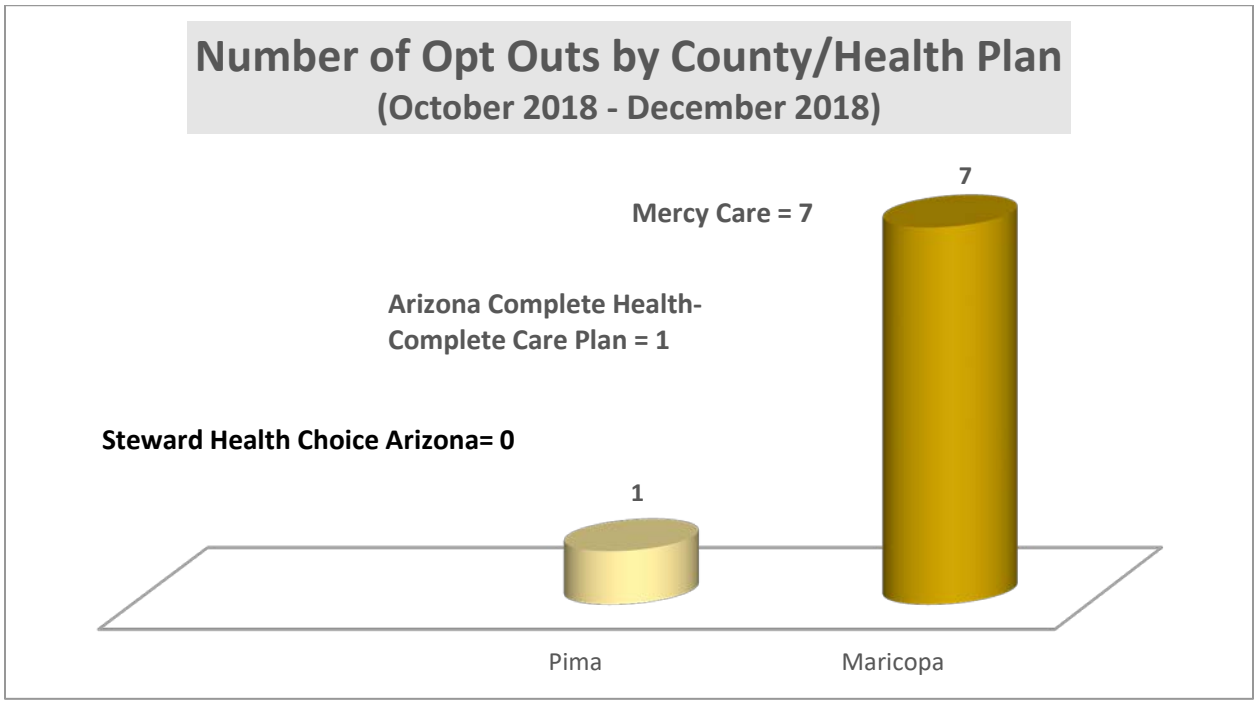
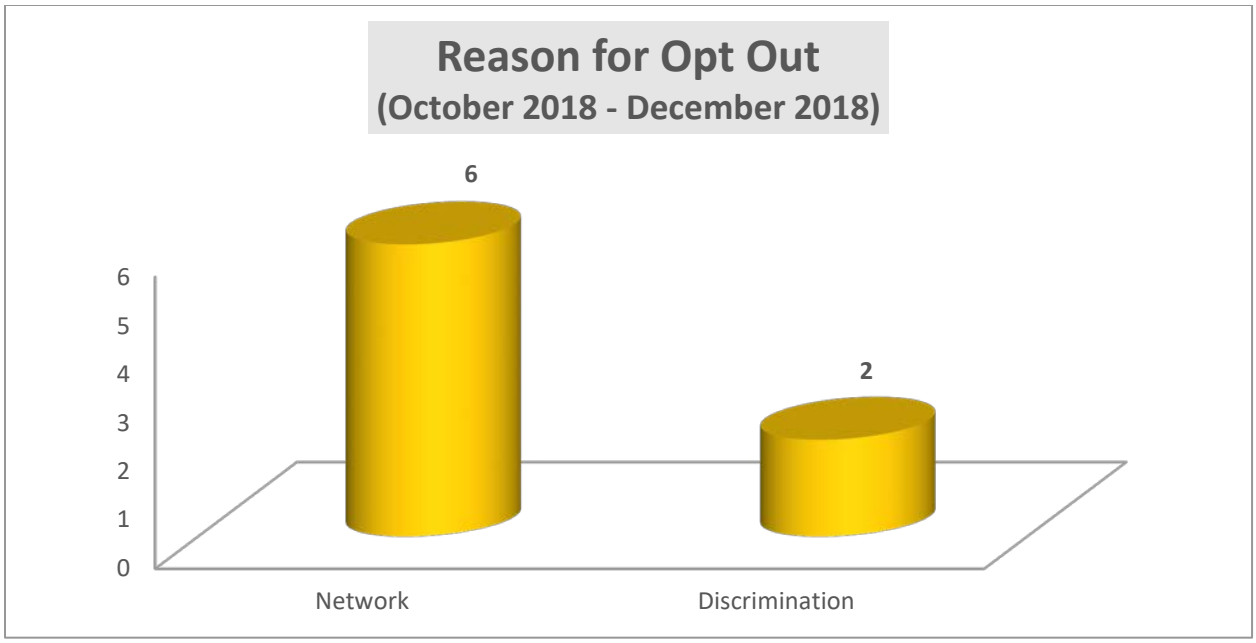
Attachment 1: SMI Opt-Out for Cause Report

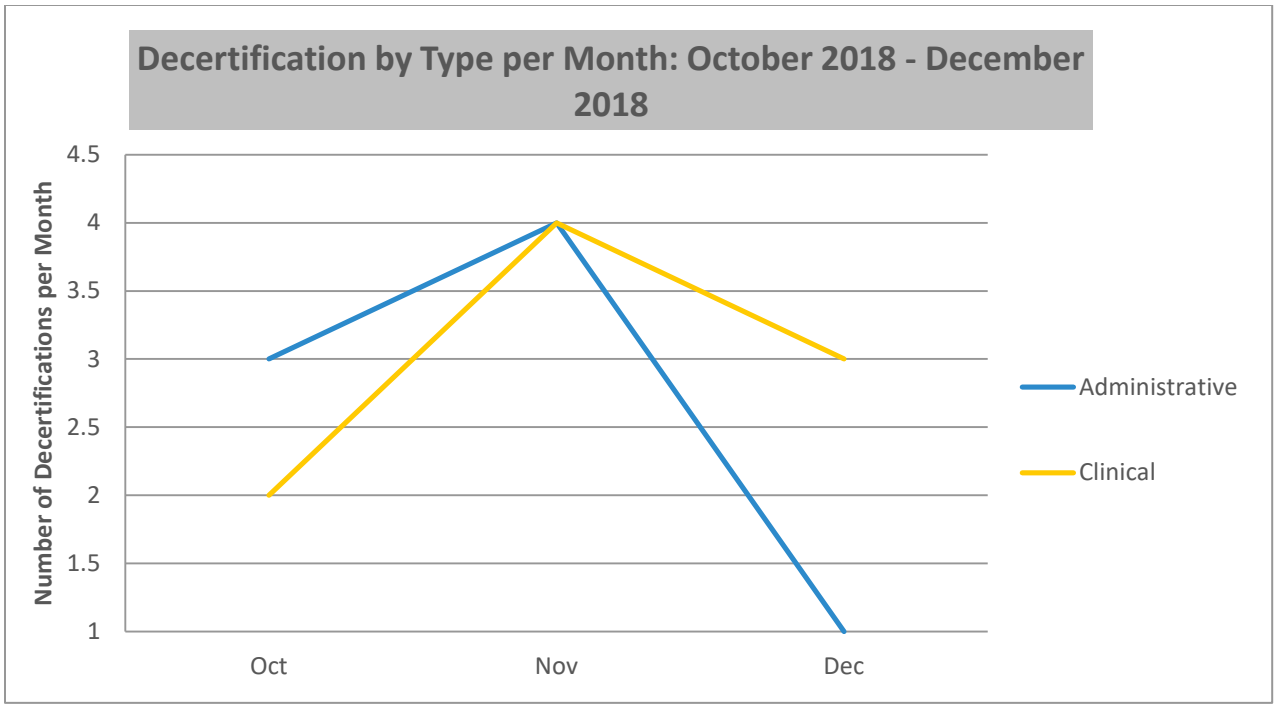






Initial Opt-Out Decision (Oct 2018 - Dec 2018)			
Approved	**Withdrawn**	**Denied**	**Pending**
0	0	8	0

Appeal Outcomes (Oct 2018 - Dec 2018)			
Approved	**Withdrawn**	**Denied**	**Pending**
0	0	0	1



Note:

There are two established mechanisms for changing an individual's designation and service eligibility as Seriously Mentally Ill (SMI) as follows:

- Administrative decertification. This process is an administrative option that allows for an individual to elect to change their behavioral health category from SMI to GMH. This process is available to individuals who have a designation of SMI in the system but have not received behavioral health services for two or more years. This process is facilitated by AHCCCS.

- Clinical decertification. Eligibility for SMI services is based upon a clinical determination involving whether a person meets a designated set of qualifying diagnostic and functional criteria. Clinical decertification involves a review of the criteria to establish whether or not an individual continues to meet SMI criteria. If a clinical review finds that a person no longer meets the established criteria, the person's SMI eligibility is removed. In this case the person will be eligible for behavioral health services under the general mental health (GMH) program category. These determinations are made by CRN.

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM

Attachment II to the

Section 1115 Quarterly Report

Quality Assurance/Monitoring Activity

Demonstration/Quarter Reporting Period

Demonstration Year: 36

Federal Fiscal Quarter 1/2019 (10/1/18 – 12/31/18)

Prepared by the Division of Health Care Management
January 2019

Introduction

This report describes the Arizona Health Care Cost Containment System (AHCCCS) quality assurance and monitoring activities that occurred during the first quarter of federal fiscal year 2019, as required in STC 52 of the State's Section 1115 Waiver. This report also includes updates related to AHCCCS' Quality Assessment and Performance Improvement Strategy, in accordance with the Balanced Budget Act requirements.

The AHCCCS Division of Health Care Management (DHCM) is responsible for directly overseeing the quality of health care services provided to its members enrolled with managed care organizations. DHCM is also responsible for the administrative and financial functions of the contracted health plans (Contractors). DHCM, in conjunction with other AHCCCS Divisions, sister agencies and community partners, continually focuses on the provision of "comprehensive, quality health care for those in need", as delineated in the Agency mission.

DHCM is the division that houses Units for Quality Management (QM), Quality Improvement (QI), and Maternal, Child Health /Early and Periodic Screening, Diagnostic and Treatment (MCH/EPSDT) and Medical Management/ALTCS Case Management. These units are the primary driver of efforts outlined in the Quality Strategy and the teams closely collaborate to ensure thoughtful processes for members, stakeholders, policies, and improvement activities.

The following sections provide an update on the State's progress and activities under each of the components of the 1115 Waiver and AHCCCS Quality Strategy. Given the implementation of ACC during Quarter One of FY2019, this report will highlight AHCCCS activates and goals for the statewide model of care that occurred October 1st and December 31st, in addition to other activities related to ongoing quality and performance improvement during the quarter.

Stakeholder Involvement

The success of AHCCCS remains attributable to concentrated efforts by the agency to cultivate partnerships with its sister agencies, contracted Managed Care Organizations (MCOs – also referred to as "Contractors"), providers, and the community. AHCCCS maintains these ongoing collaborations to improve the delivery of health care and related services to Medicaid recipients and KidsCare members, including those with special health care needs. AHCCCS regularly strives to address common issues and solve problems through ongoing networking activities utilizing feedback from sister agencies, providers and community organizations. Their opinions are included in the

Agency's process for identifying quality improvement priorities and the development of new initiatives. Concentrated efforts persist to include member and stakeholder feedback in most facets of Agency operations, including Policy Committee, quarterly meetings for Quality Management related to the adult/child systems of care, and separate quarterly meetings for Maternal Child Health/EPSDT. Ongoing advisory councils and specialty workgroups (e.g. Autism and Foster Care) continue to operate.

One continuing example is the AHCCCS MCH/EPSDT team participation as a major system contributor to the Early Childhood Initiative within Arizona. By working with The Early Intervention State Partners Meeting, designed to support the healthy development and learning of Arizona's children from birth to age five, the MCH/EPSDT team is able to further efforts toward increasing statewide capacity for screening, referral and access to early intervention services. Additionally, AHCCCS collaborated with other stakeholders such as AzEIP, First Things First and the Arizona Chapter of the American Academy of Pediatrics to complete revisions on EPSDT tracking forms.

The AHCCCS QM and MCH/EPSDT teams partner with a number of stakeholders, including but not limited to:

*Arizona Department of Health Services **(ADHS)***	*Arizona Early Intervention Program (AzEIP)*
ADHS Arizona Women, Infants, and Children's Program (WIC)	*Arizona Head Start Association*
ADHS Bureau of Tobacco and Chronic Disease	*Arizona Health-E Connection/Health Information Network of Arizona*
ADHS Bureau of USDA Nutrition Programs	*Arizona Medical Association*
ADHS Cancer Prevention and Control Office	*Arizona Newborn Screening Advisory Committee*
ADHS Children with Special Health Care Needs	*Arizona Perinatal Trust*
ADHS Emergency Preparedness Office	*Arizona Strong Families*
ADHS Immunization Program and Vaccines for Children Program	*Attorney General's Health Care Committee*
ADHS Office of Environmental Health – Targeted Lead Screening	*First Things First*
ADHS Office of Newborn Screening	*Healthy Mothers/Healthy Babies*
ADHS/HSAG Statewide Workgroup on Psychiatric Inpatient Readmissions	*Injury Prevention Advisory Council*
Arizona Chapter of the American Academy of Pediatrics	*National Alliance on Mental Illness (NAMI)*
Arizona Department of Child Safety	*Task Force on Prevention of Prenatal Exposure to Alcohol and other Drugs*
Arizona Diabetes Steering Committee	*The Arizona Partnership for Immunization* (TAPI

The AHCCCS ALTCS Case Management Unit also partners with a large number of community stakeholders:

Statewide Independent Living Council	*DES/DDD Employment Specialists*
Long Term Care Ombudsman	*Governor's Advisory Council on Aging*
Regional Center for Border Health	*AARP*
ARC of Arizona	*Easter Seals Blake Foundation*
Rehabilitation Services Administration	*Arizona Health Care Association*
Raising Special Kids	*Governor's Office on Aging*
UCP of Southern Arizona	*Sonoran University Center on Excellence in Developmental Disabilities*
Arizona Association for Providers for People with Disabilities	*Arizona Autism Coalition*
Aging and Disability Resource Center	*Office of Children with Special Health Care Needs*

Innovative Practices and Delivery System Improvement

AHCCCS is continually reviewing opportunities to improve the effectiveness and efficiency of Arizona's health care delivery system, as well as the methods utilized to promote optimal health for members. There are teams throughout the Agency that promote innovation and transparency for both internal and external processes. Below are some of the efforts in which the QM, QI, and MCH/EPSDT teams are involved.

Continuing Integration Strategies: Following successful efforts around Administrative Simplification, the AHCCCS continues to enhance the knowledge and understanding of behavioral health care, by hiring additional expertise to support its workforce. The accumulation of individuals with behavioral health expertise or licensure as a Behavioral Health Professional enhances the ability for clinical oversight of service delivery,

program development and contract requirements that focus on a holistic approach in all aspects of care.

Within the QM, QI, and MCH/EPSDT units, other activities designed to enhance integration during the first quarter of FY2019, have involved utilization of performance and quality measurement activities that expand the focus on specific aspects of integrated care. New measures, which should engender care coordination between physical and behavioral health include:

- Required tracking of concurrent use of opioids and benzodiazepines
- Metabolic monitoring for children and adolescents on antipsychotics

Incorporation of these new performance measures necessitates coordination between behavioral health and physical health practitioners to ensure appropriate prescribing practices, especially nonpublication. Ongoing efforts include:

- Tracking performance on prenatal and postnatal timeliness of care with supplemental training to contracted health plan staff, relative to physical and behavioral health aspects of perinatal mood disorders; and
- Implementation of regular community-based meetings open to AHCCCS membership with a focus on enhancing member/stakeholder involvement in performance and quality improvement activities for physical and behavioral health care.

AHCCCS Complete Care: Additional integration efforts culminated in a statewide integrated contract, with the implementation of the AHCCCS Complete Care (ACC) contract on October 1, 2018. The award was given to a variety of Contractors as follows:

- Northern Arizona: Two Contractors, comprising 5 predominantly rural counties,
- Central Arizona: Seven Contractors, comprising Maricopa County (urban) and 2 other predominantly rural counties, and
- Southern Arizona: Three Contractors, comprising Pima County (urban) and 6 other predominantly rural counties

Contractors under ACC are responsible for provision of integrated physical and behavioral health care for the following populations:

- Adults who are not determined to have a Serious Mental Illness (excluding members enrolled with Department of Economic Security/Division of Developmental Disabilities – DES/DDD);
- Children, including those with special health care needs, (excluding Department of Economic Security/Division of Developmental Disabilities – DES/DDD and

Department of Child Safety/Comprehensive Medical Dental Plan – DCS/CMDP); and

- Members determined to have SMI who opt out to transfer to the Contractor for the provision of physical health services.

In addition to the integrated structure of AHCCCS Complete Care, AHCCCS has also incorporated nationally recognized concepts that are central to integrated care models. These key concepts include Trauma Informed Care and Social Determinants of Health. Increasingly, these principles of service delivery have become well recognized as factors related to improved health outcomes and they take into account the relationship between physical and behavioral health.

ALTCS/EPD: As reported within previous quarterly reports, the ALTCS/EPD Contracts were designed to utilize a fully integrated care perspective at both the systemic and direct care levels (e.g. use of community-based health homes, electronic health records, coordinated case management, and holistic treatment of behavioral and physical health). Initially, AHCCCS focused on the incorporation of Arizona's long-standing model of behavioral health service delivery for adults with serious mental illness (SMI), with traditional ALTCS health care models. Beginning October 1, 2018, AHCCCS has implemented workgroups to further alignment and understanding of the unique needs of individuals that have an SMI designation in conjunction with dementia or other behavioral and/or physical complications that qualify an individual for ALTCS services.

Additionally, beginning October 1st, 2018, AHCCCS began to work with the ALTCS plans to enhance behavioral health services to children following the traditional Children's System of Care Model, which emphasizes a formalized set of guiding principles for service planning and delivery that are based on John Vandenberg's nationally known Wrap-Around model of care. Although Arizona's ALTCS model has historically provided integrated care that included behavioral health treatment, AHCCCS goal is to continue alignment of system delivery AHCCCS populations.

Community Initiatives

AHCCCS Opioid Initiative: The overarching goal of this initiative is to reduce the prevalence of Opioid Use Disorders (OUD) and opioid-related overdose deaths. The initiative approach includes developing and supporting state, regional, and local level collaborations and service enhancements, to development and implementation of best practices to comprehensively address the full continuum of care related to opioid misuse, abuse and dependency. Strategies include:

1. Increasing access to Naloxone through community-based education and distribution, as well as a co-prescribing campaign for individuals receiving opioid prescriptions in excess of 90 morphine equivalent daily doses and combinations of opioids and benzodiazepines;
2. Increasing access to and participation and retention in Medication Assisted Treatment;
3. Increasing access to recovery support services.
4. Reducing the number of opioid-naïve members unnecessarily started on prescription opioid pain management; and
5. Promoting best practices and improving care process models for chronic pain and high-risk members.

AHCCCS' Medication Assisted Treatment – Prescription Drug Opioid Addiction Program (MAT-PDOA) grant focuses on the need for medication assisted treatment to treat opioid use disorder for adults involved with the criminal justice system. This program has three primary goals:

- Create a bridge to connect those incarcerated to treatment services when re-reentering into the community;
- Reduce stigma associated with MAT for individuals in the criminal justice system; and
- Support individuals participating in drug courts, probation and parole.

Between January 1, 2017 and December 15, 2018, the MAT PDOA program has enrolled 232 participants into the program to receive services. Among those enrolled, program outcomes include reductions in crimes committed, nights spent in jail, and drug-related arrests. The program has also produced an increase in gainful employment, housing and retention in treatment.

MAT PDOA providers have expanded collaboration and engagement efforts with Correctional facilities, Re-entry Centers, Department of Parole, Department of Probation and Drug Courts. The program has also expanded services to Graham County correctional facilities and drug court to assist an area that has been heavily impacted by the opioid epidemic and among the other counties has one of the highest overdose rates. Preliminary data from MAT-PDOA recipients shows a 58% reduction in crimes committed, 50% reduction in nights spent in jail, 80% reduction in arrests, and an 82% reduction in drug arrests.

To expand training and education, AHCCCS hosted two free MAT Symposiums in Mohave and Graham County in an effort to display clinically effective prevention and treatment strategies to best serve those impacted by the opioid epidemic. Topics included the current Arizona initiatives implemented to combat this ongoing crisis. The

content of the symposiums was designed for MAT providers, substance use disorder treatment providers, physical health providers, harm reduction organizations, justice system partners and interested community members. Current training and education efforts are being finalized with SAMHSA (Substance Abuse Mental Health Services Administration) to provide technical assistance to providers and stakeholders regarding trauma informed practices for those working with criminal justice system involved individuals with opioid use disorder. The Opioid State Targeted Response (STR) grant, awarded to AHCCCS in May 2017, was designed to enhance community-based prevention activities and treatment activities that will include 24/7 access to care points in “hotspot” areas throughout the state, increasing the availability of peer supports, providing additional care coordination efforts among high risk and priority populations, and adding recovery supports. The State Opioid Response grant was awarded to AHCCCS in September 2018, maintains, and expands the activities started through the STR grant.

- Arizona has opened six 24/7 Centers of Excellence (COE) for Opioid Treatment on Demand. The COE is an Opioid Treatment Program (3) or a stabilization unit (3) in a designated "hotspot" that is open around the clock, seven days a week for intakes and warm handoff navigation on a post intake basis. Arizona has also opened two Medication Units in rural Arizona to make medication assisted treatment more accessible within those communities. Three additional Medication Units are scheduled to open in rural Arizona in the next few months, as well as four additional Opioid Treatment Programs. As of November 30, 2018, over 11,000 individuals have been connected to OUD treatment through the STR grant.
- AHCCCS launched a concentrated effort through the Opioid State Targeted Response grant to increase peer support utilization for individuals with Opioid Use Disorder. Through the STR grant, 34 additional peer support navigators have been hired in identified hot spots in Arizona, and efforts to include peer support navigation in the Centers of Excellence, jails, and emergency departments and at first responder scenes in the hotspot areas have been increased. As of November 30, 2018, over 9,000 individuals have received peer support and recovery services through the STR grant.
- Through STR funding, Arizona has launched a real-time auto-dispatch model with Phoenix Fire Department; when PFD receives an opioid-related call, a peer support from the Phoenix 24/7 OTP is also dispatched to arrive on scene to help navigate individuals to resources. Arizona has also launched its first law enforcement "pre-booking" model in Tucson. Peers are called on scene to provide navigation to the 24/7 OTP as a mechanism for alternatives to incarceration. Likewise, STR funds positions to connect individuals releasing from correctional setting to OUD treatment and recovery services upon release.

- Over 13,000 naloxone kits have been distributed through the STR grant. In addition, AHCCCS also funds a community distribution project through the Substance abuse block grant, where over 80,000 kits have been distributed.

The Quality Caregiver Initiative (QCI): The objective of the QCI is to improve relationship-based, trauma-informed service supports for foster, kinship and adoptive parents by identifying a matrix of evidence-based intervention programs that are developmentally appropriate and span the continuum of service intensity needs from basic trauma trainings to brief intervention to intensive in-home services. In doing so, the goal is provide the right services and the right time to the family unit as a mechanism to decrease disruptions, increase permanency and ultimately, the social and emotional outcomes of the children in the child welfare system. The collaborative consists of several state agencies, behavioral health providers and experts in infant-toddler mental health, child development, family systems and trauma-informed care.

Internal Initiatives

Learning Opportunities to Enhance Staff Knowledge Related to Integrated Care: Previous reports identified AHCCCS' efforts to improve knowledge and expertise regarding the behavioral health system through learning opportunities for its staff through formal meetings and informal workshops/lunch-hour trainings. Internal behavioral health subject matter experts, licensed behavioral health practitioners and community professionals were procured to offer training on topics such as infant/toddler mental health, trauma informed care, perinatal mood disorders and adult system of care processes for individuals with general mental health needs and serious mental illnesses.

To further enhance integration efforts as a result of ACC, and facilitate quality of care reviews, from a more broadly informed approach, training topics were expanded for QM and QOC staff during the first quarter of FY2019. As in the past, however, attendance remains open to other departments based on department need. Topics include:

- Grant programs for Non-Title 19 individuals
- AHCCCS Operations and Compliance Structure and Processes
- Social Determinants of Health
- CMS Waiver Process: TXIX/TXXI Waiver
- Appeal Process for Opting Out for Members with Serious Mental Illness
- Integrating Foster Care – Foster, Kinship, Adoptive Family/Member Rights and Resources General Finance/Rate Setting Process
- Tribal/FFS Division of Fee for Service Management

- Meeting Needs of Children & Adults with Special Health Care Needs through Improving Physical Health via Community Based Activities (e.g. Arizona Special Olympics)

Identifying Priority Areas for Improvement

AHCCCS has established an objective, systematic process for identifying priority areas for improvement. This process involves a review of data from both internal and external sources, while also taking into account such factors as: (1) the prevalence of a particular condition and population affected, (2) the resources required by both AHCCCS and its Contractors to conduct studies and shape improvement, (3) whether the areas currently are priorities of CMS or state leadership and/or can be combined with existing initiatives, and (4) whether CMS priorities can be combined with current initiatives. Of importance is whether initiatives focused on the topic area are actionable and have the potential to result in enhanced quality improvement, member satisfaction and system efficiencies. Contractor input is also sought in prioritizing areas for improvement. Some of the ongoing efforts include:

- The first is an initiative on behavioral health care for children in the foster care system. Development of these metrics focused on children served under Comprehensive Medical and Dental Plan (CMDP), Arizona's health plan for children in Arizona's Foster Care system. AHCCCS' goal for these measures is to identify whether access and timeliness standards are met, and assess overall utilization trends for CMDP children needing behavioral health care.

  Relatedly, AHCCCS recently began regular collaboration with the Arizona Department of Child Safety (DCS). It is anticipated that these collaborative efforts will improve system deliver for DCS children enrolled with CMDP. The goal of these collaborative activities is to
  - Standardize and strengthen training, supervision, and prior authorization procedures across the state for Therapeutic Foster Care (previously known as Home Care Training to Home Care Client or "HCTC"),
  - Reduce DCS shelter placements, both the number of days in shelter and the number of different shelter placements of foster children,
  - Strengthen 72 hour rapid response process,
  - Collaborate to increase fidelity to children's behavioral health initiatives and
  - Strengthen AHCCCS policies related to timely and appropriate delivery of services to both foster and adoptive children.

- A second initiative involves working with the Task Force on Preventing Prenatal Exposure to Alcohol and Other Drugs. This is a multi-stakeholder task force spearheaded by Arizona Department of Child Safety (DCS) that also includes ADHS and AHCCCS. The task force holds monthly meetings.

- During 2017, AHCCCS began an initiative to develop a consistent, statewide tool and process for monitoring behavioral health service delivery. Initially, contracted Regional Behavioral Health Authority (RBHA) staff were brought together to evaluate relevancy of current requirements. Feedback from these meetings was used to build two draft tools, one for children and one for adults. These tools were further reviewed by the newly contracted ACC plans to ensure understanding of the tool requirements and expectations.

  Through workgroup meetings with AHCCCS, the RBHAs and ACC plans began discussions to create consistent, statewide methodology to fully implement the behavioral health audits. The goal of these meetings has been to have uniform methodology for all Contractors and their providers that offer behavioral health services. Given the structure of contracts awarded under ACC, AHCCCS and the Contractors recognized that there are providers throughout Arizona that could be contracted with more than one RBHA or ACC plan. Therefore, another important aspect of developing statewide methodology is to ensure that any one provider is not audited by more than one Contractor during any audit rotation.

To further ensure that a consistent process is finalized, AHCCCS has continued to involve AzAHP (Arizona Association of Health Plans) in these meetings with the RBHAs and ACC plans. Contractors have an option to continue utilization of AzAHP under a relationship separate from AHCCCS. Utilizing AzAHP as a monitoring agent facilitates consistency in quality monitoring and it reduces burden on practitioners because AzAHP can serve as the single reviewing entity for multiple MCOs.

Establishing Realistic Outcome-Based Performance Measures

AHCCCS over time has transitioned to measures found in the CMS Core measure sets, HEDIS, Meaningful Use, and other measure sets that have been implemented by CMS. These changes enabled AHCCCS to more effectively compare their rates against national and other state's measures.

AHCCCS regularly develops new performance measure sets for all lines of business, based on system changes and/or any changes within CMS Core measure sets. Typically, these changes are implemented on October 1st and based on new contracts

or renewal of existing contracts. Numerous measures were added during CYE2018, which AHCCCS has continued to incorporate for CYE2019 (e.g. “Follow-up After Hospitalization for Mental Illness”, “Follow-up After Emergency Department Visit for Mental Illness or Alcohol and Other Drug Dependence”). New measures for CYE2019 include:

- Initiation and Engagement of Alcohol and Other Drug Abuse or Dependence Treatment,
- Metabolic Monitoring for Children and Adolescents on Antipsychotics, and
- Use of First-Line Psychosocial Care for Children and Adolescents on Antipsychotics

Transitioning to nationally recognized measures is anticipated to further support the adoption of electronic health records and use of the health information exchanges. This will in turn, result in efficiencies and data/information designed to achieve the following:

- Transform care practices,
- Continue evolution to fully integrated care across all statewide systems,
- Improve individual patient outcomes,
- Guide population health management,
- Improve patient satisfaction with the care experience,
- Increase efficiencies, and
- Reduce health care costs

Identifying, Collecting and Assessing Relevant Data

Performance Measures: AHCCCS continues to utilize an External Quality Review Organization to perform the measurement calculations, to ensure validity and accuracy of Performance Measurement activities. AHCCCS has finalized the contract with an external vendor to support future performance measurements.

Contractors have been provided the data to enhance their ongoing planning and implementation efforts related to the new performance measures, as well as for sustaining and improving continuing measures. AHCCCS continues to provide regular technical assistance, facilitate new work groups to address performance challenges, or new reporting mechanisms, and a more transparent process with plans for proactive reporting prior to the end of the measurement period. Such efforts should facilitate the Contractors’ ability to make necessary adjustments/final pushes and payment reform initiatives that align with performance measure thresholds.

Performance Improvement Projects

Providing Incentives for Excellence and Imposing Sanctions for Poor Performance: AHCCCS regularly monitors Contractors to ensure compliance with contractually-mandated performance measures. Contracts outline Minimum Performance Standards (MPS) that the Contractor must achieve. Those measures are evaluated for compliance and determination of the need for imposing regulatory actions. At a minimum, measures that fail to meet the MPS require a Corrective Action Plan. Additional actions could include mandatory technical assistance, Notices to cure, and financial sanctions.

Payment Reform Efforts: During previous reports, AHCCCS reported implementation of a payment reform initiative (PRI) for the Acute Care, Children's Rehabilitative Services (CRS) and ALTCS populations, designed to encourage Contractor activity in the area of quality improvement, particularly those initiatives that are conducive to improved health outcomes and cost savings, and those related to child and adolescent health. This PRI process is performed on a contract year basis. CRS and Acute Care are no longer reported separately, due to the ACC integrated contract.

As such, AHCCCS has implemented an updated Value Based Purchasing (VBP) Alternative Payment Model (APM) for the ACC, ALTCS and RBHA populations that is designed to encourage Contractor activity in the area of quality improvement, particularly those initiatives that are conducive to improved health outcomes and cost savings, and those related to child and adolescent health. This VBP APM process will be performed annually on a contract year basis. The contracts the Contractors execute with health care providers, governed by APM arrangements will have increases according to the tables immediately below.

ACC	
YEAR	**INTENDED MINIMUM VALUE PERCENTAGE**
CYE 19	50% - ACC
CYE 20	60% - ACC
CYE 21	70% - ACC

ALTCS	
YEAR	**INTENDED MINIMUM VALUE PERCENTAGE (ALTCS/EPD AND MA-DSNP)**

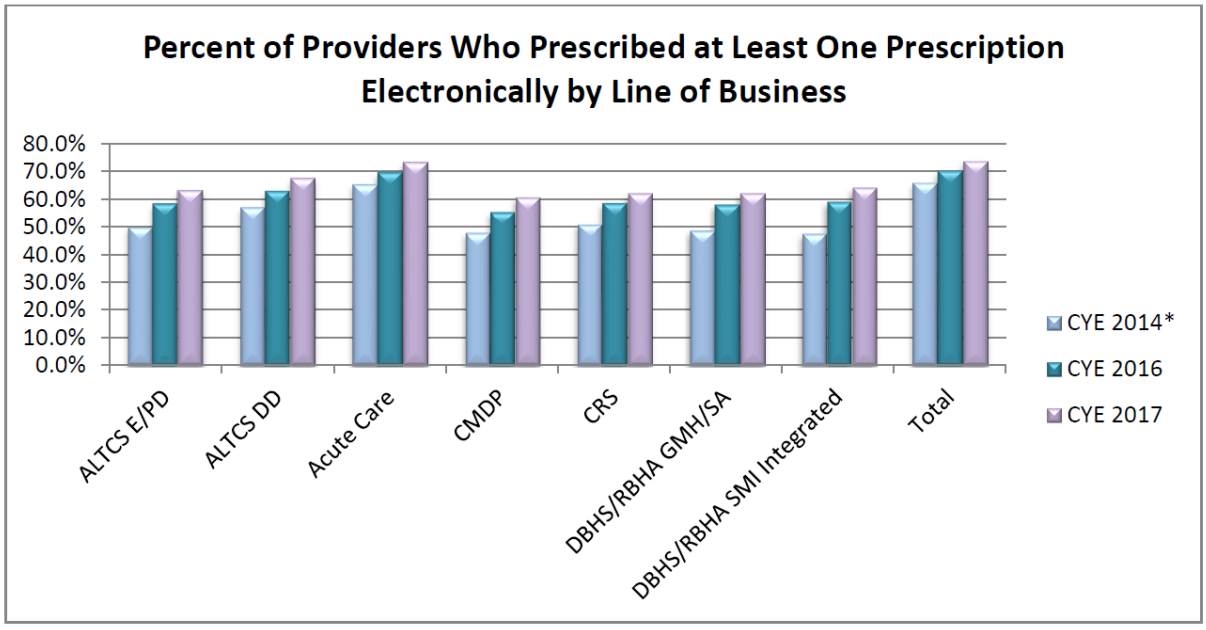
CYE 19	50%
CYE 20	60%
CYE 21	70%

RBHA		
	INTENDED MINIMUM VALUE PERCENTAGE	
YEAR	SMI-Integrated	Non-Integrated
CYE 19	35%	20%
CYE 20	50%	25%
CYE 21	60%	25%

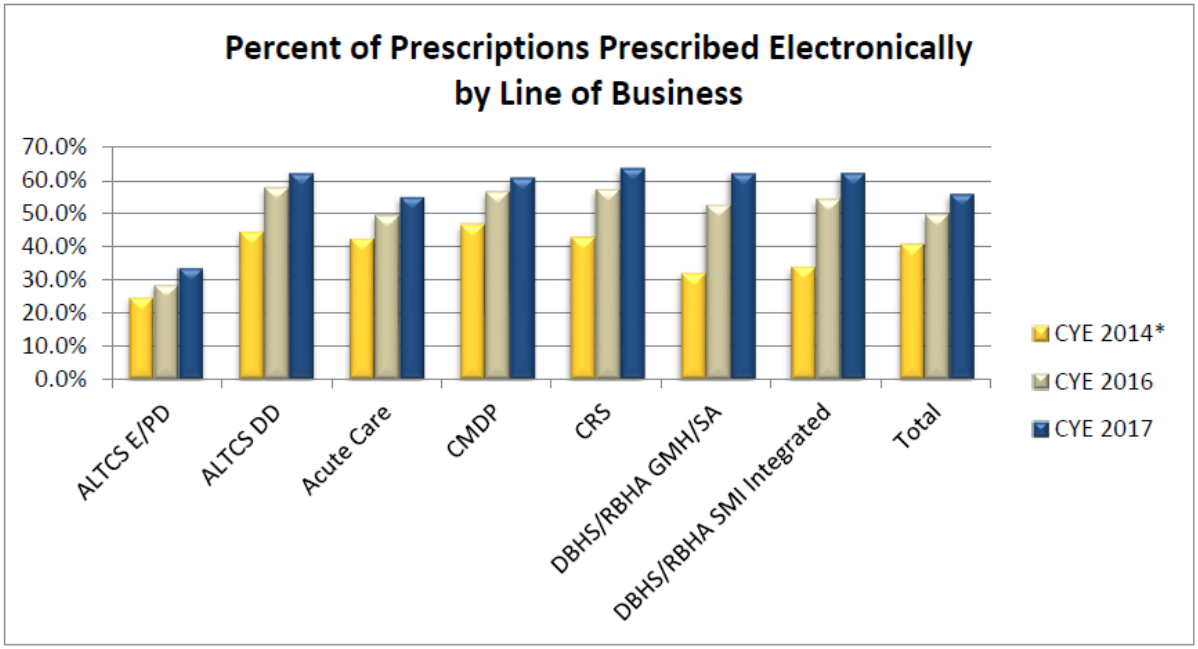
Performance Improvement Projects (PIPs): AHCCCS has previously reported on two Performance Improvement Projects (PIPs). The PIP for E-prescribing was required for all Contractors including the Regional Behavioral Health Authorities (RBHAs), but has been closed out due to completion. The Developmental Screening PIP remains in effect (excluding RBHAs) for all lines of business (excluding RBHAs).

- **E-Prescribing:** The purpose of this PIP was to increase the number of prescribers electronically prescribing at least one prescription and increase the percentage of prescriptions, which are submitted electronically, in order to improve patient safety. The baseline measurement period for this PIP was Contract Year Ending (CYE; federal fiscal year) 2014. Baseline data has been collected, validated and released to Contractors. Additionally, at the time the PIP project began, the three RBHA Contractors had divergent baseline years due to different contract start-up dates. The baseline measure for two RBHAs began in 2016, whereas one RBHA had a baseline year beginning in 2015. Further, the RBHAs were under the administration of the Arizona Department of Behavioral Health. Despite these methodological challenges, data revealed increases in

electronic prescribing activity across all lines of business and all three years of measurement.



*Data range limited to Jan 1, 2014 to Sep 30, 2014



*Data range limited to Jan 1, 2014 to Sep 30, 2014

- **Developmental Screening:** The purpose of the Developmental Screening PIP is to increase the number of early life screenings for members at 9, 18, and 24 months of age to ensure that developmental delays are identified early and referred for appropriate follow-up and treatment. The PIP measure has focused on the number of children receiving a developmental screening at the appropriate

age intervals versus the total number of children in each age group. Although not formally tied to the PIP measurement, AHCCCS evaluated whether or not follow-up appointments were scheduled and maintained for any concerns as a function of the developmental screening process. Additionally, AHCCCS also monitored the care coordination process and Contractor oversight of the screening and referral processes. The baseline measurement was reflective of Contract Year Ending (CYE) 2016.

- **Assessment and Care Plan within Long Term Support Services and Supports:** AHCCCS added a new PIP, as of October 1, 2018 to address recently developed CMS measures that provide information about assessment and care planning for people receiving Long Term Services and Supports (LTSS) through Contractors that provide Medicaid Managed Long-Term Services and Supports (MLTSS). The purpose of this PIP is to establish a foundation that provides insight into the Contractors' current levels of performance (including identification of notable areas of needed improvement) and to promote the evaluation/engagement of interventions aimed toward enhancement of Contractor performance related to LTSS/MLTSS assessment and care planning measures.

  The goal is to demonstrate statistically significant increases in indicators as specified by CMS for members 18 years of age and older:
  - Documentation of a comprehensive assessment in a specified timeframe that includes documentation of core elements,
  - Documentation of a comprehensive LTSS care plan in a specified timeframe that includes documentation of core elements, and
  - Evidence that the care plan is transmitted to the primary care practitioners (PCP) or other documented medical care practitioner within 30 days of development

The measurement period is as follows:

Baseline Measurement	*October 1, 2017 through September 30, 2018*
Intervention Year	*October 1, 2018 through September 30, 2019*
First Re-measurement	*October 1, 2019 through September 30, 2020*
Second Re-measurement	*October 1, 2020 through September 30, 2021*

Including Medical Quality Assessment and Performance Improvement Requirements in AHCCCS Contracts

AHCCCS has ongoing activities to ensure Contracts with MCOs are reviewed at least annually to ensure inclusion of all federally required elements prior to renewal. For CYE 2019, not only were existing contracts scrutinized, but the newly implemented ACC contract was thoroughly vetted prior to final implementation on October 1, 2018. Further, significant AHCCCS policy revisions were completed to allow for implementation of integrated care expectations.

As trends are identified with implementation of the ACC contract, AHCCCS will develop Performance Improvement Projects designed to enhance outcomes related to integration and coordination of care.

Regular Monitoring and Evaluation of Contractor Compliance and Performance

AHCCCS monitors and evaluates access to care, organizational structure and operations, clinical and non-clinical quality measurement and performance improvement outcomes through the following methods.

- **On-site Operational Reviews***:* Operational and Financial Reviews (ORs) are used by AHCCCS to evaluate Contractor compliance related to access/availability and quality of services, including implementation of policies and procedures and progress toward plans of correction to improve quality of care and service for members.

- **Review and analysis of periodic reports:** A number of contract deliverables are used to monitor and evaluate Contractor compliance and performance. AHCCCS reviews, provides feedback and approves these reports as appropriate.

    - **Quarterly EPSDT and Adult Monitoring Reports:** AHCCCS requires CRS, Acute, ALTCS and RBHA Contractors to submit quarterly EPSDT and Adult Monitoring Reports, demonstrating their efforts to sustain or improve annual performance rates for all contractually mandated performance measures as well as their efforts to inform families/caregivers and providers of EPSDT/Adult services. AHCCCS has developed a template for Contractors to report data on member and provider outreach, as well as Contractor rates for various EPSDT and adult services. The template prompts Contractors to evaluate the effectiveness of activities, including care coordination, follow up

and new or revised interventions to improve quality and access to care. These reports are received and reviewed on a quarterly basis.

- **Annual Plans:** QM/QI, EPSDT, MCH and Dental – AHCCCS requires all lines of business to submit an annual plan which will address details of the Contractors' methods for achieving optimal outcomes for their members. A separate report is submitted for Quality Management and Quality Improvement (QM/QI).

- **Integrated Care Reports:** These reports focus on the quality and quantity of coordination and integration activities. Originally, only those plans Integrated RBHAs that followed an integrated model were required to submit distinct Integrated Care reports. ALTCS/EPD Contractors were required to submit integrated care reports beginning October 1, 2017 under their new contract cycle. With ACC Contract implementation, Integrated Care Reports became a contract deliverable for the ACC plans, as of October 1, 2018.

- **Review and analysis of program-specific Performance Measures and Performance Improvement Projects**: AHCCCS considers a Performance Improvement Project (PIP) as a planned process of data gathering, evaluation, and analysis to determine interventions or activities that are anticipated to have a positive outcome. PIPs are designed to improve the quality of care and service delivery and usually last at least four years. While Contractors may select and implement their own PIPs to address problems specific to their plans, AHCCCS mandates other program-wide PIPs in which Contractors must participate, and monitors performance until each Contractor meets requirements for demonstrable and sustained improvement.

Another method by which AHCCCS monitors the quality and appropriateness of care provided to members is through Performance Measures. Contractors submit encounter data to AHCCCS, which measures each Contractor's performance and evaluates its compliance in meeting contractual performance standards for specific health care services. Under their contracts with AHCCCS, Contractors are required to improve their rates for Performance Measures and achieve specific goals for each. AHCCCS requires corrective action plans from Contractors that do not meet the Minimum Performance Standard, or that show a statistically significant decline in their rates. Significant financial sanctions can be imposed by AHCCCS if Contractors do not improve performance to a level that meets or exceeds the minimum standard.

Maintaining an Information System that Supports Initial and Ongoing Operations

AHCCCS maintains a robust information system—the Prepaid Medical Management Information System (PMMIS)—that documents all members, their claims and encounter data, plus many other data points. PMMIS data feeds into the AHCCCS Data Warehouse, which is the centralized system, used for data analytics. There is a newly formed Data Integrity team that supports maintaining valid, accurate, and reliable data; this team is made up of data users and system experts from across the Agency and meets at least quarterly to discuss any issues or opportunities around the data and systems. AHCCCS has focused on building data expertise within every division of the Agency, promoting data analytics as the cornerstone of operations and monitoring/oversight activities.

Reviewing and Revising the Quality Strategy

AHCCCS continues its efforts to implement the new Managed Care Rule through revisions of the Agency's Quality Strategy. The 2018 Quality Strategy, Assessment and Performance Report is a coordinated, comprehensive, and proactive approach to drive improved health outcomes by utilizing creative initiatives, ongoing assessment and monitoring, and result-based performance improvement. Members, the public, and stakeholders provide input and recommendations regarding the content and direction of the Quality Strategy through stakeholder presentations and public comments. The Quality Strategy incorporates all required elements outlined in 42 CFR 438.340.

Attachment 3- Random Moment Time Study (RMTS)

Arizona Health Care Cost Containment System (AHCCCS)
Quarterly Random Moment Time Study Report
October 2018 – December 2018

The October through December 2018 quarter for the Medicaid School Based Claiming (MSBC) program Random Moment Time Study (RMTS) was completed successfully with the administrative, direct service, and personal care time study cost pools.

Active Participants

The "*Medicaid Administrative Claiming Program Guide*" mandates that all school district employees identified by the district's RMTS coordinator as being qualified to provide direct services or administrative activities participate in a RMTS. Staff rosters are updated by RMTS coordinators on a quarterly basis to ensure accuracy of participants in the time study. The table below shows the number of participants in the administrative, direct service, and personal care time study staff pools at the beginning of the quarter.

Staff Pool	October - December 2018
Administrative	3,081
Direct Service	3,332
Personal Care	5,510

The table below demonstrates the administrative, direct service, and personal care time study achieved the 85% return rate in the October to December 2018 quarter.

The return rate reflects number of responses received divided by the total number of moments generated per quarter.

Return Rate

Cost Pool	Moments Generated	Valid Response	Return Rate
Administrative	2,900	2,791	96.24%
Direct Service	3,300	3,111	94.27%
Personal Care	3,300	2,974	90.12%

Arizona Health Care Cost Containment System
Medicaid Section 1115 Demonstration Number 11-W00275/9
Budget Neutrality Tracking Report
For the Period Ended December 31, 2018

I. CALCULATION OF BUDGET NEUTRALITY LIMIT BY DEMONSTRATION YEAR (WITHOUT WAIVER CEILING FEDERAL SHARE)

WAIVER PERIOD OCTOBER 1, 2011 THROUGH SEPTEMBER 2021:

	FFY 2012 PM/PM	DY1-5 Trend Rate	DY 01 PM/PM	Effective FMAP	Federal Share PM/PM	Member Months QE 12/11	QE 3/12	QE 6/12	QE 9/12	Total	Federal Share Budget Neutrality Limit	
AFDC/SOBRA	556.34	1.052	585.28	69.84%	408.78	2,932,319	2,920,000	2,913,850	2,938,603	11,704,772	$ 4,784,691,453	
SSI	835.29	1.06	885.41	69.10%	611.79	487,598	489,033	489,081	491,736	1,957,448	1,197,541,704	
AC [1]			562.08	69.74%	391.97	527,244	430,723	365,132	310,396	1,633,495	640,280,256	
ALTCS-DD	4643.75	1.06	4922.38	67.38%	3316.47	72,513	73,149	73,958	74,807	294,427	976,457,598	
ALTCS-EPD	4503.21	1.052	4737.37	67.50%	3197.93	85,481	85,526	85,749	86,537	343,293	1,097,826,115	
Family Plan Ext [1]		1.058	17.04	90.00%	15.33	12,471	12,424	12,440	12,689	50,024	767,009	
											$ 8,697,564,135	MAP Subtotal
											103,890,985	Add DSH Allotment
											$ 8,801,455,120	Total BN Limit

	DY 02 PM/PM			Member Months QE 12/12	QE 3/13	QE 6/13	QE 9/13	Total		
AFDC/SOBRA	615.71	68.85%	423.93	2,911,208	2,890,937	2,902,746	2,918,619	11,623,510	$ 4,927,582,640	
SSI	938.53	67.86%	636.91	494,822	497,230	499,874	503,505	1,995,431	1,270,906,664	
AC [1]	600.79	68.73%	412.94	274,990	248,817	228,204	217,114	969,125	400,188,004	
ALTCS-DD	5217.72	65.83%	3434.66	75,627	76,455	77,269	78,023	307,374	1,055,725,510	
ALTCS-EPD	4983.71	66.01%	3289.97	86,853	86,099	86,327	87,157	346,436	1,139,764,368	
Family Plan Ext [1]	18.42	90.00%	16.58	13,104	13,824	14,187	14,856	55,971	927,946	
									$ 8,795,095,131	MAP Subtotal
									106,384,369	Add DSH Allotment
									$ 8,901,479,500	Total BN Limit

	DY 03 PM/PM			Member Months QE 12/13	QE 3/14	QE 6/14	QE 9/14	Total		
AFDC/SOBRA	647.73	70.55%	456.99	2,891,481	2,839,018	2,955,175	3,112,883	11,798,557	$ 5,391,807,103	
SSI	994.84	69.27%	689.14	506,929	514,700	523,696	530,111	2,075,436	1,430,273,998	
AC [1]	600.51	69.84%	419.42	206,419	87	2	-	206,508	86,613,704	
ALTCS-DD	5530.78	67.35%	3725.09	78,827	79,665	80,655	81,740	320,887	1,195,332,054	
ALTCS-EPD	5242.86	67.53%	3540.31	87,705	87,923	88,765	89,392	353,785	1,252,509,121	
Family Plan Ext [1]	12.99	90.00%	11.69	14,885	-	-	-	14,885	174,071.00	
Expansion State Adults [1]	623.95	85.37%	532.64	-	443,759	623,961	755,316	1,823,036	971,029,259	
									$ 10,327,739,310	MAP Subtotal
									108,086,519	Add DSH Allotment
									$ 10,435,825,829	Total BN Limit

	DY 04 PM/PM			Member Months QE 12/14	QE 3/15	QE 6/15	QE 9/15	Total		
AFDC/SOBRA	681.41	71.43%	486.74	3,145,267	3,083,720	3,103,505	3,206,846	12,539,338	$ 6,103,339,280	
SSI	1054.53	70.25%	740.77	537,811	544,700	545,838	546,306	2,174,655	1,610,909,489	
AC	0.00	68.43%	0.00	-	-	-	-	-	-	
ALTCS-DD	5862.63	68.54%	4018.16	82,706	83,801	84,803	85,574	336,884	1,353,655,327	
ALTCS-EPD	5515.49	68.69%	3788.32	90,041	89,915	89,966	90,059	359,981	1,363,724,176	
Family Plan Ext	0.00	90.00%	0.00	-	-	-	-	-	-	
Expansion State Adults	569.30	87.76%	499.59	816,887	834,718	844,186.00	864,176.00	3,359,967	1,678,599,874	
									$ 12,110,228,146	MAP Subtotal
									109,815,903	Add DSH Allotment
									$ 12,220,044,049	Total BN Limit

	DY 05 PM/PM			Member Months QE 12/15	QE 3/16	QE 6/16	QE 9/16	Total		
AFDC/SOBRA	716.85	71.44%	512.13	3,258,648	3,255,522	3,245,581	3,329,767	13,089,518	$ 6,703,597,761	
SSI	1117.81	70.52%	788.23	551,610	554,468	551,667	554,651	2,212,396	1,743,876,328	
AC	0.00	68.66%	0.00	-	-	-	-	-	-	
ALTCS-DD	6214.39	68.96%	4285.72	86,339	87,102	88,214	89,178	350,833	1,503,570,725	
ALTCS-EPD	5802.30	69.10%	4009.42	89,927	89,521	89,681	89,964	359,093	1,439,756,267	
Family Plan Ext	0.00	90.00%	0.00	-	-	-	-	-	-	
Expansion State Adults	567.55	90.70%	514.74	913,593	927,811	929,741	935,438	3,706,583	1,907,944,421	
									$ 13,298,745,501	MAP Subtotal
									110,145,351	Add DSH Allotment
									$ 13,408,890,852	Total BN Limit

	DY6-10 Trend Rate	DY 06 PM/PM			Member Months QE 12/16	QE 3/17	QE 6/17	QE 9/17	Total		
AFDC/SOBRA	1.045	749.11	72.02%	539.53	3,381,602	3,385,201	3,367,866	3,354,341	13,489,010	7,277,787,777	
SSI	1.04	1162.52	70.93%	824.63	556,190	558,057	557,966	559,588	2,231,801	1,840,407,429	
AC		0.00	69.20%	0.00	-	-	-	-	-	-	
ALTCS-DD	1.04	6462.96	69.29%	4478.26	90,155	91,244	92,418	93,377	367,194	1,644,388,645	
ALTCS-EPD	1.037	6016.98	69.45%	4178.87	90,323	90,027	90,423	91,200	361,973	1,512,636,326	
Family Plan Ext		0.00	90.00%	0.00	-	-	-	-	-	-	
Expansion State Adults		606.57	90.83%	550.93	952,420	957,902	958,311	957,114	3,825,747	2,107,734,491	
										$ 14,382,954,669	MAP Subtotal
										111,136,659	Add DSH Allotment
										$ 14,494,091,328	Total BN Limit

	DY 07 PM/PM			Member Months QE 12/17	QE 3/18	QE 6/18	QE 9/18	Total		
AFDC/SOBRA	782.81	72.90%	570.67	3,321,363	3,227,951	3,186,330	3,188,355	12,923,999	$ 7,375,362,987	
SSI	1209.02	71.66%	866.44	563,042	564,704	563,774	561,990	2,253,510	$ 1,952,531,492	
AC	0.00	81.19%	0.00	-	-	-	-	-	$ -	
ALTCS-DD	6721.48	69.94%	4701.12	94,330	95,518	96,914	98,194	384,956	$ 1,809,724,044	
ALTCS-EPD	6239.61	70.11%	4374.41	91,805	91,430	92,060	93,523	368,818	$ 1,613,359,677	
Family Plan Ext	0.00	90.00%	0.00	-	-	-	-	-	$ -	
Expansion State Adults	693.5708	91.89%	637.31	954,772	935,672	928,057	934,553	3,753,054	$ 2,391,864,128	
									$ 15,142,842,327	MAP Subtotal
									113,803,939	Add DSH Allotment
									$ 15,256,646,266	Total BN Limit

	DY 08 PM/PM			Member Months QE 12/18	QE 3/19	QE 6/19	QE 9/19	Total		
AFDC/SOBRA	818.04	71.90%	588.17	3,169,649				3,169,649	$ 1,864,298,031	
SSI	1257.38	71.14%	894.49	560,614				560,614	501,466,345	
AC	0.00	75.55%	0.00	-				-	-	
ALTCS-DD	6990.34	69.83%	4881.33	99,342				99,342	484,920,976	
ALTCS-EPD	6470.48	69.89%	4522.49	93,626				93,626	423,422,945	
Family Plan Ext	0.00	90.00%	0.00	-				-	-	
Expansion State Adults	645.8599	91.89%	593.47	941,857				941,857	558,964,408	
									$ 3,833,072,705	MAP Subtotal
									116,535,234	Add DSH Allotment
									$ 3,949,607,939	Total BN Limit

[1] Pursuant to the CMS 1115 Waiver, Special Term and Condition 61(a)(iii), the Without Waiver PMPM is adjusted to equal the With Waiver PMPM for the AC, the Expansion State Adults and the Family Planning Extension Program eligibility groups.

Based on CMS-64 certification date of 1/31/2019

Arizona Health Care Cost Containment System
Medicaid Section 1115 Demonstration Number 11-W00275/9
Budget Neutrality Tracking Report
For the Period Ended December 31, 2018

II. WAIVER COSTS AND VARIANCE FROM BUDGET NEUTRALITY LIMIT - BY QUARTER, BY DATE OF PAYMENT

	Budget Neutrality Limit - Federal Share			Expenditures from CMS-64 - Federal Share														
WAIVER PERIOD OCTOBER 1, 2011 THROUGH SEPTEMBER 2021:	MAP	DSH	Total	AFDC/SOBRA	SSI	AC	ALTCS-DD	ALTCS-EPD	Family Plan	DSH/CAHP	SNCP/DSHP	UNC CARE	MED	Exp St Adults	TIP	TIP-DSHP	Total	VARIANCE
QE 12/11	$ 2,217,687,136	$ 103,890,985	$ 2,321,578,121	$ 502,890,921	$ 191,249,757	$ 175,610,617	$ 151,638,753	$ 164,685,415	$ 167,197	$ -	$ -	$ -	$ 458,635	$ -			$ 1,186,701,295	$ 1,134,876,826
QE 3/12	2,177,948,444	-	2,177,948,444	577,297,998	217,984,093	165,596,401	156,526,315	176,620,644	179,167	572,050	-	-	(4,080)	-			1,294,772,588	883,175,856
QE 6/12	2,153,150,537	-	2,153,150,537	581,722,121	227,516,987	145,886,387	115,946,434	179,020,266	185,175	79,564,550	100,950,000	4,480,769	(889)	-			1,435,271,800	717,878,737
QE 9/12	2,148,778,017	-	2,148,778,017	579,782,505	222,428,252	118,032,081	205,664,611	175,615,524	201,702	6,248,670	14,312,682	18,367,266	294	-			1,340,653,587	808,124,430
QE 12/12	2,208,579,573	106,384,369	2,314,963,942	617,247,020	242,322,491	118,103,369	159,452,070	179,452,256	230,267	11,346,623	95,263,307	14,871,980	-	-			1,438,289,383	876,674,559
QE 3/13	2,191,087,100	-	2,191,087,100	589,464,629	239,092,492	96,180,297	163,937,798	192,970,394	257,756	867,795	32,840,000	28,744,095	-	-			1,344,355,256	846,731,844
QE 6/13	2,192,817,370	-	2,192,817,370	588,378,705	241,298,377	88,125,077	102,142,130	187,310,029	227,668	78,756,901	111,555,510	17,514,148	-	-			1,415,308,545	777,508,825
QE 9/13	2,202,611,089	-	2,202,611,089	596,611,333	237,327,560	84,327,037	230,955,206	190,188,088	228,524	558,280	144,169,561	35,937,456	-	-			1,520,303,045	682,308,044
QE 12/13	2,361,612,046	108,086,519	2,469,698,565	623,051,060	253,112,363	84,773,209	180,587,089	208,608,187	221,957	6,098,257	128,610,551	20,561,018	-	-			1,505,623,691	964,074,874
QE 3/14	2,496,537,425	-	2,496,537,425	609,066,404	242,247,737	19,448,214	172,865,678	191,271,321	(15,809)	3,076,720	-	14,814,313	-	231,876,797			1,484,651,375	1,011,886,050
QE 6/14	2,658,436,048	-	2,658,436,048	584,523,581	274,963,993	(3,697,277)	132,811,366	206,922,285	(9,314)	4,725,871	46,518,282	17,460,925	-	343,805,363			1,608,025,075	1,050,410,973
QE 9/14	2,811,153,792	-	2,811,153,792	642,058,425	286,491,486	1,044,222	234,971,144	202,325,318	735	83,398,590	14,595,643	716,900	-	398,971,566			1,864,574,029	946,579,763
QE 12/14	3,010,842,324	109,815,903	3,120,658,227	768,767,395	322,908,117	24,114,620	197,157,685	209,877,907	254	9,813,379	78,963,846	3,397,109	-	411,351,488			2,026,351,800	1,094,306,427
QE 3/15	2,998,819,075	-	2,998,819,075	643,924,687	297,141,870	3,771,216	198,833,968	208,709,812	(475)	1,474,261	-	2,362,678	-	397,361,264			1,753,579,281	1,245,239,794
QE 6/15	3,018,241,631	-	3,018,241,631	676,953,007	301,501,985	1,376,095	136,222,624	210,766,873	(1,609)	111,644,096	32,871,414	4,867,076	-	434,840,685			1,911,042,246	1,107,199,385
QE 9/15	3,082,325,116	-	3,082,325,116	660,928,120	297,720,765	(1,214,417)	269,436,928	218,219,020	(26)	1,465,978	(14,698,940)	2,512,551	-	449,692,969			1,884,062,948	1,198,262,168
QE 12/15	3,304,509,718	110,145,351	3,414,655,069	745,437,161	343,103,540	21,576,137	214,617,413	214,987,023	-	9,941,072	-	-	-	473,302,437			2,022,964,783	1,391,690,286
QE 3/16	3,314,122,363	-	3,314,122,363	648,184,948	312,291,893	(1,729,262)	213,667,327	224,085,947	(1)	20,729,076	43,581,049	3,093,001	-	482,776,013			1,946,679,991	1,367,442,372
QE 6/16	3,313,224,081	-	3,313,224,081	634,709,981	301,905,309	(1,180,414)	215,370,099	223,597,734	(3)	106,020,956	48,305,720	2,494,969		439,313,652			1,970,538,003	1,342,686,078
QE 9/16	3,366,889,338	-	3,366,889,338	669,689,230	311,948,359	(750,198)	221,278,330	214,057,429	(685)	504,237	-	2,161,386		491,624,231			1,910,512,319	1,456,377,019
QE 12/16	3,589,047,064	111,136,659	3,700,183,723	693,694,761	331,020,951	2,802,954	225,745,743	223,415,036	(5,466)	3,195,395	39,578,110	2,726,671	-	524,641,615			2,046,815,770	1,653,367,953
QE 3/17	3,599,188,528	-	3,599,188,528	698,367,817	340,649,746	(91,276)	231,791,677	232,289,659	(72)	4,775,270	-	-	-	533,802,478			2,041,585,299	1,557,603,229
QE 6/17	3,596,898,289	-	3,596,898,289	753,982,845	381,866,177	26,531,976	251,886,540	247,601,051	(70)	112,797,468	27,231,927	269,020		506,442,446			2,308,609,380	1,288,288,909
QE 9/17	3,597,820,789	-	3,597,820,789	678,845,907	344,221,688	(194,349)	242,239,652	246,326,890	(58)	-	-	646,701		499,804,367			2,011,890,798	1,585,929,991
QE 12/17	3,836,786,702	113,803,939	3,950,590,641	701,480,418	358,012,550	8,567,838	257,308,208	250,593,667	(20)	4,267,595	37,995,104	-	-	545,879,873	14,754,469	9,115,704	2,187,975,406	1,762,615,235
QE 3/18	3,756,598,789		3,756,598,789	770,555,544	381,249,547	27,912,368	279,790,181	258,280,283	(2)	2,830,054	-	-	-	544,000,310	(73,171)		2,264,545,114	1,492,053,675
QE 6/18	3,776,691,002		3,776,691,002	680,124,377	363,076,644	(8,697)	194,372,813	250,851,768	(1)	99,454,987	-	-	-	552,217,066	-	-	2,140,088,957	1,636,602,045
QE 9/18	3,772,765,834		3,772,765,834	688,319,576	354,831,919	(454,586)	361,963,935	257,104,150	(377)	2,250,975	-	-		520,261,631	-	-	2,184,277,223	1,588,488,611
QE 12/18	3,833,072,705	116,535,234	3,949,607,939	724,356,627	376,677,889	(458,976)	315,562,079	267,315,097	(373)	6,336,599	-	-	-	632,060,135	(78,693)	-	2,321,770,384	1,627,837,555
	$ 86,588,241,925	$ 879,798,959	$87,468,040,884	$ 18,930,417,103	$8,596,164,537	$1,204,000,663	$6,034,743,796	$6,213,069,073	$ 1,866,041	$772,715,705	$ 982,643,766	$ 198,000,032	$ 453,960	$ 9,414,026,386	$ 14,602,605	$ 9,115,704	$52,371,819,371	$35,096,221,513

Arizona Health Care Cost Containment System
Medicaid Section 1115 Demonstration Number 11-W00275/9
Budget Neutrality Tracking Report
For the Period Ended December 31, 2018

III. SUMMARY BY DEMONSTRATION YEAR

	Federal Share of Budget Neutrality Limit	Federal Share of Waiver Costs on CMS-64	Annual Variance	Adjusted Annual Variance	As % of [1] Annual Budget Neutrality Limit	Cumulative Federal Share of Budget Neutrality Limit	Cumulative Federal Share of Waiver Costs on CMS-64	Cumulative Federal Share Variance	25% Budget Neutrality Phase-Down	As % of Cumulative Budget Neutrality Limit
WAIVER PERIOD OCTOBER 1, 2011 THROUGH SEPTEMBER 2021:										
DY 01	$ 8,801,455,120	$ 5,636,146,459	$ 3,165,308,661	3,165,308,661	35.96%					
DY 02	8,901,479,500	5,839,049,078	3,062,430,422	3,062,430,422	34.40%					
DY 03	10,435,825,829	6,476,448,711	3,959,377,118	3,959,377,118	37.94%					
DY 04	12,220,044,049	7,374,251,930	4,845,792,119	4,845,792,119	39.65%					
DY 05	13,408,890,852	8,033,393,696	5,375,497,156	5,375,497,156	40.09%					
DY 06	14,494,091,328	8,495,012,415	5,999,078,913	1,499,769,728	10.35%					
DY 07	15,256,646,266	8,484,848,326	6,771,797,940	1,692,949,485	11.10%					
DY 08	3,949,607,939	2,032,668,756	1,916,939,183	479,234,796	12.13%	$ 87,468,040,884	$ 52,371,819,371	$ 35,096,221,513	$ 24,080,359,486	27.53%
	$ 87,468,040,884	$ 52,371,819,371	$ 35,096,221,513	$ 24,080,359,486						

[1] The CMS 1115 Waiver, Special Term and Condition 93, Beginning on October 1, 2016, the net variance will be reduced and the managed care program will retain 25 percent of the total variance as future savings for the demonstration.

Arizona Health Care Cost Containment System
Medicaid Section 1115 Demonstration Number 11-W00275/9
Budget Neutrality Tracking Report
For the Period Ended December 31, 2018

IV. Schedule C as Adjusted for Manual Entries and Waiver PMPM Groupings

Schedule C Waiver 11-W00275/9

Total Computable

Waiver Name	01	02	03	04	05	06	07	08	Total
AC	917,847,520	582,030,474	123,922,054	36,049,882	48,139,177	29,671,597	(575,865)	(607,180)	1,736,477,659
AFDC/SOBRA	3,415,709,927	3,582,398,535	3,539,926,338	3,600,666,433	3,987,497,961	3,954,985,162	3,702,644,634	850,465,810	26,634,294,800
ALTCS-EPD	1,061,678,076	1,166,772,951	1,195,360,010	1,243,664,368	1,264,068,754	1,384,309,383	1,422,715,707	332,550,499	9,071,119,748
ALTCS-DD	939,086,691	1,005,552,529	1,067,544,797	1,170,346,154	1,252,962,694	1,382,281,419	1,559,293,965	438,870,394	8,815,938,643
DSH/CAHP	155,762,651	163,280,200	162,283,023	170,517,535	170,272,775	167,356,270	137,119,724	8,227,150	1,134,819,328
Expansion State Adults	-	-	1,137,253,496	1,909,775,578	2,100,454,058	2,317,230,401	2,391,864,128	605,400,274	10,461,977,935
Family Planning Extension	830,631	1,008,110	190,026	(1,337)	(763)	(342)	(409)	(430)	2,025,486
MED	673,818	-	-	-	-	-	-	-	673,818
SNCP/DSHP	296,636,120	558,334,298	240,250,917	135,561,857	116,750,000	95,000,000	22,500,000	-	1,465,033,192
SSI	1,349,500,313	1,426,837,000	1,545,569,450	1,739,048,699	1,847,314,450	1,963,164,079	1,936,553,439	449,702,666	12,257,690,096
TIP	-	-	-	-	-	19,325,179	-	-	19,325,179
TIP - DSHP	-	-	-	-	-	13,165,373	-	-	13,165,373
Uncomp Care IHS/638	22,866,717	97,192,513	53,888,765	13,437,080	7,647,155	3,208,226	-	-	198,240,456
Subtotal	8,160,592,464	8,583,406,610	9,066,188,876	10,019,066,249	10,795,106,261	11,329,696,747	11,172,115,323	2,684,609,183	71,810,781,713
New Adult Group	-	-	108,346,000	308,807,112	444,685,204	509,310,873	457,584,092	99,987,027	1,928,720,308
Total	8,160,592,464	8,583,406,610	9,174,534,876	10,327,873,361	11,239,791,465	11,839,007,620	11,629,699,415	2,784,596,210	73,739,502,021

Federal Share

Waiver Name	01	02	03	04	05	06	07	08	Total
AC	640,069,222	400,049,580	86,554,713	24,670,313	33,050,385	20,532,732	(467,561)	(458,721)	1,204,000,663
AFDC/SOBRA	2,385,685,626	2,466,592,599	2,497,528,607	2,572,115,623	2,848,900,304	2,848,667,216	2,699,366,053	611,561,075	18,930,417,103
ALTCS-EPD	716,678,598	770,239,257	807,182,433	854,212,475	873,479,571	961,419,159	997,423,786	232,433,794	6,213,069,073
ALTCS-DD	632,712,981	661,923,939	719,011,976	802,139,221	864,098,810	957,797,869	1,090,597,318	306,461,682	6,034,743,796
DSH/CAHP	104,828,265	107,242,435	109,102,877	116,736,303	117,351,997	115,877,481	95,832,974	5,743,373	772,715,705
Expansion State Adults	-	-	970,879,176	1,676,516,127	1,905,733,221	2,105,416,514	2,198,493,235	556,988,113	9,414,026,386
Family Planning Extension	767,009	927,946	174,071	(1,212)	(689)	(311)	(378)	(395)	1,866,041
MED	453,960	-	-	-	-	-	-	-	453,960
SNCP/DSHP	199,636,108	366,713,968	161,520,692	92,805,648	80,464,100	65,778,000	15,725,250	-	982,643,766
SSI	932,466,655	968,291,675	1,070,648,336	1,221,650,443	1,302,685,717	1,392,604,227	1,387,877,649	319,939,835	8,596,164,537
TIP	-	-	-	-	-	14,602,605	-	-	14,602,605
TIP - DSHP	-	-	-	-	-	9,115,704	-	-	9,115,704
Uncomp Care IHS/638	22,848,035	97,067,679	53,845,830	13,406,989	7,630,280	3,201,219	-	-	198,000,032
Subtotal	5,636,146,459	5,839,049,078	6,476,448,711	7,374,251,930	8,033,393,696	8,495,012,415	8,484,848,326	2,032,668,756	52,371,819,371
New Adult Group	-	-	108,346,000	308,798,363	444,228,450	490,007,570	432,318,221	94,151,021	1,877,849,625
Total	5,636,146,459	5,839,049,078	6,584,794,711	7,683,050,293	8,477,622,146	8,985,019,985	8,917,166,547	2,126,819,777	54,249,668,996

Adjustments to Schedule C Waiver 11-W00275/9

Total Computable

Waiver Name	01	02	03	04	05	06	07	08	Total
AC	313,572	210,756	87,745	(7)	326	119	2	-	612,513
AFDC/SOBRA	1,014,881	1,090,143	990,293	5,056,392	4,912,060	4,769,809	4,594,962	3,643,805	26,072,344
SSI	365,158	399,101	398,723	2,391,771	2,371,156	2,374,229	2,957,653	1,752,383	13,010,174
Expansion State Adults	-	-	223,239	3,043,744	3,208,358	3,347,743	2,939,284	2,830,962	15,593,330
ALTCS-DD (Cost Sharing)[1]	-	-	-	-	-	-	-	-	-
CAHP[2]	(1,693,611)	(1,700,000)	(1,700,000)	(10,491,900)	(10,491,900)	(10,491,900)	(10,491,900)	(8,227,150)	(55,288,361)
Total	-	-	-	-	-	-	-	-	-

Federal Share

Waiver Name	01	02	03	04	05	06	07	08	Total
AC	211,034	138,424	58,991	(5)	225	83	1	-	408,752
AFDC/SOBRA	683,014	716,006	665,774	3,461,607	3,385,392	3,302,616	3,211,419	2,543,740	17,969,567
SSI	245,752	262,130	268,062	1,637,406	1,634,201	1,643,916	2,067,104	1,223,339	8,981,909
Expansion State Adults	-	-	150,083	2,083,747	2,211,200	2,317,977	2,054,265	1,976,295	10,793,568
ALTCS-DD (Cost Sharing)[1]	-	-	-	-	-	-	-	-	-
CAHP[2]	(1,139,800)	(1,116,560)	(1,142,910)	(7,182,755)	(7,231,017)	(7,264,592)	(7,332,789)	(5,743,373)	(38,153,796)
Total	-	-	-	-	-	0	-	-	0

[1] The CMS 1115 Waiver, Special Term and Condition 42,d requires that premiums collected by the State shall be reported on Form CMS-64 Summary Sheet line 9,D. The State should include these premium

[2] The Critical Access Hospital Payment (CAHP) waiver expenditures are included in the AFDC\SOBRA, AC, SSI, and Expansion State Adults rate development while the expenditures are required to be reported on separate Forms CMS-64.9 and CMS-64.9P Waiver. This adjustment transfers the CAHP expenditures to the AFDC\SOBRA, AC, SSI and Expansion State Adults waiver categories for budget neutrality comparison purposes. The CAHP expenditures are allocated to the waiver categories in the same proportion as the capitation payments made for the CAHP service period.

Arizona Health Care Cost Containment System
Medicaid Section 1115 Demonstration Number 11-W00275/9
Budget Neutrality Tracking Report
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IV. Schedule C as Adjusted for Manual Entries and Waiver PMPM Groupings

Revised Schedule C Waiver 11-W00275/9

Total Computable

Waiver Name	01	02	03	04	05	06	07	08	Total
AC	918,161,092	582,241,230	124,009,799	36,049,875	48,139,503	29,671,716.21	(575,863.21)	(607,180.00)	1,737,090,172
AFDC/SOBRA	3,416,724,808	3,583,488,678	3,540,916,631	3,605,722,825	3,992,410,021	3,959,754,971	3,707,239,596	854,109,615	26,660,367,144
ALTCS-EPD	1,061,678,076	1,166,772,951	1,195,360,010	1,243,664,368	1,264,068,754	1,384,309,383	1,422,715,707	332,550,499	9,071,119,748
ALTCS-DD	939,086,691	1,005,552,529	1,067,544,797	1,170,346,154	1,252,962,694	1,382,281,419	1,559,293,965	438,870,394	8,815,938,643
DSH/CAHP	154,069,040	161,580,200	160,583,023	160,025,635	159,780,875	156,864,370	126,627,824	-	1,079,530,967
Expansion State Adults	-	-	1,137,476,735	1,912,819,322	2,103,662,416	2,320,578,144	2,394,803,412	608,231,236	10,477,571,265
Family Planning Extension	830,631	1,008,110	190,026	(1,337)	(763)	(342)	(409)	(430)	2,025,486
MED	673,818	-	-	-	-	-	-	-	673,818
SNCP/DSHP	296,636,120	558,334,298	240,250,917	135,561,857	116,750,000	95,000,000	22,500,000	-	1,465,033,192
SSI	1,349,865,471	1,427,236,101	1,545,968,173	1,741,440,470	1,849,685,606	1,965,538,308	1,939,511,092	451,455,049	12,270,700,270
TIP	-	-	-	-	-	19,325,179	-	-	19,325,179
TIP - DSHP	-	-	-	-	-	13,165,373	-	-	13,165,373
Uncomp Care IHS/638	22,866,717	97,192,513	53,888,765	13,437,080	7,647,155	3,208,226	-	-	198,240,456
Subtotal	8,160,592,464	8,583,406,610	9,066,188,876	10,019,066,249	10,795,106,261	11,329,696,747	11,172,115,323	2,684,609,183	71,810,781,713
New Adult Group	-	-	108,346,000	308,807,112	444,685,204	509,310,873	457,584,092	99,987,027	1,928,720,308
Total	8,160,592,464	8,583,406,610	9,174,534,876	10,327,873,361	11,239,791,465	11,839,007,620	11,629,699,415	2,784,596,210	73,739,502,021

Federal Share

Waiver Name	01	02	03	04	05	06	07	08	Total
AC	640,280,256	400,188,004	86,613,704	24,670,308	33,050,610	20,532,815	(467,560)	(458,721)	1,204,409,415
AFDC/SOBRA	2,386,368,640	2,467,308,605	2,498,194,381	2,575,577,230	2,852,285,696	2,851,969,832	2,702,577,472	614,104,815	18,948,386,670
ALTCS-EPD	716,678,598	770,239,257	807,182,433	854,212,475	873,479,571	961,419,159	997,423,786	232,433,794	6,213,069,073
ALTCS-DD	632,712,981	661,923,939	719,011,976	802,139,221	864,098,810	957,797,869	1,090,597,318	306,461,682	6,034,743,796
DSH/CAHP	103,688,465	106,125,875	107,959,967	109,553,548	110,120,980	108,612,889	88,500,185	(0)	734,561,909
Expansion State Adults	-	-	971,029,259	1,678,599,874	1,907,944,421	2,107,734,491	2,200,547,500	558,964,408	9,424,819,954
Family Planning Extension	767,009	927,946	174,071	(1,212)	(689)	(311)	(378)	(395)	1,866,041
MED	453,960	-	-	-	-	-	-	-	453,960
SNCP/DSHP	199,636,108	366,713,968	161,520,692	92,805,648	80,464,100	65,778,000	15,725,250	-	982,643,766
SSI	932,712,407	968,553,805	1,070,916,398	1,223,287,849	1,304,319,918	1,394,248,143	1,389,944,753	321,163,174	8,605,146,446
TIP	-	-	-	-	-	14,602,605	-	-	14,602,605
TIP - DSHP	-	-	-	-	-	9,115,704	-	-	9,115,704
Uncomp Care IHS/638	22,848,035	97,067,679	53,845,830	13,406,989	7,630,280	3,201,219	-	-	198,000,032
Subtotal	5,636,146,459	5,839,049,078	6,476,448,711	7,374,251,930	8,033,393,696	8,495,012,415	8,484,848,326	2,032,668,756	52,371,819,371
New Adult Group	-	-	108,346,000	308,798,363	444,228,450	490,007,570	432,318,221	94,151,021	1,877,849,625
Total	5,636,146,459	5,839,049,078	6,584,794,711	7,683,050,293	8,477,622,146	8,985,019,985	8,917,166,547	2,126,819,777	54,249,668,996

Calculation of Effective FMAP:

AFDC/SOBRA								
Federal	2,386,368,640	2,467,308,605	2,498,194,381	2,575,577,230	2,852,285,696	2,851,969,832	2,702,577,472	614,104,815
Total	3,416,724,808	3,583,488,678	3,540,916,631	3,605,722,825	3,992,410,021	3,959,754,971	3,707,239,596	854,109,615
Effective FMAP	0.698437473	0.68852139	0.705521943	0.714302611	0.714427046	0.720238967	0.728999948	0.719000002
SSI								
Federal	932,712,407	968,553,805	1,070,916,398	1,223,287,849	1,304,319,918	1,394,248,143	1,389,944,753	321,163,174
Total	1,349,865,471	1,427,236,101	1,545,968,173	1,741,440,470	1,849,685,606	1,965,538,308	1,939,511,092	451,455,049
Effective FMAP	0.690966935	0.678621991	0.692715682	0.70245746	0.70515763	0.709346716	0.716646973	0.711395684
ALTCS-EPD								
Federal	716,678,598	770,239,257	807,182,433	854,212,475	873,479,571	961,419,159	997,423,786	232,433,794
Total	1,061,678,076	1,166,772,951	1,195,360,010	1,243,664,368	1,264,068,754	1,384,309,383	1,422,715,707	332,550,499
Effective FMAP	0.67504323	0.660144938	0.675263039	0.68685129	0.691006378	0.694511769	0.701070341	0.698942851
ALTCS-DD								
Federal	632,712,981	661,923,939	719,011,976	802,139,221	864,098,810	957,797,869	1,090,597,318	306,461,682
Total	939,086,691	1,005,552,529	1,067,544,797	1,170,346,154	1,252,962,694	1,382,281,419	1,559,293,965	438,870,394
Effective FMAP	0.673753538	0.658268882	0.673519255	0.685386301	0.689644484	0.692910905	0.699417392	0.69829655
AC								
Federal	640,280,256	400,188,004	86,613,704	24,670,308	33,050,610	20,532,815	(467,560)	(458,721)
Total	918,161,092	582,241,230	124,009,799	36,049,875	48,139,503	29,671,716	(575,863)	(607,180)
Effective FMAP	0.697350674	0.687323369	0.698442419	0.68433824	0.686559013	0.69199956	0.811928496	0.755494252
Expansion State Adults								
Federal	-	-	971,029,259	1,678,599,874	1,907,944,421	2,107,734,491	2,200,547,500	558,964,408
Total	-	-	1,137,476,735	1,912,819,322	2,103,662,416	2,320,578,144	2,394,803,412	608,231,236
Effective FMAP			0.853669556	0.877552759	0.906963212	0.908279903	0.918884402	0.918999838
New Adult Group								
Federal	-	-	108,346,000	308,798,363	444,228,450	490,007,570	432,318,221	94,151,021
Total	-	-	108,346,000	308,807,112	444,685,204	509,310,873	457,584,092	99,987,027
Effective FMAP			1	0.999971668	0.99897286	0.962099174	0.944784202	0.941632368

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V. Budget Neutrality Member Months and Cost Sharing Premium Collections

Budget Neutrality Member Months:	AFDC/SOBRA	SSI	ALTCS-DD	ALTCS-EPD	AC	MED	Family Plan Ext	Expan St Adults	New Adult Group
Quarter Ended December 31, 2011	2,932,319	487,598	72,513	85,481	527,244	467	12,471		
Quarter Ended March 31, 2012	2,920,000	489,033	73,149	85,526	430,723	-	12,424		
Quarter Ended June 30, 2012	2,913,850	489,081	73,958	85,749	365,132	-	12,440		
Quarter Ended September 30, 2012	2,938,603	491,736	74,807	86,537	310,396	-	12,689		
Quarter Ended December 31, 2012	2,911,208	494,822	75,627	86,853	274,990	-	13,104		
Quarter Ended March 31, 2013	2,890,937	497,230	76,455	86,099	248,817	-	13,824		
Quarter Ended June 30, 2013	2,902,746	499,874	77,269	86,327	228,204	-	14,187		
Quarter Ended September 30, 2013	2,918,619	503,505	78,023	87,157	217,114	-	14,856		
Quarter Ended December 31, 2013	2,891,481	506,929	78,827	87,705	206,419	-	14,885		
Quarter Ended March 31, 2014	2,839,018	514,700	79,665	87,923	87	-	-	443,759	38,977
Quarter Ended June 30, 2014	2,955,175	523,696	80,655	88,765	2	-	-	623,961	86,507
Quarter Ended September 30, 2014	3,112,883	530,111	81,740	89,392	-	-	-	755,316	122,855
Quarter Ended December 31, 2014	3,145,267	537,811	82,706	90,041	-	-	-	816,887	149,720
Quarter Ended March 31, 2015	3,083,720	544,700	83,801	89,915	-	-	-	834,718	191,009
Quarter Ended June 30, 2015	3,103,505	545,838	84,803	89,966	-	-	-	844,186	245,105
Quarter Ended September 30, 2015	3,206,846	546,306	85,574	90,059	-	-	-	864,176	284,684
Quarter Ended December 31, 2015	3,258,648	551,610	86,339	89,927	-	-	-	913,593	312,242
Quarter Ended March 31, 2016	3,255,522	554,468	87,102	89,521	-	-	-	927,811	331,550
Quarter Ended June 30, 2016	3,245,581	551,667	88,214	89,681	-	-	-	929,741	334,047
Quarter Ended September 30, 2016	3,329,767	554,651	89,178	89,964	-	-	-	935,438	325,225
Quarter Ended December 31, 2016	3,381,602	556,190	90,155	90,323	-	-	-	952,420	331,548
Quarter Ended March 31, 2017	3,385,201	558,057	91,244	90,027	-	-	-	957,902	335,506
Quarter Ended June 30, 2017	3,367,866	557,966	92,418	90,423	-	-	-	958,311	338,358
Quarter Ended September 30, 2017	3,354,341	559,588	93,377	91,200	-	-	-	957,114	338,903
Quarter Ended December 31, 2017	3,321,363	563,042	94,330	91,805	-	-	-	954,772	339,103
Quarter Ended March 31, 2018	3,227,951	564,704	95,518	91,430	-	-	-	935,672	328,140
Quarter Ended June 30, 2018	3,186,330	563,774	96,914	92,060	-	-	-	928,057	318,296
Quarter Ended September 30, 2018	3,188,355	561,990	98,194	93,523	-	-	-	934,553	317,867
Quarter Ended December 31, 2018	3,169,649	560,614	99,342	93,626	-	-	-	941,857	317,421

	ALTCS Developmentally Disabled	
Cost Sharing Premium Collections:	Total Computable	Federal Share
Quarter Ended December 31, 2011	-	-
Quarter Ended March 31, 2012	-	-
Quarter Ended June 30, 2012	-	-
Quarter Ended September 30, 2012	-	-
Quarter Ended December 31, 2012	-	-
Quarter Ended March 31, 2013	-	-
Quarter Ended June 30, 2013	-	-
Quarter Ended September 30, 2013	-	-
Quarter Ended December 31, 2013	-	-
Quarter Ended March 31, 2014	-	-
Quarter Ended June 30, 2014	-	-
Quarter Ended September 30, 2014	-	-
Quarter Ended December 31, 2014	-	-
Quarter Ended March 31, 2015	-	-
Quarter Ended June 30, 2015	-	-
Quarter Ended September 30, 2015	-	-
Quarter Ended December 31, 2015	-	-
Quarter Ended March 31, 2016	-	-
Quarter Ended June 30, 2016	-	-
Quarter Ended September 30, 2016	-	-
Quarter Ended December 31, 2016	-	-
Quarter Ended March 31, 2017	-	-
Quarter Ended June 30, 2017	-	-
Quarter Ended September 30, 2017	-	-
Quarter Ended December 31, 2017	-	-
Quarter Ended March 31, 2018	-	-
Quarter Ended June 30, 2018	-	-
Quarter Ended September 30, 2018	-	-

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VI. Allocation of Disproportionate Share Hospital Payments

Federal Share

	FFY 2012	FFY 2013	FFY 2014	FFY 2015	FFY 2016	FFY 2017	FFY 2018	FFY 2019	
Total Allotment	**103,890,985**	**106,384,369**	**108,086,519**	**109,815,903**	**110,145,351**	**111,136,659**	**113,803,939**	**116,535,234**	**879,798,959**
Reported in QE									
Dec-11	-	-	-	-	-				-
Mar-12	-	-	-	-	-				-
Jun-12	78,996,800	-	-	-	-				78,996,800
Sep-12	6,248,670	-	-	-	-				6,248,670
Dec-12	11,346,623	-	-	-	-				11,346,623
Mar-13	309,515	-	-	-	-				309,515
Jun-13	1,022,914	77,733,987	-	-	-				78,756,901
Sep-13	-	-	-	-	-				-
Dec-13	-	6,098,257	-	-	-				6,098,257
Mar-14	2,505,265	-	-	-	-				2,505,265
Jun-14	-	4,725,871	-	-	-				4,725,871
Sep-14	3,258,682	-	79,568,453	-	-				82,827,135
Dec-14	-	-	6,222,002	-	-				6,222,002
Mar-15	-	1,474,261	-	-	-				1,474,261
Jun-15	-	16,248,501	(219,987)	92,024,206	-				108,052,719
Sep-15	-	-	1,465,978	-	-				1,465,978
Dec-15	(4)			6,325,567					6,325,563
Mar-16			20,729,076						20,729,076
Jun-16		(14,886)	180,953	4,170,769	98,068,611				102,405,447
Sep-16				504,238					504,238
Dec-16		(1,292,221)		270,327	584,993				(436,900)
Mar-17				4,775,270					4,775,270
Jun-17		1,152,106		1,483,173	8,005,943	98,523,950			109,165,172
Sep-17									-
Dec-17			13,492			587,709			601,201
Mar-18					2,830,054				2,830,054
Jun-18					631,379	7,250,255	87,906,960		95,788,594
Sep-18						2,250,975			2,250,975
Dec-18							593,226		593,226
Total Reported to Date	103,688,465	106,125,875	107,959,966	109,553,550	110,120,979	108,612,889	88,500,186	-	734,561,911
Unused Allotment	**202,520**	**258,494**	**126,553**	**262,353**	**24,372**	**2,523,770**	**25,303,753**	**116,535,234**	**145,237,048**

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VII. BUDGET NEUTRALITY TRACKING SCHEDULE -- NEW ADULT GROUP

WAIVER PERIOD JANUARY 1, 2014 THROUGH SEPTEMBER 30, 2021:

I. CALCULATION OF BUDGET NEUTRALITY LIMIT BY DEMONSTRATION YEAR (WITHOUT WAIVER CEILING FEDERAL SHARE)

	DY3-5 Trend Rate	DY 03 PM/PM	Effective FMAP	Federal Share PM/PM	Member Months QE 12/13	QE 3/14	QE 6/14	QE 9/14	Total	Federal Share Budget Neutrality Limit
New Adult Group		578.54	100.00%	578.54	-	38,977	86,507	122,855	248,339	143,674,045

		DY 04 PM/PM			Member Months QE 12/14	QE 3/15	QE 6/15	QE 9/15	Total	
New Adult Group	1.047	605.73	100.00%	605.71	149,720	191,009	245,105	284,684	870,518	527,285,130

		DY 05 PM/PM			Member Months QE 12/15	QE 3/16	QE 6/16	QE 9/16	Total	
New Adult Group	1.047	634.20	99.90%	633.55	312,242	331,550	334,047	325,225	1,303,064	825,555,340

	DY6-10 Trend Rate	DY 06 PM/PM			Member Months QE 12/16	QE 3/17	QE 6/17	QE 9/17	Total	
New Adult Group	1.033	655.13	96.21%	630.30	331,548	335,506	338,358	338,903	1,344,315	847,320,985

		DY 07 PM/PM			Member Months QE 12/17	QE 3/18	QE 6/18	QE 9/18	Total	
New Adult Group	1.033	676.75	94.48%	639.38	339,103	328,140	318,296	317,867	1,303,406	833,373,595

		DY 08 PM/PM			Member Months QE 12/18	QE 3/19	QE 6/19	QE 9/19	Total	
New Adult Group	1.033	699.08	94.16%	658.28	317,421	-	-	-	317,421	208,951,144

II. WAIVER COSTS AND VARIANCE FROM BUDGET NEUTRALITY LIMIT - BY QUARTER, BY DATE OF PAYMENT

	Budget Neutrality Limit - Federal Share MAP	DSH	Total	Expenditures New Adult Grp	VARIANCE
QE 12/13	$ -	$ -	$ -	$ -	$ -
QE 3/14	22,549,754	-	22,549,754	13,870,414	8,679,340
QE 6/14	50,047,760	-	50,047,760	34,313,342	15,734,418
QE 9/14	71,076,532	-	71,076,532	47,984,458	23,092,074
QE 12/14	90,687,533	-	90,687,533	46,004,135	44,683,398
QE 3/15	115,696,867	-	115,696,867	70,387,348	45,309,519
QE 6/15	148,463,584	-	148,463,584	85,319,153	63,144,431
QE 9/15	172,437,147	-	172,437,147	97,948,283	74,488,864
QE 12/15	197,820,714	-	197,820,714	113,800,738	84,019,976
QE 3/16	210,053,284	-	210,053,284	122,290,142	87,763,142
QE 6/16	211,635,257	-	211,635,257	123,158,494	88,476,763
QE 9/16	206,046,085	-	206,046,085	108,777,377	97,268,708
QE 12/16	208,974,517	-	208,974,517	126,789,923	82,184,594
QE 3/17	211,469,242	-	211,469,242	122,882,603	88,586,639
QE 6/17	213,266,856	-	213,266,856	125,355,939	87,910,917
QE 9/17	213,610,369	-	213,610,369	127,776,681	85,833,688
QE 12/17	216,816,162	-	216,816,162	115,394,268	101,421,894
QE 3/18	209,806,623	-	209,806,623	107,961,026	101,845,597
QE 6/18	203,512,552	-	203,512,552	108,718,912	94,793,640
QE 9/18	203,238,258	-	203,238,258	66,525,638	136,712,620
QE 12/18	208,951,144	-	208,951,144	112,590,751	96,360,393
QE 3/19		-	-		-
QE 6/19		-	-		-
QE 9/19		-	-		-
	$ 3,386,160,239	$ -	$ 3,386,160,239	$ 1,877,849,625	$ 1,508,310,614

III. SUMMARY BY DEMONSTRATION YEAR

	Federal Share of Budget Neutrality Limit	Federal Share of Waiver Costs on CMS-64	Annual Variance	Adjusted Annual Variance	As % of Annual Budget Neutrality Limit	Cumulative Federal Share of Budget Neutrality Limit	Cumulative Federal Share of Waiver Costs on CMS-64	Cumulative Federal Share Variance	As % of Cumulative Budget Neutrality Limit
DY 03	$ 143,674,045	$ 96,168,214	$ 47,505,831	$ 47,505,831	33.07%				
DY 04	527,285,130	299,658,919	227,626,211	227,626,211	43.17%				
DY 05	825,555,340	468,026,751	357,528,589	357,528,589	43.31%				
DY 06	847,320,985	502,805,146	344,515,839	86,128,960	10.16%				
DY 07	833,373,595	398,599,844	434,773,751	108,693,438	13.04%				
DY 08	208,951,144	112,590,751	96,360,393	16,230,358	7.77%	$ 3,386,160,239	$ 1,877,849,625	$ 843,713,386	24.92%
	$ 3,386,160,239	$ 1,877,849,625	$ 1,508,310,614	$ 843,713,386					

Based on CMS-64 certification date of 1/31/2019