June 6, 2019

Kelsey Smyth
Project Officer, Division of State Demonstrations, Waivers & Managed Care
Center for Medicaid, CHIP and Survey & Certification
Centers for Medicare and Medicaid Services
Mailstop: S2-01-16
7500 Security Blvd.
Baltimore, Maryland 21244-1850

Dear Ms. Smyth:

In accordance with Special Terms and Conditions paragraph 52, enclosed please find the Quarterly Progress Report for January 1, 2019 through March 31, 2019, which also includes the Quarterly Budget Neutrality Tracking Schedule, the Quarterly Quality Initiative, and the Arizona Medicaid Administrative Claiming Random Moment Time Study results.

If you have any questions about the enclosed report, please contact Mohamed Arif at Mohamed.Arif@azahcccs.gov and Shreya Prakash Shreya.Prakash@azahcccs.gov

Sincerely,

Dana Hearn
Assistant Director
Division of Community Advocacy & Intergovernmental Relations

AHCCCS Quarterly Report
January 1, 2019 – March 31, 2019

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: 2st (January 1, 2019 – March 31, 2019)

INTRODUCTION

As written in Special Terms and Conditions, paragraph 52, 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 January 1, 2019 through March 31, 2019, 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	1,151,761	3,037	258,191
Acute SSI	194,716	412	21,908
Prop 204 Restoration	543,956	916	64,119
Adult Expansion	122,131	365	29,312
LTC DD	33,998	36	3,059
LTC EPD	33,970	50	4839
Non-Waiver	42,310	260	15,129
Total	**2,122,842**	**5,076**	**396,557**

Table 2 is a snapshot of the number of current enrollees (as of April 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]	**1,332,345**
Title XXI funded State Plan [2]	**34,316**
Title XIX funded Expansion [3]	**398,105**
• **Prop 204 Restoration (0-100% FPL)**	77,830
• **Adult Expansion (100% - 133% FPL)**	320,275
Enrollment Current as of	4/1/19

OPERATIONAL/POLICY DEVELOPMENTS/ISSUES

Waiver Update

The Arizona Health Care Cost Containment System (AHCCCS) received 1115 Waiver Amendment approval from the Centers for Medicare and Medicaid Services (CMS) to implement community engagement requirements for some able bodied AHCCCS members ages 19 to 49, and to limit retroactive coverage for some applicants to the beginning of the month in which the Medicaid application is filed.

The AHCCCS Works community engagement requirements will apply to able-bodied adults ages 19 to 49 who are not eligible for one of the following exemptions: pregnant women up to the 60th day of post-pregnancy; former Arizona foster youths up to age 26; members of a federally recognized tribe; individuals determined to have a serious mental illness (SMI); members with a disability recognized under federal law and individuals receiving long term disability benefits; individuals who are medically frail or who have an acute medical condition; members who are in active treatment for a substance use disorder; full-time high school, college, and trade school students; survivors of domestic violence; individuals who are homeless; a designated caretaker of a child under age 18; a caregiver who is responsible for the care of an individual with a disability; individuals who receive assistance through SNAP, Cash Assistance or Unemployment Insurance or who participate in another AHCCCS-approved work program.

Members who are required to comply with AHCCCS Works will participate in at least 80 hours of community engagement activities per month and report those hours by the 10th day of the following month. Engagement activities include: employment (including self-employment); less than full-time education; job or life skills training; job search activities; and community service. The AHCCCS Works program is scheduled to begin no sooner than January 1, 2020.

[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

Targeted Investment Program Update

Below is a summary of the Targeted Investments (TI) program implementation activities conducted by AHCCCS or AHCCCS Managed Care Organizations (MCOs) from January 1, 2019 through March 31, 2019:

- Analyzed Program Year 2 aggregate milestone performance to inform AHCCCS' ongoing whole person care/integration strategy;
- Implemented Program Year 2 incentive payment determination system;
- Consulted with TI Program Focus Group on their experience implementing Program Year 3 milestones;
- Met with TI participant health systems to provide guidance on accomplishing Program Year 3 milestones;
- Developed Program Year 3 resource and reference materials for participants and posted to the TI Program webpage;
- Produced and posted video with interviews of high performing participant describing their experience and lessons learned for Program participants;
- Continued development of the Program Year 3 Milestone Attestation and Validation system for Program participants;
- Toured and met with multiple TI Program participant provider locations to provide guidance and support their efforts;
- Coordinated with the State's Health Information Exchange to establish required data elements and process for Program participants to achieve bi-directional data exchange capability in order to meet the relevant milestone;
- Implemented ongoing engagement and communication activities for Program participants including, newsletter, blast emails, and individual consultations;
- Conducted analysis of Program Years 4 and 5 TI participant performance measure milestones; and
- Proposed post- TI Program sustainability strategies for initiatives begun through the TI Program requirements.

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 19-001 Nursing Facility Rates	Updates the State Plan to make changes to nursing facility payments.	03/13/2019	04/03/2019	01/01/2019
SPA 18-011 EMS Rates	Updates the State Plan to make updates to EMS rate methodologies.	10/03/2018	03/18/2019	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 18-016 Inpatient DAP	Updates the State Plan to make changes to Differential Adjusted Payments 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				
NA				

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 January 1, 2019 – March 31, 2019.

Advocacy Issues[4]	January	February	March	Total
9+Billing Issues • Member reimbursements • Unpaid bills	11	5	10	**26**
Cost Sharing • Co-pays • Share of Cost (ALTCS) • Premiums (Kids Care, Medicare)	2	4	0	**6**

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

Covered Services	47	14	7	**68**
ALTCS • Resources • Income • Medical	5	2	2	**9**
DES • Income • Incorrect determination • Improper referrals	18	14	11	**43**
KidsCare • Income • Incorrect determination	3	7	2	**12**
SSI/Medical Assistance Only • Income • Not categorically linked	7	3	2	**12**
Information • Status of application • Eligibility Criteria • Community Resources • Notification (Did not receive or didn't understand)	59	55	47	**118**
Medicare • Medicare Coverage • Medicare Savings Program • Medicare Part D	2	0	3	**5**
Prescriptions • Prescription coverage • Prescription denial	6	4	4	**14**
Fraud-Referred to Office of Inspector General (OIG)	0	1	0	**1**
Quality of Care-Referred to Division of Health Care Management (DHCM)	5	3	3	**11**
Total	**165**	**112**	**91**	**368**

Table 2 **Issue Originator**[5]	Jan.	Feb.	Mar.	Total
Applicant, Member or Representative	145	90	74	309
CMS	2	8	4	14
Governor's Office	11	2	3	16
Ombudsmen/Advocates/Other Agencies…	3	2	3	8

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

Senate & House	4	10	7	21
Total	**165**	**112**	**91**	**368**

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)

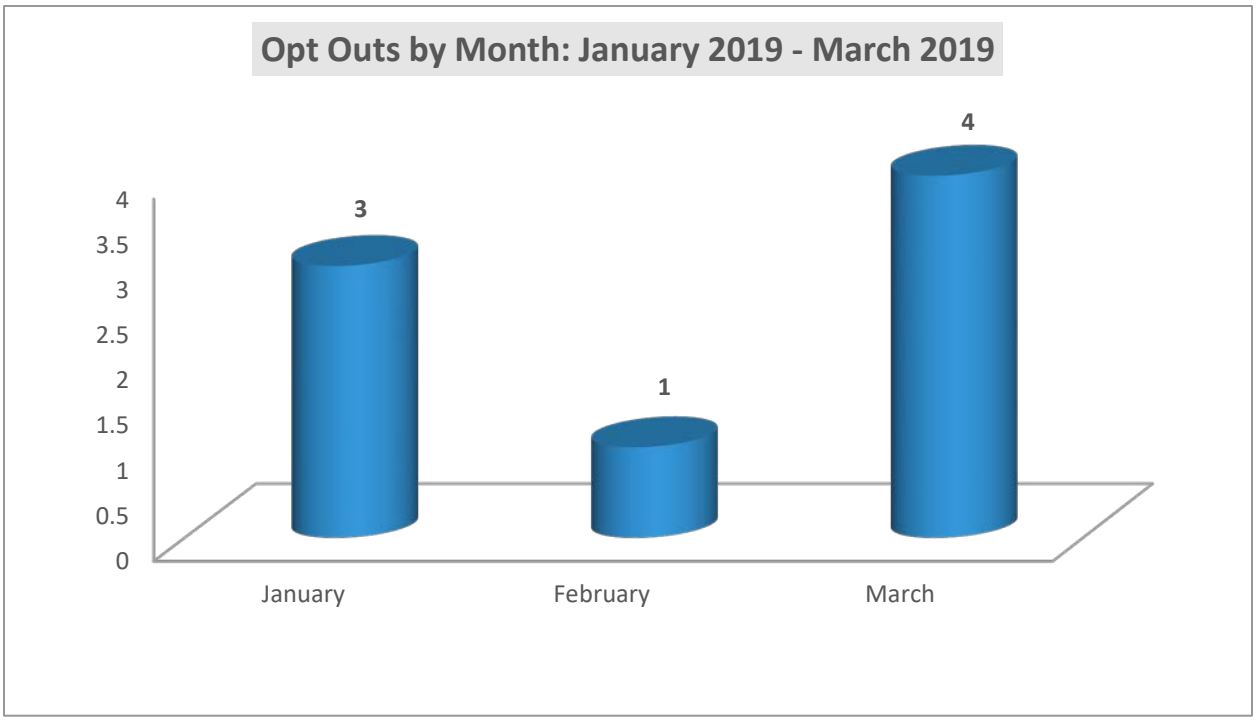
Mohamed Arif
Federal Relations Administrator
AHCCCS Office of Intergovernmental Relations
801 E. Jefferson St., MD- 4200
Phoenix, AZ 85034
Mohamed.Arif@azahcccs.gov

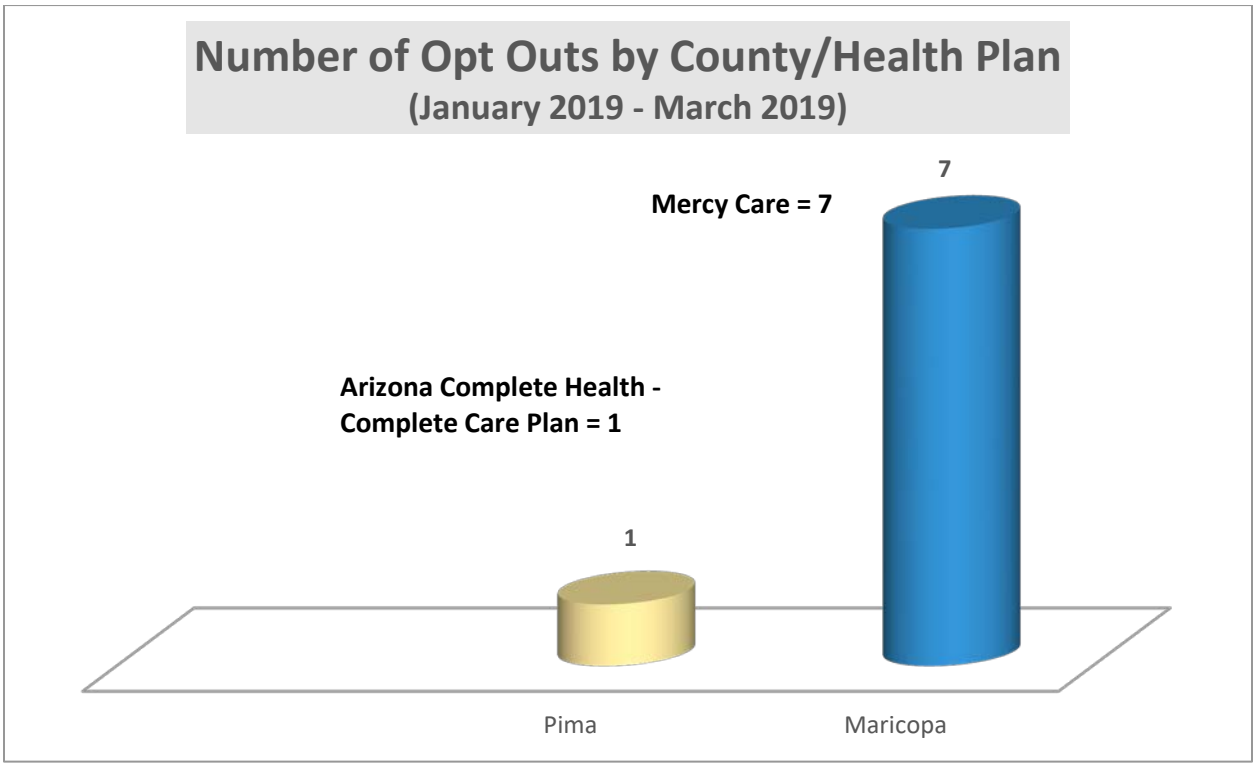
Shreya Prakash
Waiver Manager
AHCCCS Office of Intergovernmental Relations
801 E. Jefferson St., MD- 4200
Phoenix, AZ 85034
Shreya.Prakash@azahcccs.gov

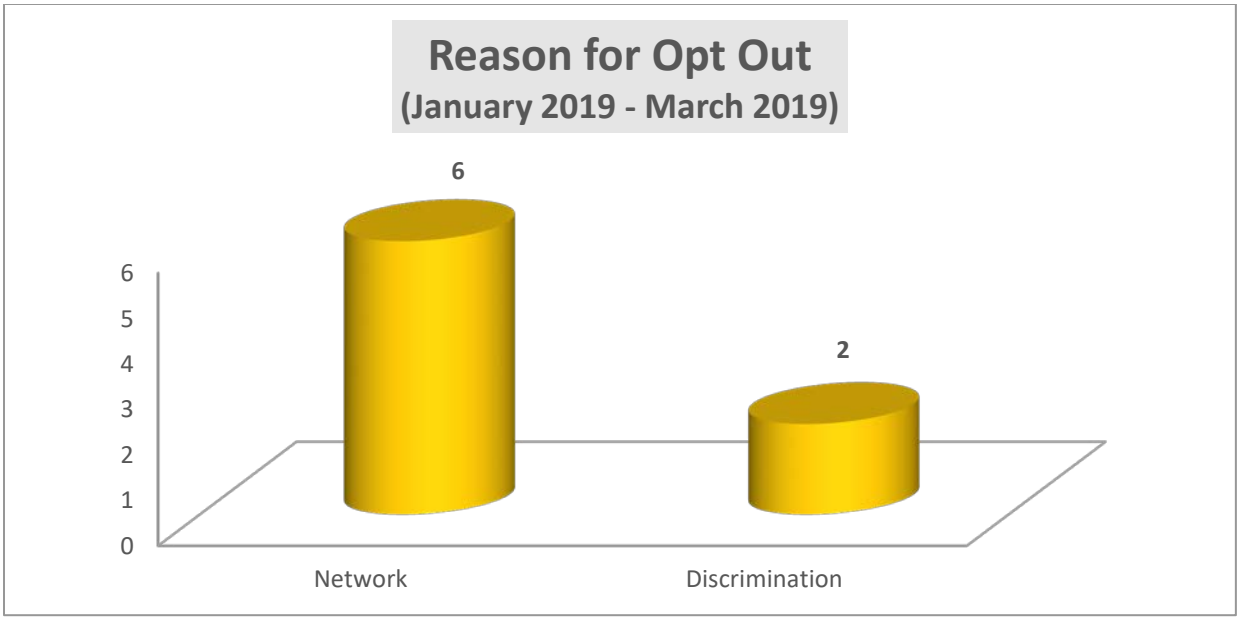
DATE SUBMITTED TO CMS

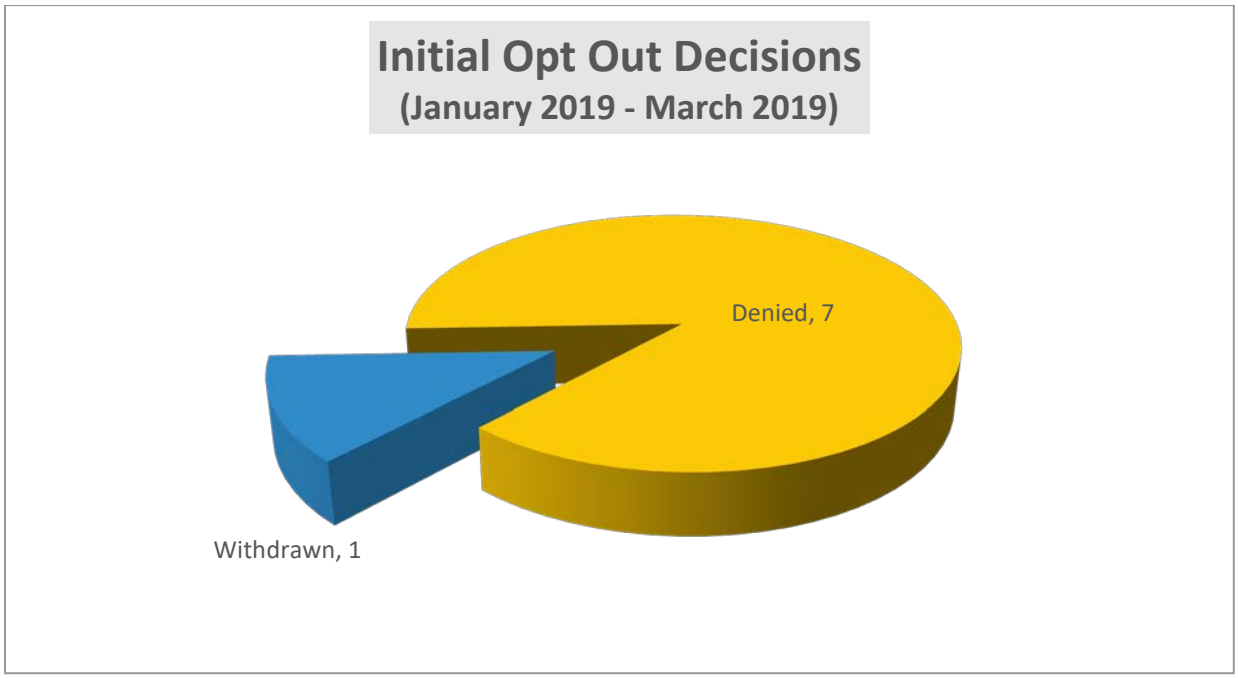
June 6, 2019

Attachment 1: SMI Opt Out for Cause
January - March 2019

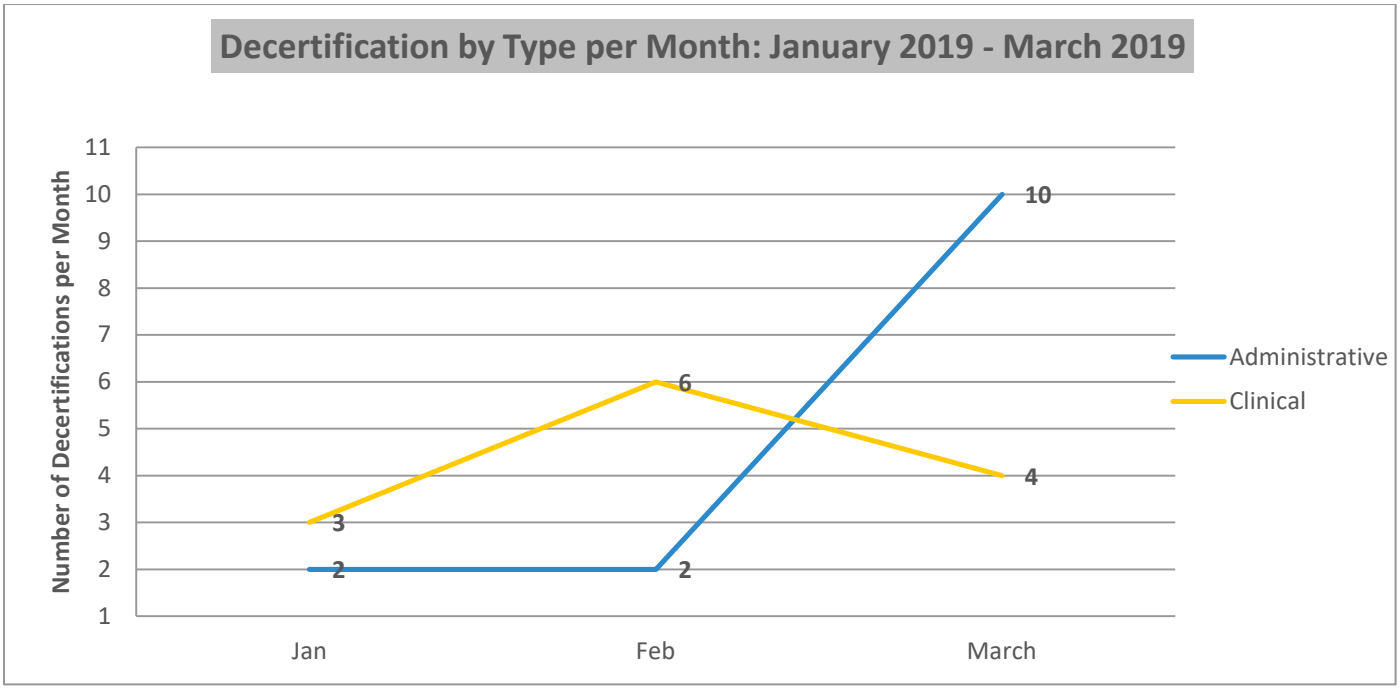








Appeal Outcomes (Jan 2019 - Mar 2019)			
Approved	**Withdrawn**	**Denied**	**Pending**
0	0	1	2


Decertification by Type per Month: January 2019 - March 2019
Number of Decertifications per Month
11
10
9
8
7
6
5
4
3
2
1
Jan
Feb
March
10
6
4
3
2
2
Administrative
Clinical

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM

Attachment II to the

Section 1115 Quarterly Report

Quality Assurance/Monitoring Activity

Demonstration/Quarter Reporting Period

Demonstration Year: 38

Federal Fiscal Quarter 2/2019 (1/1/19 – 3/31/19)

Prepared by the Division of Health Care Management
April, 2019

Introduction

This report describes the Arizona Health Care Cost Containment System (AHCCCS) quality assurance and monitoring activities that occurred during the second 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 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 the 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 drivers 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 AHCCCS Complete Care during Quarter One of Federal Fiscal Year (FFY) 2019, this report will highlight AHCCCS activities and goals for the statewide model of care that occurred predominately between January 1st and March 31, 2019, 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 and Medical Management.

Ongoing advisory councils and specialty workgroups, such as the Behavioral Health Planning Council and the Office of Individual and Family Affairs (OIFA) continue to operate. These two entities work in tandem to ensure stakeholder involvement and feedback occurs on a regular basis.

The Behavioral Health Planning Council oversees the Substance Abuse and Mental Health Block Grants (SABG and MHBG), the latter of which is designed to provide mental health treatment services to adults with Serious Mental Illness (SMI) and children with Serious Emotional Disturbance (SED). The program's objective is to support the grantees in carrying out plans for providing comprehensive community mental health services. One of the grant requirements is that grantees receiving MHBG funds are required to form and support a state mental health/behavioral health planning council.

The State's Mental/Behavioral Health Planning Council ensures collaboration among key state agencies and facilitates member input into the state's mental health services and activities. The majority (51% or more) of a state's planning council should be comprised of members and family members. This Council is mandated to perform the following duties:

- To review plans provided to the Council by the State of Arizona and to submit to the State any recommendations of the Council for modifications to the plans;
- To serve as an advocate for adults with a serious mental illness, children with a severe emotional disturbance, and other individuals with mental illnesses or emotional problems;
- To monitor, review and evaluate not less than once each year the allocation and adequacy of mental health services within the State.

During the second quarter of FFY 2019, the focus of Arizona's AHCCCS Planning Council has been to ensure involvement of all stakeholder agencies, members, family members and American Indians. Further, the Planning Council has begun to hold its community-based meetings within a rotating mixture of locations throughout Arizona to further ensure statewide representation.

The Office of Individual and Family Affairs (OIFA), has maintained an ongoing advisory council, inclusive of all stakeholders, since 2010. Information regarding their activities is being added as of this report to provide further evidence of AHCCCS demonstrating stakeholder involvement and community engagement. The OIFA defines Community Engagement as "*educating and sharing information through interactions with external stakeholders at meetings, trainings, community events, conferences, committees, workgroups and one-on-one interactions*." OIFA engages an average of over 750 stakeholders per month. Their weekly newsletter performs above industry standards for reader engagement, and brings updates on AHCCCS policies and activities to more than 1,800 community stakeholders.

Another 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, the Arizona Chapter of the American Academy of Pediatrics, and other outside stakeholders that participated in Public Comment for 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 merger of ADHS/Division of Behavioral Health Services and AHCCCS effective July 1, 2016), 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. During the second quarter, AHCCCS enhanced its behavioral health expertise by hiring a behavioral health professional, licensed in Applied Behavioral Health Analysis, to provide administrative oversight of numerous medical management, utilization, quality review and programmatic activities.

Within the QM, QI, and MCH/EPSDT units, other activities designed to enhance integration during the second quarter of FFY 2019, have continued. Ongoing efforts include:

- Tracking performance on prenatal and postnatal timeliness of care with supplemental training to Contractor staff, relative to physical and behavioral health aspects of perinatal mood disorders

AHCCCS Complete Care: As reported within the FFY 2019 first quarter report, AHCCCS 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 (these rural counties are served by two of the three Contractors available in Pima County)

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 members enrolled with DES/DDD and Department of Child Safety/Comprehensive Medical and Dental Plan – DCS/CMDP); and
- Members determined to have SMI who opt out and transfer to the Contractor for the provision of physical health services.

ALTCS/DDD: For children and adults currently eligible under DES/DDD, an integrated services RFP was issued during FFY 2018. The RFP resulted in two contracts being

awarded in March of 2019 to provide integrated acute physical and behavioral health services to ALTCS/DDD members, beginning October 1, 2019. ALTCS/DDD members will receive integrated services under either United Health Care Community Plan or Mercy Care AZ; long term services and supports (LTSS) will continue to be managed statewide by DES/DDD.

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 designed to further alignment and understanding of the unique needs of individuals with an SMI designation, in conjunction with dementia or other behavioral and/or physical complications that qualify an individual for ALTCS services. During Q2, these efforts have continued via additional involvement and feedback from local skilled nursing facilities and the Arizona Health Care Association. The focus of these efforts has been to identify potential system changes that could improve outcomes for ALTCS individuals with an SMI designation.

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 advancing and supporting state, regional, and local level collaborations and service enhancements plus 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;

5. Promoting best practices and improving care process models for chronic pain and high-risk members, and
6. AHCCCS Continues to revise policies as changes are dictated by current policy, grant requirements, State regulation, and best practices.

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.

Based on the most current data available, (January 1, 2017 through April 15th, 2019 and encompassing this reporting period), the MAT PDOA program has enrolled 252 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 57% reduction in crimes committed, 57% reduction in nights spent in jail, 33% reduction in arrests, and a 38% reduction in drug arrests.

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 three Medication Units in rural Arizona to make medication assisted treatment more accessible within those communities. Two 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 April 30th 2018, (which encompasses the FFY 2019-Q2 reporting period), over 15,500 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 April 30th, 2019, revised numbers show over 13,000 individuals have received peer support and recovery services through the STR grant. Service delivery numbers are broken out within the table below.

	Year 1	**Year 2**	**Cumulative Total**
Recovery Support Services	3,379	9,846	13,225
Treatment Services	4,362	11,235	15,597
Unduplicated Count	6,143	21,081	27,225

Use of Evidence Based Practice: Additional AHCCCS efforts to combat the opioid epidemic and substance use disorder include a partnership with the Regional Behavioral Health Authorities (RBHAs) throughout the state to implement an evidenced based practice (EBP) to assist in addressing the opioid epidemic and affordable housing crisis. Each RBHA has contracted with Oxford House, Inc. utilizing SAMHSA SUD grant funds. Oxford House is a worldwide network of over 2,500 sober living houses. The Oxford house model provides support to individuals with an SUD and co-occurring mental health issues, who would benefit from practicing the Social Model of Recovery – one which allows individuals a residential setting, peer support and the time they need to bring about behavior change that promotes permanent sobriety and recovery. This is an initial step in assisting those with behavioral health needs that also have many needs related to social determinants of health (SDOH). Oxford House Inc. will assist in addressing housing, employment, income, and social connectedness. This resource

can be part of a continuum of services addressing SDOH, in addition to the clinical and recovery services currently available within Arizona's RBHA system.

AHCCCS has implemented statewide use of American Society of Addiction Medicine (ASAM) Continuum Assessment Tool. The tool will be accessible to all contracted SUD providers for assessment and treatment. Use of the ASAM model will facilitate a more standardized approach to assessment, treatment, level of care recommendations and utilization management based on the algorithms available via the Continuum model. AHCCCS is monitoring SUD providers to ensure fidelity to the ASAM model. Network adequacy will also be monitored to ensure AHCCCS members receive needed services within a timely manner.

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 utilized to provide 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 to facilitate quality of care reviews from a more broadly informed approach, training topics were expanded for QM and QOC staff during FFY 2019. As in the past, attendance remains open to other departments based on department need. Topics include:

- Grant programs for Non-Title XIX individuals
- AHCCCS Operations and Compliance Structure and Processes
- Social Determinants of Health
- CMS Waiver Process: Title XIX/Title XXI Waiver
- Appeal Process for Members with Serious Mental IllnessIntegrating Foster Care – Foster, Kinship, Adoptive Family/Member Rights and Resources
- General Finance/Rate Setting Process
- Tribal/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) if focus areas are currently priorities of CMS or state leadership and/or can be combined with existing initiatives, and (4) the feasibility of CMS priorities to 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. Ongoing efforts include:

- An initiative on behavioral health care for children in the foster care system. Development of these metrics focused on children served under 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.

  AHCCCS recently began regular collaboration with the Arizona Department of Child Safety (DCS). It is anticipated that these collaborative efforts will improve system delivery for DCS children enrolled with CMDP. The goals of these collaborative activities are 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 the 72 hour rapid response process,
  - Collaborate to increase fidelity to children's behavioral health initiatives,
  - Strengthen AHCCCS policies related to timely and appropriate delivery of services to both foster and adoptive children, and
  - Increase and strengthen utilization of the Child/Adolescent Service Intensity Instrument (CASII), an evidence-based tool developed by the American Academy of Child and Adolescent Psychiatry. The tool is designed to assess risk and protective factors within the child's caregiving environment.

- 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 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 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 have continued to meet to create a consistent statewide methodology to fully implement the standardized behavioral health audits. The standardized methodology will include sampling techniques and a provider audit rotation schedule, to allow the AHCCCS Contractors to review all providers offering outpatient behavioral health assessment and treatment annually. A uniform methodology process has been finalized and will be implemented as of October 1, 2019.

    - As of Q2, the audit tools are undergoing a final revision. Not only do these tools focus on behavioral health service delivery requirements, but they also focus on aspects of integrated care and enhancements for delivery of services to children and adults with special health care needs.

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 point of collaboration for multiple MCOs.

Workforce Development (WFD): In 2016, AHCCCS began an organized statewide campaign designed to assist its acute Contractors, behavioral health and long term care provider networks to develop their workforce. With the overall goal of acquiring and retaining the most interpersonally, clinically, culturally, and technically capable healthcare workforce, AHCCCS created an Office of Healthcare Workforce Development to oversee the workforce development efforts of the Contractors. In 2017 AHCCCS required the ALTCS – EPD Contractors to staff a workforce development operation to assist the EPD provider networks with their current and projected shortage

of community and facility based care givers. In 2018, the requirement for operating a WFD function was extended to the seven newly awarded integrated ACC Contractors.

The current priority of every Contractors' workforce development office is to create the infrastructure needed to comply with AHCCCS policies specifically related to workforce development and to then use these policies to assist the workforce development efforts of their respective provider networks. The following describes both the ambitions and current status of the workforce development initiative in Arizona.

Contractor WFD Operation: Providers are responsible for acquiring, developing and retaining a workforce that is both adequately staffed and capable of providing the services they are contracted to deliver. To assist providers in keeping up with the demands of an increasingly complex healthcare workforce environment, AHCCCS requires all Contractors to maintain a WFD operation via a Workforce Development Administrator that oversees implementation of five required workforce development functions: (1) forecasting workforce goals, (2) monitoring workforce trends, (3) assessing workforce needs, (4) developing workforce plans and (5) directly assisting providers in the process of developing their workforce.

Transforming Provider Training: AHCCCS is implementing two transformational changes to the training and development processes.

- The first change is from a training requirements based system to a competency evaluation system. This means that rather than requiring employees to complete a list of courses and take post training knowledge tests, observable competencies that are required to provide services will be described. The intent of this transformation is to improve the skill use of the providers by decreasing unnecessary education and training requirements and increasing coaching, mentoring and supervisory intervention and support.
- The second element of the transformational strategy requires all Contractors to use the same learning management system. Contractors fund a contract between AzAHP and RELIAS, the vendor selected to operate the learning management system. A unified learning management system ensures immediate access to standardized workforce development tools, competency evaluations, training curriculums, coaching and supervisory aids, training and competency histories. As of this second quarter report, AHCCCS will begin providing updates on another of its Workforce Development activities. Specifically, the first annual WFD Annual Plans were submitted by all AHCCCS Contractors. All providers now have access to a single, statewide Learning Management System. Finally, ALTCS/EPD plans have finalized metrics and data collection rules for the LTC Workforce Stability and Retention Study. An in-

depth questionnaire is also being developed to identify Caregiver experiences and desires to remain in the caregiving field.

Establishing Realistic Outcome-Based Performance Measures

Over time, AHCCCS has transitioned to utilizing a combination of CMS Core Sets, NCQA, HEDIS®, Medicare and Medicaid Promoting Interoperability Program, and other measure sets that have been implemented by CMS. These changes enabled AHCCCS to more effectively compare its performance against state and national performance results.

AHCCCS regularly updates the performance measure sets for all lines of business, based on system changes and/or any changes within CMS Core measure sets. Typically, these updates are effective on October 1st and based on implementation of new contracts or renewal of existing contracts. Numerous measures were added during FFY 2018, which AHCCCS has continued to incorporate for FFY 2019 (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 FFY 2019 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:

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

Identifying, Collecting and Assessing Relevant Data

Performance Measures: AHCCCS currently utilizes an External Quality Review Organization to perform measurement calculations, thus helping to ensure validity and accuracy of Performance Measurement activities. In addition, AHCCCS has finalized and implemented a contract with an external vendor (ChangeHealth) to support future performance measurements. At this time, AHCCCS and ChangeHealth are collaboratively working through onboarding efforts and reporting validation. .

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. However, based on recent finalization of Performance Measure results for FFY 2016, AHCCCS has taken action against Contractors failing to meet minimum performance standards by implementing sanctions related to FFY 2016 Performance Measure results. Sanction information is available on the AHCCCS website.

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 contracted lines of business due to the implementation of the ACC program, and thus not reported separately.

As such, AHCCCS has implemented an updated Value Based Purchasing (VBP) Alternative Payment Model (APM) for the ACC, ALTCS and RBHA populations. This VBP APM process will be performed annually on a contract year basis. The contracts which Contractors execute with health care providers must be governed by APM arrangementsaccounting for a specific percentage of total contract value, with escalating percentages each year according to the tables immediately below.

ACC	
YEAR	INTENDED MINIMUM VALUE PERCENTAGE
FFY 2019	50%
FFY 2020	60%
FFY 2021	70%

ALTCS	
YEAR	INTENDED MINIMUM VALUE PERCENTAGE (ALTCS/EPD AND MA-DSNP)
FFY 2019	50%
FFY 2020	60%
FFY 2021	70%

RBHA		
	INTENDED MINIMUM VALUE PERCENTAGE	
YEAR	SMI-Integrated	Non-Integrated
FFY 2019	35%	20%
FFY 2020	50%	25%
FFY 2021	60%	25%

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

- **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 FFY 2016. AHCCCS continues to engage and elicit stakeholders' information for purposes of data aggregation and improvement in shared quality outcomes related to developmental screening.

- **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 LTSS. These services are accessible 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. AHCCCS is in the process of colleting baseline data.

  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 practitioner (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 FFY 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. A complete OR is conducted every three years and includes a combination of onsite as well as desk reviews. Over the past year AHCCCS has worked to revise its OR standards and process. OR tools were updated to reflect changes in contract language, and staff interviews were included in the process. In addition to the complete ORs, AHCCCS also conducts focused reviews on an as needed based. These focused reviews may include a review of specific areas across all Contractors, or a review of specific standards related to an individual Contractor's performance in the complete OR.

- **Clinical Oversight Committee:** The Clinical Oversight Committee meets on a quarterly basis and was designed to ensure two key requirements:

- Transparency and frequent communication across all levels of AHCCCS and the community of stakeholders and AHCCCS membership regarding quality initiatives, activities and outcomes.
    - AHCCCS regularly seeks feedback from and shares information with community stakeholders via numerous meetings including the AHCCCS Community Quality Forum, Opportunities and Trends Committee and AHCCCS Advisory Councils.
- Development of a reporting mechanism of quality oversight by AHCCCS for review by the Governor, the President of the Senate, the Speaker of the House of Representatives and other key Legislative members.

The Committee consists of high level management from critical AHCCCS Divisions including the Office of the Director, Health Care Management, Health Care Advocacy and Intergovernmental Relations, and Fee For Service Management.

- **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 reports are reviewed during the quarter following the reporting quarter. Annual and Integrated Plan submissions are due at the end of the 1st quarter and reviewed during the 2nd quarter of the contract year.

    - **Quarterly EPSDT and Adult Monitoring Reports:** AHCCCS requires ACC, 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, Case Management, Provider Network Development and Management, Medical Management, Workforce Development, and Dental – AHCCCS requires all lines of business to submit an annual plan which addresses 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 Health Care Reports:** These reports focus on the quality and quantity of coordination and integration activities. ALTCS/EPD Contractors were required to submit integrated care reports beginning October 1, 2017 under their new contract cycle. With ACC implementation, Integrated Care Reports became a contract deliverable for this line of business 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 provides the data to measure each Contractor's performance and evaluate 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 along with a Reporting team that supports maintaining valid, accurate, and reliable data for reporting and data transactions; 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. The agency has a data governance manager who is responsible for data management best practices.

Reviewing and Revising the Quality Strategy

AHCCCS continues its efforts to enhance the Agency's Quality Strategy report. Current initiatives are underway to reevaluate structure, content and data analysis. Part of the approach will be to incorporate synchronized reporting processes to ensure alignment across various AHCCCS reports that relate to quality (e.g. Strategic Plan, Quality Strategy, and External Quality Review Organization Report). The AHCCCS Quality Strategy, Assessment and Performance Report will be 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

Arizona Health Care Cost Containment System (AHCCCS)
Quarterly Random Moment Time Study Report
January 2019 – March 2019

The January through March 2019 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	January – March 2019
Administrative	3,090
Direct Service	3,316
Personal Care	5,664

The table below demonstrates the administrative, direct service, and personal care time study achieved the 85% return rate in the January to March 2019 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	2,796	96.41%
Direct Service	3,300	3,180	96.36%
Personal Care	3,300	2,957	89.61%

Arizona Health Care Cost Containment System
Medicaid Section 1115 Demonstration Number 11-W00275/9
Budget Neutrality Tracking Report
For the Period Ended March 31, 2019

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	2,932,276	2,919,950	2,913,804	2,938,548	11,704,578	$ 4,784,612,197	
SSI	835.29	1.06	885.41	69.10%	611.79	487,598	489,034	489,081	491,741	1,957,454	1,197,545,381	
AC [1]			562.08	69.74%	391.97	527,244	430,723	365,132	310,396	1,633,495	640,280,059	
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	
											$ 8,697,488,360	MAP Subtotal
											103,890,985	Add DSH Allotment
											$ 8,801,379,345	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	2,911,142	2,890,868	2,902,664	2,918,535	11,623,209	$ 4,927,456,469	
SSI	938.53	67.86%	636.91	494,835	497,243	499,886	503,524	1,995,488	1,270,943,147	
AC [1]	600.79	68.73%	412.94	274,990	248,817	228,204	217,114	969,125	400,187,940	
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	1,139,764,865	
Family Plan Ext [1]	18.42	90.00%	16.58	13,104	13,824	14,187	14,856	55,971	927,946	
									$ 8,795,005,877	MAP Subtotal
									106,384,369	Add DSH Allotment
									$ 8,901,390,246	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	2,891,400	2,838,914	2,955,064	3,112,764	11,798,142	$ 5,391,617,647	
SSI	994.84	69.27%	689.14	506,948	514,732	523,729	530,149	2,075,558	1,430,356,844	
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	1,252,509,159	
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%	532.65	-	443,731	623,931	755,273	1,822,935	970,983,930	
									$ 10,327,587,409	MAP Subtotal
									108,086,519	Add DSH Allotment
									$ 10,435,673,928	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	3,145,127	3,083,576	3,103,315	3,206,605	12,538,623	$ 6,102,992,007	
SSI	1054.53	70.25%	740.76	537,844	544,743	545,902	546,418	2,174,907	1,611,094,928	
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	1,363,723,910	
Family Plan Ext	0.00	90.00%	0.00	-	-	-	-	-	-	
Expansion State Adults	569.29	87.76%	499.58	816,845	834,668	844,117.00	864,065.00	3,359,695	1,678,449,233	
									$ 12,109,915,406	MAP Subtotal
									109,815,903	Add DSH Allotment
									$ 12,219,731,309	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%	512.14	3,258,388	3,255,292	3,245,483	3,329,629	13,088,792	$ 6,703,283,992	
SSI	1117.81	70.52%	788.24	551,756	554,684	551,981	555,065	2,213,486	1,744,762,433	
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	1,503,570,727	
ALTCS-EPD	5802.30	69.10%	4009.43	89,927	89,521	89,681	89,964	359,093	1,439,758,949	
Family Plan Ext	0.00	90.00%	0.00	-	-	-	-	-	-	
Expansion State Adults	567.30	90.70%	514.52	913,458	927,655	929,598	935,231	3,705,942	1,906,792,971	
									$ 13,298,169,072	MAP Subtotal
									110,145,351	Add DSH Allotment
									$ 13,408,314,423	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	71.99%	539.31	3,381,438	3,385,038	3,367,715	3,354,203	13,488,394	7,274,492,229	
SSI	1.04	1162.52	70.92%	824.50	556,711	558,697	558,705	560,417	2,234,530	1,842,374,585	
AC		0.00	69.20%	0.00	-	-	-	-	-	-	
ALTCS-DD	1.04	6462.96	69.29%	4478.26	90,155	91,241	92,412	93,371	367,179	1,644,321,471	
ALTCS-EPD	1.037	6016.98	69.45%	4178.82	90,323	90,030	90,429	91,206	361,988	1,512,682,979	
Family Plan Ext		0.00	90.00%	0.00	-	-	-	-	-	-	
Expansion State Adults		606.32	90.83%	550.70	952,122	957,505	957,823	956,538	3,823,988	2,105,881,799	
										$ 14,379,753,063	MAP Subtotal
										111,136,659	Add DSH Allotment
										$ 14,490,889,722	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	72.80%	569.92	3,321,409	3,228,042	3,186,498	3,188,641	12,924,590	$ 7,365,926,456	
SSI	1209.02	71.64%	866.17	564,054	565,912	565,444	564,759	2,260,169	$ 1,957,683,626	
AC	0.00	81.19%	0.00	-	-	-	-	-	$ -	
ALTCS-DD	6721.48	69.94%	4701.18	94,324	95,509	96,906	98,205	384,944	$ 1,809,691,920	
ALTCS-EPD	6239.61	70.11%	4374.90	91,811	91,438	92,073	93,627	368,949	$ 1,614,113,796	
Family Plan Ext	0.00	90.00%	0.00	-	-	-	-	-	$ -	
Expansion State Adults	705.4301	91.88%	648.13	954,131	934,850	926,936	933,136	3,749,053	$ 2,429,861,606	
									$ 15,177,277,405	MAP Subtotal
									113,803,939	Add DSH Allotment
									$ 15,291,081,344	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	72.36%	591.97	3,175,244	3,159,831			6,335,075	$ 3,750,146,710	
SSI	1257.38	71.40%	897.76	564,794	562,935			1,127,729	1,012,434,683	
AC	0.00	76.23%	0.00	-	-			-	-	
ALTCS-DD	6990.34	69.85%	4882.48	99,563	100,611			200,174	977,346,017	
ALTCS-EPD	6470.48	69.97%	4527.29	94,836	94,444			189,280	856,925,594	
Family Plan Ext	0.00	90.00%	0.00	-	-			-	-	
Expansion State Adults	678.5873	92.76%	629.44	942,411	960,385			1,902,796	1,197,702,856	
									$ 7,794,555,860	MAP Subtotal
									116,535,234	Add DSH Allotment
									$ 7,911,091,094	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 05/07/2019

Arizona Health Care Cost Containment System
Medicaid Section 1115 Demonstration Number 11-W00275/9
Budget Neutrality Tracking Report
For the Period Ended March 31, 2019

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	$ 2,217,669,509	$ 103,890,985	$ 2,321,560,494	$ 502,890,921	$ 191,249,757	$ 175,610,617	$ 151,638,753	$ 164,685,415	$ 167,197	$ -	$ -	$ -	$ 458,635	$ -			$ 1,186,701,295	$ 1,134,859,199
QE 3/12	2,177,928,578	-	2,177,928,578	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	883,155,990
QE 6/12	2,153,131,703	-	2,153,131,703	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	717,859,903
QE 9/12	2,148,758,569	-	2,148,758,569	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	808,104,982
QE 12/12	2,208,560,383	106,384,369	2,314,944,752	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	876,655,369
QE 3/13	2,191,066,637	-	2,191,066,637	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	846,711,381
QE 6/13	2,192,790,762	-	2,192,790,762	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	777,482,217
QE 9/13	2,202,588,095	-	2,202,588,095	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	682,285,050
QE 12/13	2,361,587,880	108,086,519	2,469,674,399	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	964,050,708
QE 3/14	2,496,498,849	-	2,496,498,849	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	1,011,847,474
QE 6/14	2,658,394,731	-	2,658,394,731	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	1,050,369,656
QE 9/14	2,811,105,949	-	2,811,105,949	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	946,531,920
QE 12/14	3,010,773,871	109,815,903	3,120,589,774	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	1,094,237,974
QE 3/15	2,998,752,000	-	2,998,752,000	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	1,245,172,719
QE 6/15	3,018,158,190	-	3,018,158,190	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	1,107,115,944
QE 9/15	3,082,231,344	-	3,082,231,344	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	1,198,168,396
QE 12/15	3,304,241,503	110,145,351	3,414,386,854	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	1,391,422,071
QE 3/16	3,313,910,750	-	3,313,910,750	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	1,367,230,759
QE 6/16	3,313,163,502	-	3,313,163,502	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	1,342,625,499
QE 9/16	3,366,853,317	-	3,366,853,317	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	1,456,340,998
QE 12/16	3,588,186,608	111,136,659	3,699,323,267	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	1,652,507,497
QE 3/17	3,598,369,029	-	3,598,369,029	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	1,556,783,730
QE 6/17	3,596,119,583	-	3,596,119,583	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	1,287,510,203
QE 9/17	3,597,077,844	-	3,597,077,844	678,845,907	344,221,688	(194,349)	242,239,652	246,326,890	(58)	-	-	646,701		499,804,367			2,011,890,798	1,585,187,046
QE 12/17	3,844,983,786	113,803,939	3,958,787,725	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	1,770,812,319
QE 3/18	3,764,958,732		3,764,958,732	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	1,500,413,618
QE 6/18	3,784,824,339		3,784,824,339	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	1,644,735,382
QE 9/18	3,782,510,548		3,782,510,548	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	1,598,233,325
QE 12/18	3,895,346,503	116,535,234	4,011,881,737	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	1,690,111,353
QE 3/19	3,899,209,357		3,899,209,357	841,994,194	420,273,242	(33,279)	310,034,047	269,841,260	(18)	2,485,077	-	-	-	670,170,892	-	-	2,514,765,415	1,384,443,942
	$ 90,579,752,452	$ 879,798,959	$ 91,459,551,411	$ 19,772,411,297	$ 9,016,437,779	$ 1,203,967,384	$ 6,344,777,843	$ 6,482,910,333	$ 1,866,023	$ 775,200,782	$ 982,643,766	$ 198,000,032	$ 453,960	$ 10,084,197,278	$ 14,602,605	$ 9,115,704	$ 54,886,584,786	$ 36,572,966,625

Last Updated: 5/21/2019

Arizona Health Care Cost Containment System
Medicaid Section 1115 Demonstration Number 11-W00275/9
Budget Neutrality Tracking Report
For the Period Ended March 31, 2019

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 [1]	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	$ 8,801,379,345	$ 5,636,145,127	$ 3,165,234,218	3,165,234,218	35.96%					
DY 02	8,901,390,246	5,838,963,085	3,062,427,161	3,062,427,161	34.40%					
DY 03	10,435,673,928	6,476,426,114	3,959,247,814	3,959,247,814	37.94%					
DY 04	12,219,731,309	7,374,145,599	4,845,585,710	4,845,585,710	39.65%					
DY 05	13,408,314,423	8,031,245,008	5,377,069,415	5,377,069,415	40.10%					
DY 06	14,490,889,722	8,539,582,588	5,951,307,134	1,487,826,784	10.27%					
DY 07	15,291,081,344	8,710,328,695	6,580,752,649	1,645,188,162	10.76%					
DY 08	7,911,091,094	4,279,748,570	3,631,342,524	907,835,631	11.48%	$ 91,459,551,411	$ 54,886,584,786	$ 36,572,966,625	$ 24,450,414,894	26.73%
	$ 91,459,551,411	$ 54,886,584,786	$ 36,572,966,625	$ 24,450,414,894						

[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
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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	917,847,227	582,030,376	123,922,054	36,049,882	48,139,177	29,671,597	(575,865)	(645,033)	1,736,439,415
AFDC/SOBRA	3,415,708,985	3,582,374,459	3,539,923,617	3,600,597,474	3,986,381,028	3,996,999,542	3,883,877,386	1,792,130,947	27,797,993,438
ALTCS-EPD	1,061,677,625	1,166,672,572	1,195,351,617	1,243,652,679	1,263,168,590	1,389,095,154	1,426,212,176	710,461,146	9,456,291,559
ALTCS-DD	939,086,691	1,005,552,496	1,067,544,797	1,170,346,154	1,252,959,976	1,382,281,419	1,567,245,437	874,667,348	9,259,684,318
DSH/CAHP	155,762,651	163,280,200	162,283,023	170,517,535	170,272,775	170,945,347	137,119,724	8,227,150	1,138,408,405
Expansion State Adults	-	-	1,137,199,287	1,909,603,589	2,099,190,803	2,315,197,009	2,429,861,606	1,288,382,279	11,179,434,573
Family Planning Extension	830,631	1,008,110	190,026	(1,337)	(763)	(342)	(409)	(450)	2,025,466
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	1,349,500,021	1,426,830,729	1,545,614,383	1,739,194,453	1,847,850,732	1,979,733,617	2,013,022,745	943,669,769	12,845,416,449
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	8,160,590,486	8,583,275,753	9,066,168,486	10,018,959,366	10,792,359,473	11,394,622,121	11,479,262,800	5,616,893,156	75,112,131,641
New Adult Group	-	-	108,345,589	308,800,681	444,546,209	509,220,387	466,469,552	215,873,528	2,053,255,946
Total	8,160,590,486	8,583,275,753	9,174,514,075	10,327,760,047	11,236,905,682	11,903,842,508	11,945,732,352	5,832,766,684	77,165,387,587

Federal Share

Waiver Name	01	02	03	04	05	06	07	08	Total
AC	640,069,025	400,049,516	86,554,713	24,670,313	33,050,385	20,532,732	(467,561)	(491,739)	1,203,967,384
AFDC/SOBRA	2,385,684,992	2,466,576,740	2,497,526,777	2,572,066,679	2,848,127,027	2,877,754,039	2,827,728,365	1,296,946,678	19,772,411,297
ALTCS-EPD	716,678,294	770,173,328	807,176,790	854,204,280	872,859,178	964,732,710	999,987,236	497,098,517	6,482,910,333
ALTCS-DD	632,712,981	661,923,917	719,011,976	802,139,221	864,096,937	957,797,869	1,096,173,429	610,921,513	6,344,777,843
DSH/CAHP	104,828,265	107,242,435	109,102,877	116,736,303	117,351,997	118,362,558	95,832,974	5,743,373	775,200,782
Expansion State Adults	-	-	970,833,847	1,676,365,486	1,904,581,771	2,103,563,822	2,233,125,791	1,195,726,561	10,084,197,278
Family Planning Extension	767,009	927,946	174,071	(1,212)	(689)	(311)	(378)	(413)	1,866,023
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	932,466,458	968,287,556	1,070,678,541	1,221,751,892	1,303,084,022	1,404,141,641	1,442,223,589	673,804,080	9,016,437,779
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	5,636,145,127	5,838,963,085	6,476,426,114	7,374,145,599	8,031,245,008	8,539,582,588	8,710,328,695	4,279,748,570	54,886,584,786
New Adult Group	-	-	108,345,589	308,791,932	444,089,455	489,919,453	440,725,248	202,285,877	1,994,157,554
Total	5,636,145,127	5,838,963,085	6,584,771,703	7,682,937,531	8,475,334,463	9,029,502,041	9,151,053,943	4,482,034,447	56,880,742,340

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.

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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	918,160,799	582,241,132	124,009,799	36,049,875	48,139,503	29,671,716.21	(575,863.21)	(645,033.00)	1,737,051,928
AFDC/SOBRA	3,416,723,866	3,583,464,602	3,540,913,910	3,605,653,866	3,991,293,088	4,001,769,351	3,888,472,348	1,795,774,752	27,824,065,782
ALTCS-EPD	1,061,677,625	1,166,672,572	1,195,351,617	1,243,652,679	1,263,168,590	1,389,095,154	1,426,212,176	710,461,146	9,456,291,559
ALTCS-DD	939,086,691	1,005,552,496	1,067,544,797	1,170,346,154	1,252,959,976	1,382,281,419	1,567,245,437	874,667,348	9,259,684,318
DSH/CAHP	154,069,040	161,580,200	160,583,023	160,025,635	159,780,875	160,453,447	126,627,824	-	1,083,120,044
Expansion State Adults	-	-	1,137,422,526	1,912,647,333	2,102,399,161	2,318,544,752	2,432,800,890	1,291,213,241	11,195,027,903
Family Planning Extension	830,631	1,008,110	190,026	(1,337)	(763)	(342)	(409)	(450)	2,025,466
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	1,349,865,179	1,427,229,830	1,546,013,106	1,741,586,224	1,850,221,888	1,982,107,846	2,015,980,398	945,422,152	12,858,426,623
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	8,160,590,486	8,583,275,753	9,066,168,486	10,018,959,366	10,792,359,473	11,394,622,121	11,479,262,800	5,616,893,156	75,112,131,641
New Adult Group	-	-	108,345,589	308,800,681	444,546,209	509,220,387	466,469,552	215,873,528	2,053,255,946
Total	8,160,590,486	8,583,275,753	9,174,514,075	10,327,760,047	11,236,905,682	11,903,842,508	11,945,732,352	5,832,766,684	77,165,387,587

Federal Share

Waiver Name	01	02	03	04	05	06	07	08	Total
AC	640,280,059	400,187,940	86,613,704	24,670,308	33,050,610	20,532,815	(467,560)	(491,739)	1,204,376,136
AFDC/SOBRA	2,386,368,006	2,467,292,746	2,498,192,551	2,575,528,286	2,851,512,419	2,881,056,655	2,830,939,784	1,299,490,418	19,790,380,864
ALTCS-EPD	716,678,294	770,173,328	807,176,790	854,204,280	872,859,178	964,732,710	999,987,236	497,098,517	6,482,910,333
ALTCS-DD	632,712,981	661,923,917	719,011,976	802,139,221	864,096,937	957,797,869	1,096,173,429	610,921,513	6,344,777,843
DSH/CAHP	103,688,465	106,125,875	107,959,967	109,553,548	110,120,980	111,097,966	88,500,185	(0)	737,046,986
Expansion State Adults	-	-	970,983,930	1,678,449,233	1,906,792,971	2,105,881,799	2,235,180,056	1,197,702,856	10,094,990,846
Family Planning Extension	767,009	927,946	174,071	(1,212)	(689)	(311)	(378)	(413)	1,866,023
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	932,712,210	968,549,686	1,070,946,603	1,223,389,298	1,304,718,223	1,405,785,557	1,444,290,693	675,027,419	9,025,419,688
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	5,636,145,127	5,838,963,085	6,476,426,114	7,374,145,599	8,031,245,008	8,539,582,588	8,710,328,695	4,279,748,570	54,886,584,786
New Adult Group	-	-	108,345,589	308,791,932	444,089,455	489,919,453	440,725,248	202,285,877	1,994,157,554
Total	5,636,145,127	5,838,963,085	6,584,771,703	7,682,937,531	8,475,334,463	9,029,502,041	9,151,053,943	4,482,034,447	56,880,742,340

Calculation of Effective FMAP:

AFDC/SOBRA								
Federal	2,386,368,006	2,467,292,746	2,498,192,551	2,575,528,286	2,851,512,419	2,881,056,655	2,830,939,784	1,299,490,418
Total	3,416,723,866	3,583,464,602	3,540,913,910	3,605,653,866	3,991,293,088	4,001,769,351	3,888,472,348	1,795,774,752
Effective FMAP	0.69843748	0.68852159	0.705521968	0.714302698	0.714433232	0.719945705	0.728033925	0.72363776
SSI								
Federal	932,712,210	968,549,686	1,070,946,603	1,223,389,298	1,304,718,223	1,405,785,557	1,444,290,693	675,027,419
Total	1,349,865,179	1,427,229,830	1,546,013,106	1,741,586,224	1,850,221,888	1,982,107,846	2,015,980,398	945,422,152
Effective FMAP	0.690966938	0.678622087	0.692715087	0.702456922	0.705168516	0.709237673	0.716421	0.713995771
ALTCS-EPD								
Federal	716,678,294	770,173,328	807,176,790	854,204,280	872,859,178	964,732,710	999,987,236	497,098,517
Total	1,061,677,625	1,166,672,572	1,195,351,617	1,243,652,679	1,263,168,590	1,389,095,154	1,426,212,176	710,461,146
Effective FMAP	0.675043231	0.660145225	0.675263059	0.686851156	0.691007665	0.69450441	0.701148997	0.69968431
ALTCS-DD								
Federal	632,712,981	661,923,917	719,011,976	802,139,221	864,096,937	957,797,869	1,096,173,429	610,921,513
Total	939,086,691	1,005,552,496	1,067,544,797	1,170,346,154	1,252,959,976	1,382,281,419	1,567,245,437	874,667,348
Effective FMAP	0.673753538	0.658268882	0.673519255	0.685386301	0.689644485	0.692910905	0.69942678	0.698461552
AC								
Federal	640,280,059	400,187,940	86,613,704	24,670,308	33,050,610	20,532,815	(467,560)	(491,739)
Total	918,160,799	582,241,132	124,009,799	36,049,875	48,139,503	29,671,716	(575,863)	(645,033)
Effective FMAP	0.697350682	0.687323375	0.698442419	0.68433824	0.686559013	0.69199956	0.811928496	0.762347043
Expansion State Adults								
Federal	-	-	970,983,930	1,678,449,233	1,906,792,971	2,105,881,799	2,235,180,056	1,197,702,856
Total	-	-	1,137,422,526	1,912,647,333	2,102,399,161	2,318,544,752	2,432,800,890	1,291,213,241
Effective FMAP			0.853670389	0.87755291	0.906960489	0.9082774	0.918768184	0.92757944
New Adult Group								
Federal	-	-	108,345,589	308,791,932	444,089,455	489,919,453	440,725,248	202,285,877
Total	-	-	108,345,589	308,800,681	444,546,209	509,220,387	466,469,552	215,873,528
Effective FMAP			1	0.999971668	0.998972539	0.962097091	0.944810323	0.937057354

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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	2,932,276	487,598	72,513	85,481	527,244	467	12,471		
Quarter Ended March 31, 2012	2,919,950	489,034	73,149	85,526	430,723	-	12,424		
Quarter Ended June 30, 2012	2,913,804	489,081	73,958	85,749	365,132	-	12,440		
Quarter Ended September 30, 2012	2,938,548	491,741	74,807	86,537	310,396	-	12,689		
Quarter Ended December 31, 2012	2,911,142	494,835	75,627	86,853	274,990	-	13,104		
Quarter Ended March 31, 2013	2,890,868	497,243	76,455	86,099	248,817	-	13,824		
Quarter Ended June 30, 2013	2,902,664	499,886	77,269	86,327	228,204	-	14,187		
Quarter Ended September 30, 2013	2,918,535	503,524	78,023	87,157	217,114	-	14,856		
Quarter Ended December 31, 2013	2,891,400	506,948	78,827	87,705	206,419	-	14,885		
Quarter Ended March 31, 2014	2,838,914	514,732	79,665	87,923	87	-	-	443,731	38,971
Quarter Ended June 30, 2014	2,955,064	523,729	80,655	88,765	2	-	-	623,931	86,495
Quarter Ended September 30, 2014	3,112,764	530,149	81,740	89,392	-	-	-	755,273	122,844
Quarter Ended December 31, 2014	3,145,127	537,844	82,706	90,041	-	-	-	816,845	149,705
Quarter Ended March 31, 2015	3,083,576	544,743	83,801	89,915	-	-	-	834,668	190,991
Quarter Ended June 30, 2015	3,103,315	545,902	84,803	89,966	-	-	-	844,117	245,089
Quarter Ended September 30, 2015	3,206,605	546,418	85,574	90,059	-	-	-	864,065	284,670
Quarter Ended December 31, 2015	3,258,388	551,756	86,339	89,927	-	-	-	913,458	312,231
Quarter Ended March 31, 2016	3,255,292	554,684	87,102	89,521	-	-	-	927,655	331,558
Quarter Ended June 30, 2016	3,245,483	551,981	88,214	89,681	-	-	-	929,598	334,079
Quarter Ended September 30, 2016	3,329,629	555,065	89,178	89,964	-	-	-	935,231	325,256
Quarter Ended December 31, 2016	3,381,438	556,711	90,155	90,323	-	-	-	952,122	331,579
Quarter Ended March 31, 2017	3,385,038	558,697	91,241	90,030	-	-	-	957,505	335,528
Quarter Ended June 30, 2017	3,367,715	558,705	92,412	90,429	-	-	-	957,823	338,371
Quarter Ended September 30, 2017	3,354,203	560,417	93,371	91,206	-	-	-	956,538	338,908
Quarter Ended December 31, 2017	3,321,409	564,054	94,324	91,811	-	-	-	954,131	339,159
Quarter Ended March 31, 2018	3,228,042	565,912	95,509	91,438	-	-	-	934,850	328,206
Quarter Ended June 30, 2018	3,186,498	565,444	96,906	92,073	-	-	-	926,936	318,353
Quarter Ended September 30, 2018	3,188,641	564,759	98,205	93,627	-	-	-	933,136	318,017
Quarter Ended December 31, 2018	3,175,244	564,794	99,563	94,836	-	-	-	942,411	318,780
Quarter Ended March 31, 2019	3,159,831	562,935	100,611	94,444	-	-	-	960,385	322,152

	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
Mar-19				-		2,485,077			2,485,077
Total Reported to Date	103,688,465	106,125,875	107,959,966	109,553,550	110,120,979	111,097,966	88,500,186	-	737,046,988
Unused Allotment	**202,520**	**258,494**	**126,553**	**262,353**	**24,372**	**38,693**	**25,303,753**	**116,535,234**	**142,751,971**

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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	-	38,971	86,495	122,844	248,310	143,657,267
		DY 04			Member Months					
		PM/PM			QE 12/14	QE 3/15	QE 6/15	QE 9/15	Total	
New Adult Group	1.047	605.73	100.00%	605.71	149,705	190,991	245,089	284,670	870,455	527,246,970
		DY 05			Member Months					
		PM/PM			QE 12/15	QE 3/16	QE 6/16	QE 9/16	Total	
New Adult Group	1.047	634.20	99.90%	633.55	312,231	331,558	334,079	325,256	1,303,124	825,593,087
	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	331,579	335,528	338,371	338,908	1,344,386	847,363,902
		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%	639.40	339,159	328,206	318,353	318,017	1,303,735	833,606,998
		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	93.71%	655.08	318,780	322,152	-	-	640,932	419,861,302

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	22,546,282	-	22,546,282	13,870,414	8,675,868
QE 6/14	50,040,817	-	50,040,817	34,313,342	15,727,475
QE 9/14	71,070,168	-	71,070,168	47,984,458	23,085,710
QE 12/14	90,678,447	-	90,678,447	46,004,135	44,674,312
QE 3/15	115,685,964	-	115,685,964	70,387,348	45,298,616
QE 6/15	148,453,892	-	148,453,892	85,319,153	63,134,739
QE 9/15	172,428,667	-	172,428,667	97,948,283	74,480,384
QE 12/15	197,813,681	-	197,813,681	113,800,738	84,012,943
QE 3/16	210,058,285	-	210,058,285	122,290,142	87,768,143
QE 6/16	211,655,463	-	211,655,463	123,158,494	88,496,969
QE 9/16	206,065,658	-	206,065,658	108,777,377	97,288,281
QE 12/16	208,993,604	-	208,993,604	126,789,923	82,203,681
QE 3/17	211,482,651	-	211,482,651	122,882,603	88,600,048
QE 6/17	213,274,588	-	213,274,588	125,355,939	87,918,649
QE 9/17	213,613,058	-	213,613,058	127,776,681	85,836,377
QE 12/17	216,857,963	-	216,857,963	115,394,268	101,463,695
QE 3/18	209,854,624	-	209,854,624	107,961,026	101,893,598
QE 6/18	203,554,625	-	203,554,625	108,718,912	94,835,713
QE 9/18	203,339,787	-	203,339,787	66,525,638	136,814,149
QE 12/18	208,826,187	-	208,826,187	112,590,751	96,235,436
QE 3/19	211,035,115	-	211,035,115	116,307,929	94,727,186
	$ 3,597,329,526	$ -	$ 3,597,329,526	$ 1,994,157,554	$ 1,603,171,972

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	$ 143,657,267	$ 96,168,214	$ 47,489,053	$ 47,489,053	33.06%				
DY 04	527,246,970	299,658,919	227,588,051	227,588,051	43.17%				
DY 05	825,593,087	468,026,751	357,566,336	357,566,336	43.31%				
DY 06	847,363,902	502,805,146	344,558,756	86,139,689	10.17%				
DY 07	833,606,998	398,599,844	435,007,154	108,751,789	13.05%				
DY 08	419,861,302	228,898,680	190,962,622	47,740,655	11.37%	$ 3,597,329,526	$ 1,994,157,554	$ 875,275,573	24.33%
	$ 3,597,329,526	$ 1,994,157,554	$ 1,603,171,972	$ 875,275,573					

Based on CMS-64 certification date of 05/07/2019