Arizona Health Care Cost Containment System

Benefit Re-design

FEEDBACK FROM TRIBES & AMERICAN INDIAN HEALTH STAKEHOLDERS

July 28, 2009

BACKGROUND

Per Executive Order 2006-14, "All Executive Branch agencies shall develop and implement tribal consultation policies to guide their work and interaction with federally-recognized tribes in Arizona." Approximately half of American Indians residing in Arizona are enrolled in the AHCCCS program. American Indian AHCCCS members comprise over ten percent of the AHCCCS member population. For these reasons, Arizona Health Care Cost Containment System (AHCCCS) has developed and implemented the AHCCCS Tribal Consultation Policy to serve as a guide for obtaining input from the twenty-two tribes in Arizona on high-level policy and programmatic changes that may have a significant impact on the tribes. The Tribal Consultation Policy can be found at the following link. http://www.azahcccs.gov/tribal/relations/tribalconsultation.aspx.

CONSULTATION PROCESS

AHCCCS provided reasonable notice and opportunity for tribes in Arizona to provide input regarding the benefit re-design proposal in accordance with the AHCCCS Tribal Consultation Policy. AHCCCS first held a Tribal Consultation Meeting on March 6, 2009, at which time a benchmark benefit package was being considered for eligible populations in the AHCCCS program. A twenty-eight day comment period was provided to tribes to submit specific recommendations on the benefit package and information on critical health care services for American Indian members within their communities. Feedback received by AHCCCS during this comment period was compiled into the spreadsheet, "Comments on Benchmark Benefit Package from Tribes and the Indian Health Service." The spreadsheet and accompanying written comments are included in this document.

AHCCCS held a second Tribal Consultation Meeting on May 29, 2009 to review the subsequent benefit re-design proposal that was developed for the AHCCCS Medicaid acute care adult population. Tribes were provided an opportunity to provide written comments on the proposal by June 30, 2009. Written comments from tribes and stakeholders in American Indian health regarding the benefit re-design which were received between May 29, 2009 and July 28, 2009 are included in this document.

For more information about the benefit re-design, you may visit the following link to the AHCCCS website. http://www.azahcccs.gov/shared/news.aspx#Benefits_Re-design_Review

COMMENTS RECEIVED DURING COMMENT PERIOD FROM 03/06/09 – 04/01/09

- **Comments on Benchmark Benefit Package from Tribes and the Indian Health Service (Spreadsheet)**
- **Navajo Area Indian Health Service**
- **Navajo Nation Division of Social Services**
- **San Carlos Apache Tribe**
- **Tohono O'odham Nation**
- **Tucson Area Indian Health Service**
- **White Mountain Apache Tribe Behavioral Health Services**

Comments on Benchmark Benefit Package from Tribes and the Indian Health Service

Updated 04/14/09

Tribe or Organization	Date Received	Format Received	Comments
Navajo Area IHS	04.03.09	E-mail	1) Need to continue covering non-emergent transports in rural communities especially in areas with limited or no public transportation 2) Continue with current pharmacy reimbursement at the all-inclusive rate 3) Assure services covered under the OMB rate will continue to be covered at the OMB rate 4) Continue to reimburse the maximum allowable visits per day (3)
Navajo Nation Division of Social Services	04.03.09	Impact Paper	The impact paper submitted did not address the benchmark benefit package, but states that: ▪ The Fee for Service 5% Rate reduction will impact the Transportation Providers on the Navajo Nation ▪ Although, it may be a minimal reduction, there are not a lot of providers in the rural areas of the Nation. ▪ This rate reduction may put some of the small entities out of business. ▪ This may impact the transport of our ALTCS members to their medically necessary services.
San Carlos Apache Tribe	04.02.09	Letter	1. Benchmark Benefit Package – The population served, people without children, 21 and older who border poverty level must continue to receive necessary medical services. We support the option of the Secretary Approved Coverage which would allow tribal input and the flexibility to design it as appropriate. It should also be noted that since we do not have any public transportation on the reservation, it is necessary to include transportation for emergency and non emergency situations. We are very concerned about the rates for both basic & advanced situations and will mileage be capped? There is also concern for the free standing dialysis clinics since some of our tribal members are transported off the reservation to receive their blood transfusions. 2. Health Information Technology Grants to States & Indian Tribes - We support the efforts of Director Rodgers to meet with the tribes to pursue opportunities available through the American Recovery & Investment Act of 2009. This collaboration offers benefits to all of us as stakeholders in the medical care system and must continue. 3. Separate Fee Schedule - We are looking forward to working with all the parties concerned to discuss the feasibility of a separate fee schedule for Indian health providers and Traditional providers.
Tohono O'odham Nation	03.30.09	Letter	▪ The Tohono O'odham Nation currently receives reimbursement for non emergency health transportation under the current Fee-for-Service Rate. ▪ The Tohono O'odham Nation officially protests any proposed Benchmark Benefit Package that is being considered by AHCCCS that does not allow reimbursement for non emergency health transportation for Tohono O'odham Nation members. ▪ The Tohono O'odham Nation is interested in participating in all Tribal Consultations that will address the benchmark benefit package.
Tucson Area IHS	04.03.09	Word Doc & Spreadsheet	(1) IHS would like to have a face-to-face meeting/formal tribal consultation (2) IHS/638 should be exempt from service changes; services continue to be 100%FMAP (3) Availability and access to non-IHS/638 providers, resulting from decreased reimbursements, is a concern (4) Align initiatives for Prevention, Behavioral Health, & chronic disease management (5) Develop a demonstration project proposal for enhanced patient care on a PMPM basis; case management (6) Transportation is critical; interfacility transfers need to be available on evenings, nights, and weekends **(7) See Medical Benefit Comparison Chart Comments**
White Mountain Apache Tribe Behavioral Health Services	04.03.09	Letter	The letter submitted did not directly speak to the benchmark benefit package but stated the following: ▪ Any effort to decrease transportation services would hurt delivery of services to tribal members ▪ Some treatment centers are reluctant to accept Apache BHS clients ▪ It has been difficult to create and maintain an adequate and working provider network; any reduction in reimbursement rates to off-reservation (non IHS/638) contracted providers will decrease the ability to provide services that are not available on the reservation ABHS also asks that proposals to decrease and or cut funding for medical/behavioral health transportation and the 5% cut in FFS rates to non-IHS/638 mental health programs be reconsidered.

From: Todacheenie, Roland (IHS/NAV) [Roland.Todacheenie@ihs.gov]
Sent: Friday, April 03, 2009 4:05 PM
To: Chicharello, Carol
Cc: Hubbard, John (IHS/NAV); Peter, Douglas G. (IHS/NAV); Thompson, Floyd (IHS/NAV); Leslie, Cheryl (IHS/NAV)
Subject: RE: Reminder: Comments on Benchmark Benefit Package due March 31st

Carol,

Considering the unique relationship between AHCCCS and the Indian Health Service the following are Navajo Area's comments.

1) Need to continue covering non-emergent transports in rural communities especially in areas with limited or no public transportation.
2) Continue with current pharmacy reimbursement at the all-inclusive rate
3) Assure services covered under the OMB rate will continue to be covered at the OMB rate
4) Continue to reimburse the maximum allowable visits per day (3)

Thank you for giving us the opportunity to comment. If you have any questions, please contact me. Thank you.

ROLAND TODACHEENIE
Navajo Area Indian Health Service
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Window Rock, AZ 86515
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Impact of Fee for Service (FFS) 5% Rate Reduction.

Issue:
The State of Arizona is facing a projected budget deficit of $1.2 billion for State Fiscal Year 2009 and an estimated shortfall of at least double that amount in State Fiscal Year 2010. To address the shortfall, the Administration has developed a Budget Management Plan which includes fund transfers, budget savings measures and other actions that do not require statutory changes. As part of the Budget Management Plan, the Arizona Health Care Cost Containment System (AHCCCS) has proposed to revise specific fee for service payment rates for services provided to members enrolled in the AHCCCS Fee for Service program.

AHCCCS has established a Fee for Service Program Capped Fee Schedule and rates to be reduced by 5%. Rates to be capped include the Physician Fee Schedule (also including DME, radiology and drug administered in a physician's office). Dialysis (free-standing), Transportation and Behavioral Health services (including counseling, crisis, rehabilitation/supportive services, residential treatment services and services in psychiatric facilities not paid for by ADHS/BHS or their subcontractors).

However, as of February 1, 2009, "Fee for Services Program Capped Fee Schedule" will not impact rates for the following services: hospital, nursing facilities, pharmacy, home and community based services, dental, ambulatory surgical centers, and hospice.

Background:
The Navajo Nation Arizona Long Term Care Services has an Intergovernmental Agreement with the AHCCCS, Long Term Care Services. The Nation is reimbursed by the AHCCCS on a per member per month basis. The rate paid by AHCCCS covers the administration of the program and the support staff that provide case management services.

Impact:
The Navajo Nation ALTCS Program utilizes the services of 15 independent transportation providers. Many of these providers are small, privately owned businesses, that could be forced out of business due to the 5% reduction in rates. Although we do not know how long the rate reduction will be imposed, it will impact transportation services for our members.

Recommendations:
The Fee for Service 5% Rate reduction will impact the Transportation Providers that we have here on the Navajo Nation. Although, it may be a minimal amount, there are not a lot of providers in the rural areas of the Nation. This rate reduction may put some of the small entities out of business. This may impact the transport of our ALTCS members to their medically necessary services.
services, dental, ambulatory surgical centers, and hospice.

THE SAN CARLOS APACHE TRIBE

Department of Health & Human Services
P.O. Box 0
San Carlos Arizona 85550
(928) 475-2798
Fax (928) 475-2417

March 27, 2009

Carol Chicharello
Tribal Relations Liaison
Office of Intergovernmental Relations
AHCCCS
801 East Jefferson Street MD-4100
Phoenix, AZ 85034

Dear Carol,

After careful consideration and review of available documents and discussions with other health professionals we submit our comments on the following;

1. Benchmark Benefit Package – The population served, people without children, 21 and older who border poverty level must continue to receive necessary medical services. In comparing the chart provided the state's services have limitations that will impact this population. Therefore, we support the option of the Secretary Approved Coverage which would allow tribal input and the flexibility to design it as appropriate.
   It should also be noted that since we do not have any public transportation on the reservation, it is necessary to include transportation for emergency and non emergency situations. We are very concerned about the rates for both basic & advanced situations and will mileage be capped? There are great distances to cover in some areas and the deterioration of emergency vehicles are hardly a consideration for reimbursement. There is also concern for the free standing

dialysis clinics since some of our tribal members are transported off the reservation to receive their blood transfusions. This may be considered non-emergency but this is actually a life threatening situation.

2. Health Information Technology Grants to States & Indian Tribes - We support the efforts of Director Rodgers to meet with the tribes to pursue opportunities available through the American Recovery & Investment Act of 2009. This collaboration offers benefits to all of us as stakeholders in the medical care system and must continue.
3. Separate Fee Schedule - We are looking forward to working with all the parties concerned to discuss the feasibility of a separate fee schedule for Indian health providers Traditional providers.

We hope you will notify us as soon as possible about any of the future meetings to discuss our mutual concerns.

Sincerely,

Kathy Kitcheyan
Director, SCAT - DHHS

TOHONO O'ODHAM NATION

OFFICE OF THE CHAIRMAN AND VICE CHAIRMAN

We:sij T-we:m

ALL OF US TOGETHER

NED NORRIS JR.
CHAIRMAN

ISIDRO LOPEZ
VICE CHAIRMAN

March 23, 2009

Carol Chicharello
Tribal Relations Liaison
Office of Intergovernmental Relations
Office of the Director
Arizona Health Care Cost Containment System
801 East Jefferson Street, MD-4100
Phoenix, Arizona 85034

Dear Ms Chicharello,
I have been informed that the Arizona Health Care Cost Containment System (AHCCCS) is considering options to replace the existing Medicaid Title XIX Waiver Group with a plan that may not include reimbursement for non emergency health transportation services. The Tohono O'odham Nation currently receives reimbursement for non emergency health transportation under the current Fee-for-Service Rate.

This is to inform you that the Tohono O'odham Nation officially protests any proposed Benchmark Benefit Package that is being considered by AHCCCS that does not allow reimbursement for non emergency health transportation for Tohono O'odham Nation members. Currently, the Tohono O'odham Nation provides non emergency health transportation to our members to reach their medical appointments, both on and off the reservation. Last year, our Tribal health transportation system provided over 55,485 individual transportation services and if these transportation services become non-reimbursable, the impact on the health of our Tribal members will be negatively impacted.

AHCCCS has proposed options to replace the existing plan with either the federal employee benefit package or the state employee health plan. Neither of these plans covers non emergency health transportation. Therefore, the Tohono O'odham Nation protests any development of a new benchmark benefit plan that does not include reimbursement for Medicaid Title XIX Waiver group and AHCCCS Fee-for-Service rate (FFS) for health transportation

The Tohono O'odham Nation is interested in participating in all upcoming Tribal Consultations that will address the intended benchmark benefit package the State of Arizona is proposing. Please send all official notifications from the State of Arizona/AHCCCS correspondence to my office so we can attend the consultations on this health matter.

Sincerely,

Ned Norris, Jr., Chairman
Tohono O'odham Nation

P.O. BOX 837 · SELLS, ARIZONA 85634
PHONE: 520-383-2028 · FAX: 520-383-3379

Tucson Area IHS (TAIHS) comments to the AHCCCS Medical Benefit Comparison matrix 3-31-09

TAIHS comments are located in the far right column. TAIHS response of "N/A (IHS)" is a concurrence with present level of AHCCCS covered services. Other comments can also be found in the HIS section.

Additionally the TAIHS is interested in addressing the following with AHCCCS:
IHS would like to have a face to face meeting to discuss the proposed benefits package change. We are asking for formal tribal consultation once a full package is proposed.

Would like to highlight some key points:

- IHS/638 Tribal programs continue to be 100%FMAP and therefore should be exempt from service changes, since our programs are state budgetary neutral.
- Issue of Co-Pays: CMS regulatory changes no longer require Native Americans/Alaskan Natives to pay co-pays. AHCCCS services requiring co-pays are non- applicable to our patient population. However, the issue of reimbursement to non-HIS/tribal providers that care for our AHCCCS Fee-For -Service (FFS) patients. With a decrease in reimbursement to these providers coupled with non-copays to these providers, the TAIHS has real concerns that availability and access to these providers will decrease due to diminished payment.
- The IHS is moving towards an emphasis in three major areas: Prevention, Behavioral health and chronic disease management. IH would like to focus and align these initiatives with AHCCCS programs and reimbursement.
- Tucson Area IHS and the Sells Service Unit would like to continue to work on developing a demonstration project proposal for enhanced patient care on a PMPM basis. Based upon the work with AHCCCS, IHS and AHRQ learning network collaborations.
- Trnasportation

The most immediate concerns in proposed changes are Transportation.
IHS would like to negotiate, have a waiver, or more discussion about non-emergent transportation services for our beneficiary population. We are also interested in maintaining non-emergency non ambulance transportation operated by the TO Nation. It is a critical component to our health care delivery system, since so many of our patients rely on Tribal transportation and have no other means of access to health care.

IHS is concerned about Interfacility transfer and wants assurances that 24/7 Err coverage with transfers would be available evenings nights and weekends if precertification. Also want assurances that medically necessary transportation is covered both by ambulance and air ambulance.

Would like AHCCCS to continue to provide greater coverage for non- emergency transports.

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Case Management is covered under the state plan and would like additional discussions for AHCCCS or to continue to move forward with enhanced patient care reimbursement to cover for care management services.

Medical Benefit Comparison
Arizona State Employee Medical Benefits compared to AHCCCS Acute Care Title XIX Members

(Excludes Consideration of additional services available to Medicare members)

Prepared by Tucson Area IHS 3-31-09

Covered Services

	Medical Policy Coverage		Coverage Differences	
Service	**State Employee**	**AHCCCS Acute Care**	**State Employee Plan provides greater coverage**	**IHS comments**
Key		✓ = Substantially equivalent service provided by AHCCCS. EPSDT = AHCCCS Members under age 21.	N/A = Not applicable	N/A = Not applicable
Allergy Screening	Covered Service, $20 copay required (pg 36)	✓	N/A	N/A (IHS)
Antigen Administration Desensitization/treatment	Covered Service, $20 copay required (pg 36)	✓	N/A	N/A (IHS)
Breast reconstruction and Breast Prostheses	Following a mastectomy the following services and supplies are covered: 1) Surgical services for reconstruction of the breast on which the mastectomy was performed 2) Surgical services for reconstruction of the non-diseased breast to produce symmetry. 3) Post-operative breast prosthesis and 4) Mastectomy bras/camisoles and external prosthetics that meet external prosthetic placement needs. Bras/camisoles are limited to two articles per member per plan year. (pg 47)	Breast reconstruction following medically necessary mastectomy is covered. Contralateral breast modification is also covered.	N/A	N/A (IHS)
Cancer Clinical Trials	Coverage shall be provided for medically necessary covered patient costs that are directly associated with a cancer clinical trial that is offered in the State of Arizona and in which the member participates voluntarily. (pg 48)	A service that is considered experimental or provided primarily for the purpose of research is not covered. (R9-22-201 B 10 a) AHCCCS members may participate in experimental treatment.	N/A	N/A (IHS)
Case Management	Available on a voluntary basis. (pg 33)	✓	N/A	IHS is interested in payment for case management services.
Chiropractic care and osteopathic manipulation	Chiropractic care services include diagnostic and treatment services utilized in an office setting by participating chiropractic physician and osteopaths. $10 copay - Limited to 20 visits per participant per year for children and adults (pg 50 and 36.)	Adult - Not Covered	Chiropractic care is covered for adults with a limit of 20 visits per year.	N/A (IHS)
Chiropractic care - EPSDT		EPSDT - Covered (Policy 430-14)	N/A	N/A (IHS)

Covered Services

	Medical Policy Coverage		Coverage Differences	
Service	**State Employee**	**AHCCCS Acute Care**	**State Employee Plan provides greater coverage**	**IHS comments**
Key		✓ = Substantially equivalent service provided by AHCCCS. EPSDT = AHCCCS Members under age 21.	N/A = Not applicable	N/A = Not applicable
Cochlear Implant	Covered Service (Determined through discussion with ADOA representative).	✓	N/A	N/A (IHS)
Cosmetic Surgery	Cosmetic surgery is covered for reconstructive surgery that constitutes necessary care and treatment of medically diagnosed services required for the prompt repair of accidental injury. Congenital defects and birth abnormalities are covered for eligible dependent children. (pg 50) Although, cosmetic surgery is listed as covered in State Employee Health Plan, the limits are such that substantive policy is the same as AHCCCS.	Services furnished solely for cosmetic purposes are excluded. (R9-22-205)	N/A	N/A (IHS)
Diabetic Supplies	Coverage will be provided for the following medically necessary supplies, devices, and appliances prescribed by a health care provider for the treatment of diabetes: (pg51-52) 1. Podiatric/appliances for prevention of complications with diabetes; foot orthotic devices and inserts (therapeutic shoes: including depth shoes of custom molded shoes.) Custom molded shoes will only be covered when the member has a foot deformity that cannot be accommodated by a depth shoe. Therapeutic shoes are covered only for diabetes mellitus and any of the following complications involving the foot: Peripheral neuropathy with evidence of callus formation; or history of preulcerative calluses; or history of previous ulceration; or foot deformity; or previous amputation of the foot or part of the foot; or poor circulation. 2. Any other device, medication, equipment or supply for which coverage is required under Medicare guidelines pertaining to diabetes management; and (the following supplies are individually listed and are available through mail order: insulin, lancets, insulin syringes/needles, prefilled cartridges, urine test strips, blood glucose testing machines, blood sugar test strips, and alcohol swabs.)	✓	N/A	N/A (IHS)

Covered Services

	Medical Policy Coverage		Coverage Differences	
Service	**State Employee**	**AHCCCS Acute Care**	**State Employee Plan provides greater coverage**	**IHS comments**
Key		✓ = Substantially equivalent service provided by AHCCCS. EPSDT = AHCCCS Members under age 21.	N/A = Not applicable	N/A = Not applicable
	3. Charges for training by a Physician, including a podiatrist with recent education in diabetes management, but limited to the following: a) Medically necessary visits when Diabetes is diagnosed; b) Visits following a diagnosis of a significant change in the symptoms or conditions that warrant change in self-management; c) Visits when reeducation or refresher training is prescribed by the Physician; and d) Medical nutrition therapy (education) related to diabetes management.			
Diagnostic testing including laboratory and radiology.	Diagnosis testing includes radiological procedures, laboratory tests, and other diagnostic procedures. (pg 52)	✓	N/A	IHS interested in continuing reimbursement for stand alone
Dialysis	Covered Service (pg 47)	✓	N/A	N/A (IHS)
Disease Management	Available on a voluntary basis. (pg 33)	✓	N/A	
Durable Medical Equipment (DME)	Such equipment includes, but is not limited to crutches, hospital beds (to maximum of $5,000), wheel chairs, respirators and dialysis machines.	✓	N/A	AHCCCS does not have a specific limit. (IHS supports)
Durable Medical Equipment (DME) Repair	Coverage for repair, replacement or duplicate equipment is not covered except when replacement or revision is necessary due to anatomical growth or a change in medical condition. (pg 52-53)	Reasonable repair or adjustment of purchased DME is covered if necessary to make the DME serviceable and if the cost of repair is less than the cost of renting or purchasing another unit. (R9-22-212-E-2)	N/A	Required repair of DME is covered by AHCCCS. (IHS supports)
Emergency Room	Copay = $125, waived if admitted. Must be a medical emergency as defined by the plan. (See below) (pg 38) Emergency services are defined as the medical, psychiatric, surgical, hospital and related health care services and testing, including ambulance service, which are required for the relief of acute pain, for the initial treatment of acute infection or to treat a sudden unexpected onset of a bodily injury or a serious illness which could reasonably be expected by a prudent layperson to result in serious medical complications, loss of life or permanent impairment to bodily functions in the absence of immediate medical attention. (pg 46)	✓ Medical emergency is defined by R9-22-Article 2 and BBA regulations as interpreted by AHCCCS and Plan.	N/A	IHS supports without copays. See narrative discussion.

Covered Services

	Medical Policy Coverage		Coverage Differences	
Service	**State Employee**	**AHCCCS Acute Care**	**State Employee Plan provides greater coverage**	**IHS comments**
Key		✓ = Substantially equivalent service provided by AHCCCS. EPSDT = AHCCCS Members under age 21.	N/A = Not applicable	N/A = Not applicable
Emergency: Out-of-Area	Copay = $125, waived if admitted. Must be a medical emergency as defined by the plan. (See above) (pg 38)	✓	N/A	IHS supports without copays. See narrative discussion.

Covered Services

		Medical Policy Coverage	Coverage Differences	
Service	**State Employee**	**AHCCCS Acute Care**	**State Employee Plan provides greater coverage**	**IHS comments**
Key		✓ = Substantially equivalent service provided by AHCCCS. EPSDT = AHCCCS Members under age 21.	N/A = Not applicable	N/A = Not applicable
Family Planning Services	Tubal ligation: No copay (pg 37) Vasectomy (Physician's office) $20 copay Implantable contraceptive products (one every 5 years). Contraceptive Appliances obtained at a physician's office: $10 copay Prescription Medication	✓ ✓ ✓ allowable every 2 years ✓ ✓	N/A	N/A (IHS)
Family planning extension services	Coverage is excluded for any service after the termination date of the member.	Members whose SOBRA eligibility postpartum eligibility has expired (ARS 36-2907.04) are eligible to receive family planning extension service for up to 24 months. Family planning extension services include only those services related to family planning; other services are not covered. (Covered services include contraceptive counseling, medication, supplies, including, but not limited to : oral and injectable contraceptives, intrauterine devices, diaphragms, condoms, foams and suppositories. (Policy 420-1)	N/A	Family planning extension services are available to women beyond their AHCCCS eligibility. (IHS)
Hearing Aids - Adults	Limited to $2,000 per participant per plan year (pg 40)	Adult - Not Covered (policy 310-1)	Hearing aids are a covered benefit for State employees with a limit of $2,000 per year.	IHS interest in adult Hearing aid coverage
Hearing Aids - EPSDT		EPSDT - Covered (policy 430-3)		Hearing aids are covered for EPSDT there is not a stated annual limit.(IHS)
Hearing Screening	$10 copay (one per member per plan year. Pg 40	AHCCCS covers medically necessary audiology services to evaluate hearing loss for all members on both an inpatient and outpatient basis. (policy 310-1)	N/A	N/A (IHS)
Home Health / Home Infusion Care	Home Health services are covered when member requires skilled care, are unable to obtain the required care as an ambulatory outpatient and do not require confinement in a hospital or other health care facility. (pg 54)	✓	N/A	N/A (IHS)
Hospice Care - Adult	Hospice is covered when provided under an approved hospice care program when the Member has been diagnosed by a Participating Provider as having a terminal illness with a prognosis of six (6) months or less to live. (pg 56)	✓	N/A	N/A (IHS)
Hospice Care - EPSDT		✓	N/A	N/A (IHS)

Covered Services

	Medical Policy Coverage		Coverage Differences	
Service	**State Employee**	**AHCCCS Acute Care**	**State Employee Plan provides greater coverage**	**IHS comments**
Key		✓ = Substantially equivalent service provided by AHCCCS. EPSDT = AHCCCS Members under age 21.	N/A = Not applicable	N/A = Not applicable
Hospital (inpatient)	Inpatient hospital services are services provided for evaluation or treatment of conditions that cannot be adequately treated on an ambulatory basis or in another participating health care facility. Inpatient hospitals also include birthing centers. (pg 45)	✓	N/A	N/A (IHS)
Immunizations	Age appropriate immunizations are covered for adults and children. (pg 36) $10.00 copay applies (In some instances the copay is waived for children)	✓	N/A	N/A (IHS)
Infertility treatment	Covered with 50% coinsurance	Not a covered benefit (policy 420-3)	Infertility treatment is covered up to limits in policy.	IHS supports AHCCCS coverage
Infertility visits	visits: $20 copay: subject to medical necessity guidelines. (pg 37) The following are specifically excluded infertility services: 1) Infertility drugs 2) In-vitro fertilization; 3) Gamete intrafallopian transfer (GIFT) 4) Zygote intrafallopian transfer (ZIFT) and variations of these procedures 5) Any costs associated with the collections, washing, preparation, or storage of sperm for the non-covered assisted reproduction procedures listed above, as well as costs associated with the storage of sperm or sperm donor fees for artificial insemination 6) Reversal of voluntary sterilizations 7) Infertility services when the infertility is caused by or related to voluntary sterilization 8) Ovarian transplant 9) Cryopreservation of donor sperm and eggs 10) Charges related to a surrogate 11) Any experimental or investigational infertility procedures or therapies. (56-57)	Not a covered benefit (policy 420-3)	Infertility visits are covered subject to copay.	IHS supports AHCCCS coverage
Intensive Care Unit	Covered Service (pg 35)	✓	N/A	N/A (IHS)
Laboratory	Diagnostic testing including laboratory tests are covered. (pg 50)	✓	N/A	IHS support of stand alone Lab

Covered Services

	Medical Policy Coverage		Coverage Differences	
Service	**State Employee**	**AHCCCS Acute Care**	**State Employee Plan provides greater coverage**	**IHS comments**
Key		✓ = Substantially equivalent service provided by AHCCCS. EPSDT = AHCCCS Members under age 21.	N/A = Not applicable	N/A = Not applicable
Mammography screening	Age 35-39, one baseline One per year over 40 (pg 57)	AHCCCS covers routine annual mammography screening beginning at age 50. Mammography is covered at any age if considered medically necessary. (policy 310-13)	State Employee benefit may be considered a richer benefit as routine screening begins at an earlier age.	N/A (IHS)
Maternity - Physician Prenatal care and program	$10 copay for initial diagnosis, 100% thereafter (pg 37)	✓	N/A	N/A (IHS)
Maternity – Hospital	Covered Service (pg 58)	✓	N/A	N/A (IHS)
Medical foods /metabolic supplements and Gastric Disorder Formula	The plan covers metabolic supplments and Gastric Disorder Formula for individuals who have an inherited medical disorder or a permanent disease/non-functioning coundition in which a Member is unable to sustain weight and strength commensurate with the Member's overall health status are covered. (pg 59) The plan will cover up to 75% of the cost of medical foods prescribed to treat metaolic disorders covered under this Plan. There is a maximum plan year limit for medical foods of $20,000 which applies to the cost of all prescribed modified low protein foods and metablic formula. pg 59	AHCCCS covers medical foods for adults and children with an inherited metabolic condition. There is no maximum annual benefit nor coinsurance payment required. (Policy 320-18)	N/A	AHCCCS covers without coinsurance or an annual maximum. (IHS)
Midwife	Services rendered by a midwife for the purpose of home delivery are excluded. (pg 76) Per ADOA clarification services would be covered at a birthing center.	AHCCCS covers labor and delivery services provided in the home by licensed physicians, practitioners (physician assistants, or certified nurse practitioners in midwifery) and licensed midwifes. (410-10) AHCCCS covers maternity care and coordination provided by licensed midwives within their scope of practice. Licensed midwife services may only be provided to member for whom an uncomplicated prenatal course and a low-risk labor and delivery can be anticipated. (410-11)	N/A	N/A (IHS)

Covered Services

		Medical Policy Coverage	Coverage Differences	
Service	**State Employee**	**AHCCCS Acute Care**	**State Employee Plan provides greater coverage**	**IHS comments**
Key		✓ = Substantially equivalent service provided by AHCCCS. EPSDT = AHCCCS Members under age 21.	N/A = Not applicable	N/A = Not applicable
Nutritional Evaluation - Adult	Nutritional evaluation and counseling from a participating provider is covered when diet is a part of the medical management of a documented organic disease, including morbid obesity. (pg 63)	✓	N/A	N/A (IHS)
Nutritional Evaluation - EPSDT		EPSDT - AHCCCS covers the assessment of nutritional status provided by PCP and by a registered dietician when ordered by the member's PCP. (430-6)	N/A	N/A (IHS)
Orthognathic Procedure - Adult	Benefits are payable to treat TMJ disorder with is a result of : An accident, trauma congenital defect, developmental defect or a pathology. Orthognathic treatment/surgery, dental and orthodontic services and/or appliances that are orthodontic in nature or change the occlusion of the teeth (external or intra-oral) are not covered. (pg 67)	Adults - Orthognathic surgery is not covered for adults. However, AHCCCS may cover in stated circumstances.	It appears that State Employees may have greater coverage for adults, but it is limited, and potentially AHCCCS would also cover in stated circumstances.	
Orthognathic Procedure - EPSDT		EPSDT - Orthognathic surgery is covered when medically necessary. (Policy 430-12)		AHCCCS may allow greater coverage for orthognathic surgery for EPSDT population.(IHS)
Orthotics	Foot orthotics are covered for diabetic member only. (54) Clarified by ADOA representative.	Orthotic/prosthetic devices that are essential to the rehabilitation of the member are covered. (Policy 310-25)	N/A	AHCCCS may allow greater coverage for orthotics as policy does not require that member be diabetic(IHS).
Periodic routine physical exams	$10 copay			

Covered Services

	Medical Policy Coverage		Coverage Differences	
Service	**State Employee**	**AHCCCS Acute Care**	**State Employee Plan provides greater coverage**	**IHS comments**
Key		✓ = Substantially equivalent service provided by AHCCCS. EPSDT = AHCCCS Members under age 21.	N/A = Not applicable	N/A = Not applicable
Well-child (and immunization)	Well child visits and immunizations are covered through age 1 as recommended by the American academy of Pediatrics. (65). For age 2and older routine periodic health exams are covered annually.	✓	N/A	N/A (IHS)

Covered Services

	Medical Policy Coverage		Coverage Differences	
Service	**State Employee**	**AHCCCS Acute Care**	**State Employee Plan provides greater coverage**	**IHS comments**
Key		✓ = Substantially equivalent service provided by AHCCCS. EPSDT = AHCCCS Members under age 21.	N/A = Not applicable	N/A = Not applicable
Well-man care	Well man exams are covered in addition to periodic health exams. Covered expenses include an annual office visit with prostate-specific antigen (PSA) test. Laboratory charges are covered as a separate expense. Limited to 1 visit per Member per plan year, limit to $1,500 maximum benefit per plan year (pg 66)	✓	N/A	N/A (IHS)
Well-woman care	Well woman exams are covered in addition to periodic health exams. Covered expenses include an annual office visit and one Papanicolaou test (PAP smear). Laboratory charges are covered as a separate expense. Limited to 1 visit per Member per plan year. (pg 65)	✓	N/A	N/A (IHS)
Physician inpatient visit	Covered service, no copay (pg 35)	✓	N/A	N/A (IHS)
Physician office visit	$10 copay, specialists $20. (35) Physician services are diagnostic and treatment services provided by participating physicians and other participating health professionals including office visits, periodic health assessments, well-child care and routine immunizations provided in accordance with accepted medical practices, hospital care, consultation, and surgical procedures. (pg 45)	✓	N/A	N/A (IHS)
Prescription Medication	Prescription medications are covered with the following copays: (pg 40) <u>Mail order (90 days)</u> Generic: $20	✓	N/A	IHS position to maintain all inclusive rate for all pharmacy visits

Covered Services

	Medical Policy Coverage		Coverage Differences	
Service	**State Employee**	**AHCCCS Acute Care**	**State Employee Plan provides greater coverage**	**IHS comments**
Key		✓ = Substantially equivalent service provided by AHCCCS. EPSDT = AHCCCS Members under age 21.	N/A = Not applicable	N/A = Not applicable
	Formulary brand: $40 Non-formulary brand: $80 Infertility – oral medication $80 Retail pharmacy Generic: $10 Formulary brand: $20 Non-formulary brand: $40 Infertility – oral medication $10 Smoking cessation $500 maximum lifetime			
Prosthetic Appliances	Plan covers the initial purchase and fitting of external prosthetic devices which are used as a replacement or substitute for a missing body part and are necessary for the alleviation or correction of illness, injury or congenital defect. (pg 53 and 54)	Orthotic/prosthetic devices that are essential to the rehabilitation of the member are covered. (Policy 310-25)	N/A	N/A (IHS)
Diagnostic testing including laboratory and radiology	Covered service no copays (36)	✓	N/A	IHS support of stand alone Lab visit reimbursement
Rehabilitation **(outpatient)**	Short-term rehabilitative therapy includes services in an outpatient facility or physician's office that is part of a rehabilitation program, including physical, speech, occupational, cardiac rehabilitation and pulmonary rehabilitation therapy. Covered expenses are limited to 60 visits per Member per Plan Year (inclusive of all therapies). Copay is $10.00 per visit. (pg 66) Policy is applicable to children and adults.	For AHCCCS coverage for outpatient Rehabilitation Service by population see below.		For all of the outpatient therapies, there is no stated limit in the number of visits(IHS)
Physical Therapy - Adult (outpatient)		Adults - Covered (policy 310-47)	N/A	AHCCCS covers without a limit on number of visits.(IHS)
Physical Therapy - EPSDT (outpatient)		EPSDT - Covered	N/A	AHCCCS covers without a limit on number of visits (IHS)
Occupational Therapy - Adult (outpatient)		Adults - Not Covered (policy 310-46)	Outpatient OT is covered for Adult State Employees subject to limits of policy.	N/A (IHS)
Occupational Therapy - EPSDT (outpatient)		EPSDT - Covered	N/A	AHCCCS covers without a limit on number of visits (IHS).
Speech Therapy - Adult (outpatient)		Adults - Not Covered (policy 310-48)	Outpatient speech therapy is covered for Adult State Employees subject to limits of policy.	N/A (IHS)
Speech Therapy - EPSDT (outpatient)		EPSDT - Covered	N/A	AHCCCS covers without a limit on number of visits (IHS).

Covered Services

	Medical Policy Coverage		Coverage Differences	
Service	**State Employee**	**AHCCCS Acute Care**	**State Employee Plan provides greater coverage**	**IHS comments**
Key		✓ = Substantially equivalent service provided by AHCCCS. EPSDT = AHCCCS Members under age 21.	N/A = Not applicable	N/A = Not applicable
Pulmonary Rehab Therapy (Adult and EPSDT) (outpatient)		AHCCCS does not overtly cover pulmonary rehab but to the extent that physical therapy is covered, pulmonary rehab therapy would be covered.	Pulmonary rehab is covered as a distinct service subject to limits of policy.	N/A (IHS)
Cardiac Rehabilitation Therapy (Adult and EPSDT) (outpatient)		AHCCCS does not overtly cover cardiac rehab but to the extent that physical therapy is a component cardiac rehab therapy would be covered.	Cardiac rehab is covered as a distinct service subject to limits of policy.	N/A (IHS)
Skilled Nursing Facility	Coverage includes up to 90 days of skilled nursing facility/Rehabilitation hospital or sub-acute facility per member per plan year (pg 39)	AHCCCS covers up to 90 days of Nursing Facility services per contract year. (policy 310-29)	N/A	N/A (IHS)
Supplies, Medical	Medical supplies include medically necessary supplies which may be considered disposable however, are required for a Member in a course of treatment for a specific medical condition. Supplies must be obtained from a Participating Provider. Over the counter supplies, such as band-aides and gauze are not covered. (pg 60)	✓	N/A	N/A (IHS)
Incontinence Briefs - Adult	Per discussion ADOA representative, incontinence briefs would not be covered for adults or children.	Acute Care Adult - Covered if medically necessary to treat skin breakdown	N/A	Acute Adults - Under limited circumstances incontinence briefs are covered for adults.
Incontinence Briefs - EPSDT		EPSDT - Incontinence briefs are covered for EPSDT members who have a disability that causes incontinence. Member must be age 3 or older. Benefit is limited to 240 briefs per month. (policy 430-15)	N/A	EPSDT - Incontinence briefs are covered for EPSDT members who have a disability that causes incontinence(IHS)
Surgery Facility and Associated physician fees	In physician's office: $10 copay In freestanding ambulatory facility: no charge In hospital outpatient surgical center facility: no charge (pg 38)	✓	N/A	N/A (IHS)
Surgery & Anesthesia Gastric Bypass Surgery	Covered Service no copays apply (pg 36) Gastric bypass surgery is an excluded service except for specifically identified conditions of disease etiology. (pg 74 and 75)	✓ Gastric bypass surgery is covered when medically necessary subject to guidelines established by AHCCCS and/or Contractors.	N/A N/A	N/A (IHS) N/A (IHS)

Covered Services

	Medical Policy Coverage		Coverage Differences	
Service	**State Employee**	**AHCCCS Acute Care**	**State Employee Plan provides greater coverage**	**IHS comments**
Key		✓ = Substantially equivalent service provided by AHCCCS. EPSDT = AHCCCS Members under age 21.	N/A = Not applicable	N/A = Not applicable
Total Parenteral Nutrition	Covered Benefit	AHCCCS follows Medicare guidelines for the provision of TPN services. (policy 310-52)	N/A	N/A (IHS)
Transplant: Organ and Tissue	Human organ and tissue transplant services are covered at designated facilities throughout the United Stated. Organ transplant services include the recipient's medical, surgical and hospital services; inpatient immunosuppressive medications; and costs for organ procurement. (pg 64)	✓	N/A	N/A (IHS)
Transplant: Organ and Tissue (Travel and Lodging)	Travel and lodging are limited to $10,000 per transplant. Travel expenses will also be covered for one companion. (pg 64 and 65) Travel costs within 60 miles of member home are excluded.	AHCCCS covers transportation for the transplant recipient and, if needed, one adult caregiver to an from medical treatment during the time it is necessary for the member to remain in close proximity to the transplant center. (Policy 310-69)	N/A	AHCCCS doses not impose a limit on travel and lodging expense associated with travel(IHS).
Transportation (Non-emergency) Ambulance	Non-emergency ambulance transportation requires pre certification. Per clarification ADOA, this would generally be related to interfacility transfer which is covered. (pg 38)	✓	N/A	Please see IHS narrative
Transportation (Non-emergency) Non-ambulance	Per discussion ADOA representative, transportation by taxi is not covered.	Medically necessary transportation is covered for members who are unable to arrange transportation to a service site or location (R9-22-211)	N/A	AHCCCS provides greater coverage for non-emergency transport. (See narrative)
Transportation (Emergency) Ambulance (for medical emergency or required inter-facility transport)	Covered expenses include charges for a licensed ambulance service to or from the nearest hospital where the needed medical care and treatment can be provided. (pg 47)	Emergency transportation is covered by ambulance. Air ambulance is covered when the needs of member will not be served by ground ambulance. (policy 310-53)	N/A	See narrative
Urgent care center	Covered, requires a $20 copay. (pg. 38)	✓	N/A	N/A (IHS)

Dental	State employees have the option to purchase dental service in addition to medical coverage. Comparison below relates only to dental services provided in State Employee medical coverage plan			

Covered Services

	Medical Policy Coverage		Coverage Differences	
Service	**State Employee**	**AHCCCS Acute Care**	**State Employee Plan provides greater coverage**	**IHS comments**
Key		✓ = Substantially equivalent service provided by AHCCCS. EPSDT = AHCCCS Members under age 21.	N/A = Not applicable	N/A = Not applicable
Limited Dental Services (Accident/Emergency)	Dental services are covered for the treatment of a fractured jaw or an injury to sound natural teeth. Services are payable for a physician dentist, or dental surgeon provided the services are rendered for treatment of an accidental injury to sound natural teeth where the continuous course of treatment is started within six months of the accident. (pg 51)	Medically necessary emergency dental care and extractions are covered for all members who have a malady that meets the definition of an emergency medical cognition. (Policy 310-6)	N/A Both the State Employee plan and AHCCCS plan provide dental coverage for narrowly defined conditions. State Employee plan covers dental service following an accident. AHCCCS covers in an emergency.	N/A (IHS)
Dentures - Adult	Dentures are specifically excluded as a covered benefit. (pg 76)	Adult - Medically necessary dentures are covered. (policy 310-5)	N/A	Medically necessary dentures are covered for adults (IHS).
Dentures - EPSDT		EPSDT - Dentures, orthodontics and orthognathic surgery is covered when medically necessary and determined to be the primary treatment of choice or an essential part of the overall treatment plan designed by the PCP in consultation with the dentist. (Policy 430-12)	N/A	N/A (IHS)
Prevention and Therapeutic - Adult	Not Covered Benefit (pg 74)	Adult - Not a covered benefit	N/A	N/A (IHS)
Prevention and Therapeutic - EPSDT		EPSDT - Preventative and Therapeutic dental services are covered for EPSDT members. (policy 430- pg 9 - 12)	N/A	AHCCCS covers preventative and therapeutic dental service for EPSDT members (IHS).
Vision	State employees have the option to purchase vision coverage in addition to medical coverage. Comparison relates only to vision services provided in State Employee medical coverage plan			
Eyeglass lenses and frames and contact lenses - Adult	Excluded except for the first pair of contacts for treatment of keratoconus or post -cataract surgery. Excluded routine refraction, eye exercises and surgical treatment for the correction of a refractive error, including radial keratotomy. (pg 76)	Acute Care Adult - Prescriptive lenses are excluded except following medically necessary cataract removal. (policy 310-11)	N/A	N/A (IHS)

Covered Services

	Medical Policy Coverage		Coverage Differences	
Service	**State Employee**	**AHCCCS Acute Care**	**State Employee Plan provides greater coverage**	**IHS comments**
Key		✓ = Substantially equivalent service provided by AHCCCS. EPSDT = AHCCCS Members under age 21.	N/A = Not applicable	N/A = Not applicable
Eyeglass lenses and frames and contact lenses - EPSDT		EPSDT - Prescriptive lenses are provided to correct or ameliorate defects, physical illness and conditions discovered by EPSDT screening. (policy 430-5)	N/A	EPSDT - AHCCCS covers prescriptive lenses.(IHS)
Vision Care - Adult	Medical Coverage - Covered. Included in annual well visit. Maximum benefit for well visit, hearing, and vision is $1500 annual. Per clarification ADOA, medical condition of the eye would be covered. Issues requiring prescriptive lenses are not covered.	Acute Care Adult - Emergency eye care is covered for all members. Vision examinations are only covered for adults following medically necessary cataract removal. (Policy 310-11) Any medical condition of the eye would be covered within AHCCCS for adults and children	Acute Care Adult - State Employee plan covers vision screening for adults, however, per discussion ADOA, this is limited coverage.	N/A (IHS)
Vision Care - EPSDT		EPSDT - Eye examinations appropriate to age are covered. (Policy 430-5) Medical condition of the eye would also be covered.	N/A	N/A (IHS)
				N/A (IHS)
Behavioral Health **Mental health and substance abuse (inpatient)**				
Inpatient Hospital Services	Covered, no limit on days	✓	N/A	N/A (IHS)
Inpatient psychiatric facility services	Covered, no limit on days	✓	N/A	N/A (IHS)
Residential substance abuse treatement	Voluntary and court-ordered residential substance abuse treatment will be covered for a maximum of 30 days and limited to two treatments per plan year for chemical and alcohol dependency. (61)	AHCCCS covers Behavioral Health Residential Services (See Policy G)	N/A	AHCCCS provides coverage for Behavioral health residential services.(IHS)
Mental Health and substance abuse (outpatient)	$10 copay		See below	See below

Covered Services

	Medical Policy Coverage		Coverage Differences	
Service	**State Employee**	**AHCCCS Acute Care**	**State Employee Plan provides greater coverage**	**IHS comments**
Key		✓ = Substantially equivalent service provided by AHCCCS. EPSDT = AHCCCS Members under age 21.	N/A = Not applicable	N/A = Not applicable
examples of covered therapies are listed below:	Excluded: Treatment for mental disorder that has been diagnosed as organic mental disorder associated with permanent dysfunction of the brain and; Treatment of mental disorders that have been diagnosed as organic mental disorders associated with permanent dysfunction of the brain. (62) Per clarification with ADOA representative, there appears to be no service that could be identified that would be excluded. Per ADOA representative there are very few limits on mental health coverage.			

Covered Services

	Medical Policy Coverage		Coverage Differences	
Service	**State Employee**	**AHCCCS Acute Care**	**State Employee Plan provides greater coverage**	**IHS comments**
Key		✓ = Substantially equivalent service provided by AHCCCS. EPSDT = AHCCCS Members under age 21.	N/A = Not applicable	N/A = Not applicable
Individual therapy and counseling	Covered Service	✓	N/A	N/A (IHS)
Group and/or family therapy and counseling	Covered Service	✓	N/A	N/A (IHS)
Psychotropic Medication	Covered Service	✓	N/A	N/A (IHS)
Psychotropic medication adjustment and monitoring	Covered Service	✓	N/A	N/A (IHS)
Respite Care	Not Covered	Covered Service, Adults and EPSDT.	N/A	AHCCCS covers respite for adults and EPSDT within the Behavioral Health program(IHS).
Partial Care (supervised day program, therapeutic day program and medical day program	Not Covered	Covered Service, Adults and EPSDT.	N/A	AHCCCS covers partial care for adults and EPSDT within the Behavioral Health program (IHS).
Emergency crisis behavioral health services	Covered Service	✓	N/A	N/A (IHS)
Behavioral management	Covered Service	✓	N/A	N/A (IHS)
Psychosocial rehabilitation (living skills training, health promotion, pre-job training, education and development, job coaching and employment support)	Excluded counseling for activities of an educational nature. Vocation or religious counseling. (pg 72)	Covered Service, Adults and EPSDT.	N/A	AHCCCS covers psychosocial rehabilitation for adults and EPSDT within the Behavioral Health program(IHS).
Screening and evaluation	Covered Service	✓	N/A	N/A (IHS)
Lab and radiology services for diagnosis and psychotropic medication regulation	Covered Service	✓	N/A	N/A (IHS)

Covered Services

	Medical Policy Coverage		Coverage Differences	
Service	**State Employee**	**AHCCCS Acute Care**	**State Employee Plan provides greater coverage**	**IHS comments**
Key		✓ = Substantially equivalent service provided by AHCCCS. EPSDT = AHCCCS Members under age 21.	N/A = Not applicable	N/A = Not applicable

Source:

Covered Services

	Medical Policy Coverage		Coverage Differences	
Service	**State Employee**	**AHCCCS Acute Care**	**State Employee Plan provides greater coverage**	**IHS comments**
Key		✓ = Substantially equivalent service provided by AHCCCS. EPSDT = AHCCCS Members under age 21.	N/A = Not applicable	N/A = Not applicable

State Employee Benefits	Susan Strickler, Benefits Manager, AZ Department of Administration (Personal communication 6/16/06) Plan Description, Harrington EPO Plan, effective October 1, 2004. Restated effective October 1, 2005 February 11, 2009 - Reviewed Plan Description, Harrington EPO Plan, effective October 1, 2007
AHCCCS Benefits	AHCCCS Medical Policy Manual AHCCCS Administrative Rule

April 2, 2009

Carol Chicharello
Tribal Relations Liaison
Office of Intergovernmental Relations
Office of the Director
Arizona Health Care Cost Containment System
801 East Jefferson Street, MD-4100
Phoenix, Arizona 85034

Dear Ms. Chicharello,

Apache Behavioral Health Services, Inc. provides mental health services to the 18,000 members of the White Mountain Apache Tribe. While our agency derives its funding from several sources, including its 638 contract and grants, most of our funding comes from our fee-for-services contracts with the State of Arizona through the Arizona Health Care Cost Containment System and the Arizona Department of Health Services/Division of Behavioral Health Services. As such, it is very concerning to me to learn that the State of Arizona is considering decreasing its reimbursements to tribal and other mental health programs.

The Fort Apache/White Mountain Apache Tribal community has several problems that set it aside from many other communities. Our community runs a 75% unemployment rate for adults and this number is increasing as the tribe's timber industry experiences job lay-offs due to the current national economic downturn. Our high school reports that its drop-out rate exceeds 50%. Recent meetings with the Whiteriver School District's superintendent and principals indicates that alcohol and drug abuse and violent behavior on school property is the primary obstacle to providing quality educational services on the reservation. Rainbow Treatment Center, the tribe's adult substance abuse treatment program, estimates that 50% of the adult population on the reservation actively abuses alcohol and/or drugs. A recent survey of elementary school aged children at a private, faith-based school showed that 90% perceive at least one person in their home as being an alcoholic. A review of the total number of suicide completions on the reservation indicates that our suicide rate is at least 17 times the national average.

The causes of these problems are complex, but include: forced acculturation; estrangement from the majority culture; few possibilities for employment; transgenerational trauma; and years of racism and discrimination. Regardless of the root causes of these problems, the need for services in our catchment area is immense and any decrease in funding is significant.

The staff at ABHS is especially concerned that any effort to decrease transportation services would hurt delivery of services to tribal members. Most families on the reservation lack a vehicle or funding to consistently operate a vehicle. Furthermore, as ABHS's catchment area is one of the most rural in the State of Arizona and distances to treatment centers are measured in terms of "hundreds of miles",

transportation costs associated with obtaining necessary mental health services exceed the pocket books of our clients and our agency.

It has also come to our attention that some treatment centers are reluctant to accept our clients as patients. This may be due to perceived difficulties in treating clients not of the dominant culture; perceived levels of psychopathology/treatment difficulties associated with our clients; or general, covert discrimination. Regardless of the causes, it has been difficult to create and maintain an adequate and working provider network for our clients. We are quite fearful that any reduction in reimbursement rates to off-reservation (non-I.H.S./638) contract providers will decrease our ability to provide services to our clients that are not available on the reservation.

I ask that the State of Arizona reconsider its proposals to decrease and/or cut funding for medical/behavioral health transportation and the 5% cut in fee-for-service rates to non-638/I.H.S. mental health programs. The proposed changes would prove damaging to our agency's ability to provide services to our clients and would ultimately harm the welfare of our tribal members.

Sincerely,

Bill Arnett, Psy.D.
Chief Executive Officer
White Mountain Apache Behavioral Health Services, Inc.

COMMENTS RECEIVED DURING COMMENT PERIOD FROM 05/29/09 – 07/28/09

- **Advisory Council on Indian Health Care**
- **Gila River Health Care – Komatke Health Care**
- **Gila River Indian Community**
- **Hualapai Tribe Health Department – Behavioral Health Services**
- **Navajo Area Indian Health Service**
- **Navajo Nation Division of Health**
- **Pascua Yaqui Tribe**
- **Phoenix Area Indian Health Service**
- **Tohono O'odham Nation**
- **Tuba City Regional Health Care Corporation**
- **Tucson Area Indian Health Service**
- **Winslow Indian Health Care Center**

Advisory Council On Indian Health Care

DATE: June 15, 2009

TO: Carol Chicharello, Tribal Relations Liaison
AHCCCS

FROM: Fred Hubbard, Executive Director

SUBJECT: Benefits Package Comment

The selection of eliminated services may appear to be individually determined, but a review of cumulative services such as insulin pumps, orthotics, podiatry care, etc., will severely impact the high diabetic population on Native American reservations. Without these services greater potential for higher costing and severe health conditions may occur such as amputations.

E-mail: fred.hubbard@ahcccs.gov

2830 West Glendale Avenue
Phoenix, AZ 85051

Phone: (602) 417-6184 Fax: (602) 417-6182

Gila River
HEALTH CARE

June 22, 2009

Anthony D. Rodgers
Director Arizona Health Care Cost Containment System
801 East Jefferson
Phoenix, AZ 85034

RE: Arizona Medicaid Program

Dear Mr. Rodgers:

I am a Podiatric Physician who has been practicing on the Gila River Indian Reservation for the last 15 years. I came from California to practice with the Native American community here in Arizona. I initially thought I would be practicing in this community for a few years, then go into private practice. Treating diabetic foot complications is certainly one of the most demanding, challenging, and time consuming aspects of podiatric practice. I managed to find myself immerged in a community whose adult population consist of 60% diabetics! After working here for a few years, I discovered that helping to save diabetics from losing their feet and legs was very rewarding and important work, and as such, I never stopped serving this community.

Having provided foot care for almost exclusively diabetics for the last decade and a half, I have come to recognize that providers outside of Podiatry, have no level of comfort treating foot problems, and especially diabetic foot problems. Broadly speaking Orthopedic Surgeons are trained to operate on fractures or deformities (not on the feet), Vascular Surgeons will clear blockages or perform amputations on feet, Dermatologist treat skin rashes, and biopsy and treat lesions. None of these providers are specifically or adequately trained how to treat foot pathology! The consequences in a non-diabetic is that the patients will bounce from PCP, to dermatologist, to vascular surgery to orthopedist, with MRI's, and angiograms, and other labs tests in attempt to diagnose something a foot specialist would have recognized in their office on the first visit. The patient may be unable to walk, miss work, and suffer in pain for a long time. The consequences in a diabetic patient can be more catastrophic. A minor incident such as stepping on a thumb-tack, can quickly go on to the loss of a leg, systemic infection, kidney failure and even death. This is no exaggeration; it is a reality, and the costs are significant.

KOMATKE HEALTH CARE
17487 S. Health Care Drive
P.O. Box 380 – Laveen, Arizona 85339
Phone: 520-550-6000

Gila River
HEALTH CARE

The expertise that Podiatrist provide in routinely identifying, treating, and preventing diabetic foot complications are extremely valuable at a time where diabetes is on the rise in this country. Removing Podiatry from Arizona Medicaid will lead to rise in the number of diabetic patients requiring hospitalization and expensive surgeries and therapies. I cannot understand how the idea of eliminating Podiatric physicians from AHCCCS is being considered as a cost effective solution. Patients will still need to see a provider for problems with their feet. Podiatry should be considered a cost savings entity for Medicaid. I understand that we are in a local and national financial crisis. Perhaps a more reasonable approach would be to restrict coverage for certain diagnoses or performance of some procedures on a global basis, across the board to all physicians, rather than singling out Podiatry for elimination.

Sincerely,

Wesley N. Taxier, DPM

KOMATKE HEALTH CARE
17487 S. Health Care Drive
P.O. Box 380 – Laveen, Arizona 85339
Phone: 520-550-6000

GILA RIVER INDIAN COMMUNITY

Executive Office of the Governor & Lieutenant Governor

William R. Rhodes
Governor

Joseph Manuel
Lieutenant Governor

June 12, 2009

Ms. Carol Chicharello
Tribal Relations Liaison
Office of Intergovernmental Relations
Office of the Director
Arizona Health Care Cost Containment System
801 East Jefferson Street, MD-4100
Phoenix, Arizona 85034

RE: Impacts to American Indian AHCCCS members – change in benefits for adult population

The Gila River Indian Community firmly believes the proposed benefit changes to reduce reimbursements and impose limits to the Arizona Health Care Cost Containment Systems (AHCCCS) across the entire Medicaid acute care adult population would be detrimental to the population serviced by our Gila River Health Care organization. The potential outcomes of the benefit changes would negatively impact access to essential heath care services, the availability of specialty-care services such as podiatry for vital treatments, and the quality of services that is rendered to a population burdened with the highest degree of diabetes in the world. The results would add to the social economic disparities faced by the population we serve. Furthermore this is counter to the mission of reaching across Arizona to provide comprehensive quality care to those in need.

The benefit changes proposed that will have an immediate impact on our Gila River Health Care organization are any modification in the established services under the current OMB, the elimination or reduction of podiatry services and orthotics services, and limitations in non-emergency health transportation coverage. Each of these items is critical to the continuity of patient care and is supported by documented results of successful treatment outcomes because of services rendered especially for our diabetic population.

Foremost, it is important that all existing services currently offered under the OMB continue and be preserved; this is our top priority. I understand the need to search for options to address the fiscal financial challenges facing the State of Arizona; however, adjustment in the OMB rates applied to tribes and nations for services will not have an affect on the state budget whatsoever. The major impact would be decrease of services, access and quality of care resulting in an outcome of unhealthy American Indian population. I strongly urge you to allow the continuation of established protocols and guidelines currently in existence.

525 West Gu u Ki • P.O. Box 97 • Sacaton, Arizona 85247
Telephone: 520-562-9840 • Fax: 520-562-9849 • Email: executivemail@gric.nsn.us

Secondly, the Gila River Indian Community maintains the position that the critical services of podiatry and the need for orthotic services are vital to the immediate and long-term care of its patients as well as to the patients' survival rate. As you know, diabetes cannot be cured but only managed through specific health care treatments. Type II diabetes is the most prevalent in the American Indian population of our communities. Some of the benefit changes you have proposed will eliminate or decrease access and availability to the important treatments.

In addition, the proposed benefit changes will impact services levels at Gila River Health Care resulting in more referrals to outside providers creating additional strain to contract health funds. Gila River Health Care will need to decrease available services from priority level 4 to priority level 3 because of the added burden on contract health services total expense accrued from the elimination of currently covered benefits.

Statistics substantiate that over 80% of Gila River Health Care's monthly podiatry patient clinic visits are diabetic patients, and of these, 28% have some type of foot ulcers. Our podiatry clinic population reflects a significant portion of AHCCCS-eligible patients, of which 75% are shoe eligible. The 3-year survival rate after one amputation is as high as 50%, while the 5-year survival rate is about 40%. A significant point that must be considered is that 85% of diabetes-related, lower-extremity amputations are preceded by a foot ulcer. The unfortunate results of amputation is the estimated, direct costs of over $80,000 for the procedure and can add up to $500,000 because of needed rehabilitation and future prostheses. This does not include lost wage earnings of the individual and the burden on the health care system, family structure and Gila River Indian Community due to the loss of a productive member.

Prior to 1987, the rate of major, lower-extremity amputations averaged 24 per year. Since the establishment in 1987 of the podiatry/limb preservation clinic at Gila River Health Care that incorporates aggressive clinical intervention, the establishment of the shoe program (prosthetic), a prosthetic/gait rehabilitation program, and early podiatric surgical intervention, the rates for amputations has decreased ***over 70%.*** To date, the number of major, lower-extremity amputations for fiscal year 2009 is four, which is an ***83%*** decrease over ***pre-1997 averages***. Due to the extremely successful outcomes in podiatry treatments, the Gila River Health Care organization is a nationwide leader in the U.S. and recognized as a world class limb salvation program. The proposed elimination of services currently being supplied with the support of AHCCCS dollars will be devastating to this program.

The Gila River Indian Community is very cognizant of the budget dilemma facing the State of Arizona in this current economic time, as our own tribal government is also struggling to administer the basic necessities and services for our population and employment base of our Community. The proposed benefit changes will impact the successful management and efficiency of our health care system provided by Gila River Health Care as well as create additional financial burden to our current tribal financial situation. I implore you to continue the current established OMB rates without any reduction in amounts, covered benefit packages or eligibility requirements for American Indian communities. I strongly urge AHCCCS to not eliminate podiatric and orthotic services, as these services are essential to the well-being of our communities.

The proposed change by AHCCCS will have no affect on the budgets of the State of Arizona; however, it will critically hamper the ability to maintain essential health care to the communities served by our health care organization.

I respectfully request AHCCCS consider the comments presented, and I look forward to your support of the Gila River Indian Community's efforts to address health disparities facing our tribes and continue the successful health care services currently being delivered by Gila River Health Care.

Sincerely,

6-23-09

William R. Rhodes, Governor
Gila River Indian Community

The Great Sprit created Man and Woman in his own image. In doing so, both were created as equals. Both depending on each other in order to survive. Great respect was shown for each other; in doing so, happiness and contentment was achieved then, as it should be now.

The connecting of the Hair makes them one person; for happiness or contentment cannot be achieved without each other.

The canyons are represented by the purples in the middle ground, where the people were created. These canyons are Sacred, and should be so treated at all times.

The Reservation is pictured to represent the land that is ours, treat it well.

The Reservation is our heritage and the heritage of our children yet unborn. Be good to our land and it will continue to be good to us.

The Sun is the symbol of life, without it nothing is possible – plants don't grow – there will be no life – nothing. The Sun also represents the dawn of the Hualapai people. Through hard work, determination and education, everything is possible and we are assured bigger and brighter days ahead.

The Tracks in the middle represent the coyote and other animals which were here before us.

The Green around the symbol are pine trees, representing our name Hualapai – PEOPLE OF THE TALL PINES.

HUALAPAI HEALTH DEPARTMENT

Post Office Box 397 – Peach Springs, Arizona 86434 – Tel: 928-769-2207 – Fax: 928-769-2588

Dear carol

I am writing to relate that I have read over and was part of the on-line discussion regarding the AHCCCS Benefit Redesign. I have no comments at this time and thank you for keeping this department apprised of this and other changes within the AHCCCS system.

Antone Brummund MS LISAC

Behavioral Health Services Program Manager

Hualapai Health Department

DEPARTMENT OF HEALTH & HUMAN SERVICES

Public Health Service

Navajo Area
Indian Health Service
P.O. Box 9020
Window Rock, Arizona 86515-9020

JUL 02 2008

Carol Chicharello, Tribal Relations Liaison
Office of Intergovernmental Relations
Office of the Director
Arizona Health Care Cost Containment System
801 East Jefferson Street, MD-4100
Phoenix, Arizona 85034

Dear Ms. Chicharello:

The following are written recommendations from the Navajo Area Indian Health Service on proposed changes to the AHCCCS benefits package for eligible Arizonans.

1. Continue to cover emergency dental services for adults—using recent rural health survey information, Arizona Indians have some of the poorest oral health in the world.
2. Keep KidsCare eligibility at 200% FPL—the median age of AI/AN is approximately 24 years, and as such, this change would more adversely impact AI/AN children than other AHCCCS eligible populations.
3. Continue covering non-emergent transports in rural communities as reservation based AI/AN have limited or no public transportation alternatives.
4. Continue to reimburse the maximum allowable visits per day (3) which are billable by Indian Health System (Tribal and Federal) sites as these are 100% Federal pass through funds.

We appreciate the opportunity to submit comments regarding the proposed AHCCCS Re-design Review. If you have any questions, please contact Roland Todacheenie at (928) 871-1328 or e-mail at roland.todacheenie@ihs.gov. Thank you.

Sincerely,

John Hubbard, Jr., Area Director
Navajo Area Indian Health Service

DR. JOE SHIRLEY, JR.
President

BEN SHELLY
Vice President

Submitted via Email to: carol.chicharello@azahcccs.gov

Anthony Rodgers,
Director
Arizona Health Care Cost Containment System
Office of the Director
801 East Jefferson Street MD-4100
Phoenix, Arizona 85034

RE: Navajo Nation Division of Health Response to AHCCCS Benefit Re-design

Dear Mr. Rodgers:

Thank you for inviting Tribal input into the proposed AHCCCS benefit re-design for Adults in Acute Care and its impact on American Indians residing in Arizona.

There are approximately 50,000 Navajo AHCCCS members. Although it is a challenge, without essential information such as enrollment data, to help assess the degree to which such benefit changes would impact American Indian AHCCCS members and the Indian Health Service, tribal facilities and urban Indian health programs, we believe the impact will be substantial if the following provisions remain in the proposed AHCCCS benefit re-design; therefore, the Navajo Nation opposes:

1. Elimination of Emergency Dental Service will be detrimental for adults requiring dental care, especially individuals with diabetes. Most AHCCCS funds paid out are for Fee-For-Service American Indians at 100 percent FMAP.

2. Elimination of services provided by a podiatrist will adversely affect adults requiring podiatry and the IHS and tribal health facilities. Due to podiatry services provided in the IHS and tribal health facilities, it has decreased the number of amputations. American Indians and Alaska Natives are 2.6 times (the highest of all minority groups in the country) more likely to have diabetes than the general population. If the podiatry service is eliminated it will further increase health disparities among American Indians living in Arizona.

3. Elimination of wellness exams, including mammograms, pap-smears and colonoscopies is a grave public health concern. Wellness exams are critical screening tool for detecting chronic diseases early on.

4. Elimination of non-emergent transportation service. Transportation is a very essential service, particularly in extremely rural and remote geographic communities such as on the Navajo Nation where public transportation system is non-existent. Elimination of this service will result in increased rates of missed medical appointments and thereby further increase health disparities among American Indians living in Arizona.

Finally, the Navajo Nation supports the comments submitted by the Navajo Area Indian Health Service. Thank you for your deepest consideration of the Navajo Nation's input into the AHCCCS Benefit Re-design. If you have any questions, please contact me at (928) 871-6350.

Sincerely,

Anslem Roanhorse, Jr.
Executive Director
Navajo Nation Division of Health

cc: Dr. Joe Shirley, Jr., President, Navajo Nation
Ben Shelly, Vice President, Navajo Nation
Thomas Walker, Jr., Chairman, HSSC

July 1, 2009

Dear Governor Brewer or Mr. Rodgers:

The members of the Arizona Dental Association have grave concerns over proposals being considered by both AHCCCS and the Governor's Office that would eliminate the only adult dental benefit in the state of Arizona.

The elimination of this benefit will only result in significant cost shifting and significant expense to hospital emergency rooms, to private non-AHCCCS providers and to community health centers. Clinics currently providing services by volunteer dentists to homeless populations, such as CASS in Central Phoenix, will be significantly constrained to offer services to this population.

In addition, the failure to effectively treat a dental infection can lead to severe medical complications, exacerbating underlying medical conditions, and may in some cases lead to death. Typically, patients presenting at hospital emergency rooms with severe dental infections and pain will merely be provided with antibiotics and pain killers. This does not treat the underlying dental condition. By remaining untreated, these individuals will certainly again present in emergency rooms with severe cases of Cellulitis and Septicemia requiring admission and additional expensive services by hospitals.

Please reconsider these cuts. The removal of the adult emergency dental benefit will have dire consequences on the AHCCCS population. The loss of front teeth becomes a social stigma and impedes individuals from obtaining meaningful jobs that have contact with the public. AHCCCS exists to give our Arizona citizens a boost to improve their health and their economic status. Do not jeopardize the future economic and health future of our citizens with short-sighted cuts that will damage the vitality of our citizens.

Further, budget decisions of this magnitude should not be considered in the last few days of a legislative session and based on spurious data by outside consultants who have no real understanding about the health effects of these decisions.

Sincerely,

Ronald S. Toepke, DDS
Dental Director
Pascua Yaqui Tribe of Arizona- Tucson

DEPARTMENT OF HEALTH & HUMAN SERVICES

Public Health Service
Phoenix Area Indian Health Service
Two Renaissance Square
40 North Central Avenue
Phoenix, Arizona 85004

JUL 17 2009

Mr. Anthony D. Rodgers
Director, AHCCCS
801 East Jefferson
Phoenix, AZ 85007

Dear Mr. Rodgers:

Thank you for the opportunity to provide comments on the benefit package changes as proposed by the AHCCCS Administration. Over the past several years, our working relationship has flourished and I appreciate the assistance of the AHCCCS Administration that has helped the Phoenix Area, Indian Health Service (IHS) to continue to serve American Indian AHCCCS members across the state. This working relationship has been mutually beneficial to American Indian communities and the State of Arizona.

As you know, AHCCCS covered services delivered by the IHS saves the State a substantial amount of state-matching funds, as the reimbursements provided by AHCCCS to the IHS consists solely of federal Medicaid funds.

With some exception, as the 2008 data provided by the AHCCCS Administration indicates, most of the health care services in the proposed benefit change have low utilization rates by the American Indian AHCCCS population served on a fee-for-service basis. However, the elimination of adult emergency dental services and podiatry, and the reduction of non-emergency transportation will cause significant cost shifting to the Indian health system, and create a significant loss of federal Medicaid funds to the State of Arizona. The proposed benefit changes will have dire consequences on the overall health status of the adult American Indian population in Arizona, as well as impede the socioeconomic growth in Indian communities.

In State Fiscal Year 2008, $4.6 million in reimbursements for adult emergency dental services provided by the Indian health system were made with 100% federal Medicaid funds, without the use of any state funds. The elimination of adult emergency dental services not only represents a loss of revenue to the Indian health system, it represents a loss to the AHCCCS members served by the Indian health system.

I ask that you reconsider the elimination of adult emergency dental services and podiatry and the reduction of non-emergency transportation services. Without these services, the health status of American Indians will be jeopardized. Thank you for your time and consideration. Please feel free to contact me should you require more information.

Sincerely,

Don J. Davis, M.P.H.
Director

TOHONO O'ODHAM NATION
OFFICE OF THE CHAIRMAN AND VICE CHAIRMAN

We:sij T-we:m
ALL OF US TOGETHER

NED NORRIS JR.
CHAIRMAN

ISIDRO LOPEZ
VICE CHAIRMAN

June 26, 2009

Anthony D. Rodgers
Director
Arizona Health Care Cost Containment System (AHCCCS)
801 East Jefferson
Phoenix, AZ 85034

DELIVERED VIA EMAIL: Theresa.gonzalez@azahcccs.com

Dear Director Rodgers:

The Tohono O'odham Nation is pleased to submit written comments regarding AHCCCS' benefit redesign proposal for Arizona's adult acute care population. The current proposal to eliminate or reduce certain services poses serious concerns for the Nation and will have severe impacts on the ability of our tribal members to receive adequate healthcare, jeopardizing their health and well-being.
The most significant change being proposed to the benefit package is the elimination of non-emergency transport in urban areas. It is our understanding that consideration is being given to declare all of Pima County as an urban area. The Tohono O'odham reservation spans significant portions of Pima, Pinal and Maricopa County, comprising over 2.8 million acres -- comparable in size to the state of Connecticut. Our capitol in Sells, Arizona is over 70 miles from Tucson. We share 75 miles of border with Mexico and have an enrolled membership of over 28,000 people. It is not uncommon for tribal members to spend the entire day traveling to medical appointments. We have two Indian Health Service facilities on the reservation, but transportation is also provided for medical referrals in Tucson, Casa Grande and Phoenix. As the Chairman for the Nation, I struggle daily with the issues associated with adequately serving a rural community. To change policy and characterize the Nation as an urban area is not consistent with the reality of our geographic footprint and poses significant harm to our members.

To give you a better understanding of our concern, in FY 2008 our Tribal health transportation system provided over 51,735 individual transportation services. A significant portion of these transports were for dialysis treatments. The transportation needs of our community span the full range of medical care whether it be preventive well checks, dental service, podiatry needs, or on-going medical treatment for chronic conditions like diabetes. If members are not able to receive care for these health care needs, their conditions will worsen causing more hospital emergency room visits and other more expensive treatments--costing AHCCCS far more than the savings associated with reducing or eliminating these benefits.

P.O. BOX 837 · SELLS, ARIZONA 85634
PHONE: 520-383-2028 · FAX: 520-383-3379

Individually and cumulatively, the proposed areas for elimination and reduction will adversely impact the healthcare for members of the Tohono O'odham Nation. Additionally, because Tucson Area Indian Health Service, which also provides care to our members, is being impacted by this proposal, there will be a multiplier effect from these cuts that will have the end result of substantially reducing primary health care for the Nation.

The challenges the State faces in balancing its budget are great. We recognize the benefit redesign proposal does not present any easy choices for the state. We ask, however, that consideration be given to decisions that protect individual's health needs and do no harm to our State's most vulnerable citizens.

We appreciate your consideration of these comments. If you have any questions, I would be pleased to meet with you to discuss them in more detail.

Thank you.

Dr. Ned Norris, Jr., Chairman
Tohono O'odham Nation

From: Engelken, Joseph (TCRHCC) [Joseph.Engelken@TCHEALTH.ORG]
Sent: Wednesday, July 01, 2009 2:50 PM
To: Chicharello, Carol; anslem.roanhorse@nndoh.org
Subject: AHCCCS changes from 5/29/09 Phoenix Meeting

Follow Up Flag: Follow up
Flag Status: Green

MEMORANDUM

TO: Carol Chicharello, Navajo AHCCCS Liaison
Anselm Roanhorse, Jr., MSW, Executive Director of Navajo Division of Health

FROM: Joseph Engelken, CEO, Tuba City Regional Health Care Corporation

DATE: June 26, 2009

RE: May 29th AHCCCS Meeting in Phoenix: **Response--**"**Benefits Re-Design for Adults in Acute Care**"

Given reduction and key highlighted items below; there is a major concern among our entire organization and medical staff – that core services at this facility are slated by the Senate for reduction or elimination. Tuba City Regional Health Care Corporation receives approximately 1/3 of its entire cash inflow from the Medicaid program due to a high concentration of beneficiaries and medical need in our service area that covers a very large part of the Western Navajo. Even though the OMB rates themselves have not been rate-targeted, the underlying base of beneficiaries and services have been slated for decrease.

Given the lack of sufficient capital and also stimulus to cover the net impact of these cuts, there seems to be a shell game impact of moving dollars and then potentially incurring an overall loss as well.

- Reduction of Kids Care Eligibility from 200% FPI to 150% with a resultant 40% approximate beneficiary base elimination of 22,000 covered lives.
- Quoted excerpt from S.B. 1145 proposed amendment- "Beginning October 1, 2009, Public monies may not be expended on any claim or premium in the absence of a third-party certification that a comprehensive, electronic test of primacy has first been executed." This clause contains 3 real dangers to the providers:
  - transfer of verification role to a system that does not exist.
  - Trifurcation of commercial managed care model.
  - Potential delay in cash payments to providers.

* Although the OMB rates are planned to remain unchanged; there are numerous service eliminations that are of concern per the attached Benefit Re-design Worksheet; (see attached list of 20 proposed service eliminations)

* Emergency adult dental is a major concern, given the this is a 100% Federal pass thru, therefore "AHCCCS will pursue an exemption from CMS in order to continue services in this setting." This will have a very probable 6-figure $ impact on our unit.

* Especially of concern is the proposed total elimination of reimbursement for Podiatry, that impacts our own service unit by approximately $ ½ million annually for just 1 Podiatrist.

* Also of concern is the elimination of wellness exam payment, however the diagnostics of mammograms, pap smears and colonoscopies, etc. will still be covered.

* The PT or Physical Therapy limitation of 6 visits annually should be much less intrusive financially – as we were told that 95% of PT patient visits fall within this range.

* Transplants are pretty much – OUT.

There are additional materials with more detailed information, although not at the CPT code level (in all probability), however, the message will be the same – which is opposition to net cuts in Navajo service levels and the Kids Care reduction of beneficiaries.

As one of the largest regional medical centers, Tuba City Regional Health Care Corporation must necessarily object to the Senate proposed changes above, as the healthcare on the Navajo Nation would actually be diminutive and reverse direction backward from the many positive medical care and service gains already made and those underway and being proposed. Furthermore, our organization had taken a lead role in even front-ending new program costs without immediate prospect of I H S or AHCCCS reimbursement, yet now AHCCCS funding tilts even further downward. The national perspective and prognosis for a "when the US healthcare system breaks financially" is parallel to the next high level of uninsured & underinsured volume mass. This current AHCCCS initiative, if eventual, exacerbates this limit to a quicker settlement and a quicker US financial healthcare crisis. This approach is both clinically and financially illogical.

Thank you for your listening to our concerns.

DEPARTMENT OF HEALTH & HUMAN SERVICES

Public Health Service

Indian Health Service
Tucson Area
Office of the Director
7900 S. J. Stock Road
Tucson, Arizona 85746

June 22, 2009

Arizona Health Care Cost Containment System
Office of the Director
801 East Jefferson Street MD-4100
Phoenix, Arizona 85034

RE: Tucson Area Indian Health Service Response to AHCCCS Benefit Redesign

Dear Mr. Tony Rogers,

This letter is in response to your call for comments on the recent AHCCCS benefits re-design proposals and its impact on American Indians and Alaskan Natives (AI/AN) living in Arizona.

The Tucson Area Indian Health Service (TAIHS) maintains that since all services rendered by the Indian Health Service (IHS) and Tribal 638 programs are 100% Federal Medical Assistance Percentage (FMAP) pass through dollars, there should be no decrease in reimbursement for fee-for-service provided services. TAIHS is concerned that a reduction in the reimbursement rates to non-IHS/Tribal 638 providers will create decreased access to outside provider services for our AI/AN population. Our position is that any reimbursement reduction by AHCCCCS will broaden the health disparities gap in Arizona Indian Country.

AHCCCS' decision to eliminate and restrict the Arizona KidsCare Parent Program and KidsCare Children Program is in direct opposition to the intent of the Children's Health Insurance Program and Reauthorization Act (CHIPRA) of 2009. In the CHIPRA legislation under Section 1139, there is very specific language to encourage states to increase enrollment of Indians, whether living on or off tribal lands, into Medicaid and CHIP. By limiting these programs, not only will the State lose out on substantial federal funding, but again these limitations will create even greater health disparities in Arizona Indian Country.

Changes to AHCCCS claims processing and payment is of concern to the TAIHS. The proposal to verify all other forms of insurance prior to AHCCCS making a payment is unrealistic. There are no verification systems available on the market today that would allow the Indian Health Service to meet that requirement. A change in the timeliness of payments will have a significant adverse impact on TAIHS operations. The federal government requires that TAIHS operate within a balanced budget. Lags in payment, specifically changing from seven (7) days to ninety (90) days or greater, will impact directly on support and provision of patient care services. Since dollars paid out to IHS/Tribal638 programs are 100% FMAP, and at no cost to the State, TAIHS requests that IHS/Tribal 638 programs be maintained on the current seven (7) day payment schedule. TAIHS would like to remind AHCCCS that in accordance with Federal Law, the Indian Health Service is the payor of last resort.

The attached document contains the TAIHS responses to the American Indian Benefit Re-Design Analyses Draft distributed by your office on June 6, 2009. TAIHS comments are highlighted in yellow. In addition to our commentary on the clinical cuts and service limitations, please note that TAIHS is on record as objecting to the elimination of non-emergency transport in urban areas for the waiver group members in Pima County. Health service delivery on the Tohono O'odham Nation is recognized by both the U.S. federal government, and the State of Arizona, as being rural. Yet AHCCCS has designated Pima County, the county under which the predominant geography of which the Tohono O'odham Nation sits, as being urban. TAIHS relies predominantly upon Tribal transportation to get patients to and from appointments. Again, any decrease in the provision of this essential service will adversely affect patient care and broaden the health disparity gap on the Tohono O'odham Reservation.

Should you have any questions regarding the TAIHS comments, please do not hesitate to contact Lisa Tonrey at 520-295-2493 or my office directly at 520-295-2407.

Sincerely,

Dorothy Dupree, B.S., M.B.A.
Director, Tucson Area Indian Health Service

att:1

cc: Lisa Tonrey, Acting Director, Revenue Enhancement Branch
Gary Quinn, Executive Director, TON Department of Health & Human Services
Alida Montiel, InterTribal Council of Arizona

AMERICAN INDIAN BENEFIT ANALYSES *Draft 06/12/09*

Tucson Area IHS (TAIHS) Response to Benefit Re-design Worksheet

AHCCCS Proposal to eliminate Elective Medicaid Programs

FY 08 - Adults 21+ Members self reported as Native American (Excludes cost related to members with Medicare coverage)

	Benefit	Recommendation	Number Recipients	FY08 Spend Total	FY08 Spend (100% pass through)	FY 08 Spend Excluding 100% pass through	Gross Savings	Offset due to alternative treatment cost	Offset due to adverse outcomes	Net savings
Service Elimination										
1	Emergency Dental Service	Eliminate emergency dental services (Dental office)	1,109	$178,527	$6,880	$171,647	$171,647	25%	15%	$102,988
2	Emergency Dental Service	Eliminate emergency dental services (Clinics)[1]	8,843	$4,684,389	$4,619,092	$65,297	$65,297	25%	15%	$39,178
		Tucson Area IHS (TAIHS) opposes elimination of Emergency Dental services. TAIHS provides emergency dental services in our clinics. TAIHS encourages AHCCCS to reevaluate Emergency Dental Services, since most of the AHCCCS dollars paid out are for FFS AI/ANs at 100% FMAP. Anticipate that the elimination of these services will cause adults to seek care in non-IHS emergency rooms. Expenditures associated with this change should cost the state money and negate any potential savings.								
3	Medically Necessary Dentures	Through legislation, eliminate medically necessary dentures, including repairs on previously purchased dentures[2]	2	$1,135	$855	$280	$280	0%	0%	$280
		No Objection								
4	Genetic Testing	Eliminate coverage of genetic testing	42	$19,295	$0	$19,295	$19,295	2%	2%	$18,523

Tucson Area IHS (TAIHS) Response to Benefit Re-design Worksheet

AHCCCS Proposal to eliminate Elective Medicaid Programs

FY 08 - Adults 21+ Members self reported as Native American (Excludes cost related to members with Medicare coverage)

	Benefit	Recommendation	Number Recipients	FY08 Spend Total	FY08 Spend (100% pass through)	FY 08 Spend Excluding 100% pass through	Gross Savings	Offset due to alternative treatment cost	Offset due to adverse outcomes	Net savings
		Concern over Prenatal adults in need of SOBRA testing. Encourage a process for this special needs group.								
5	Orthotics	Eliminate coverage of orthotics	856	$344,504	$473	$344,031	$344,031	10%	10%	$275,225
		Concern over Podiatry and Physical Therapy limitations coupled with elimination of orthotics, will further advance health disparities in AI/AN population.								
6	Insulin Pumps	Eliminate coverage of insulin pumps	3	$12,450	$0	$12,450	$12,450	0%	30%	$8,715
		No Objection								
7	Services by Podiatrist	Eliminate services provided by a podiatrist[3]	438	$158,260	$40,227	$118,033	$118,033	60%	15%	$29,508
		Objection to elimination of Podiatry services. Tucson Area provides in-house podiatric services, which accounts for 100% FMAP to state. Documented evidence that since providing in-house podiatry services our number of amputations has decreased. Recommend a waiver for IHS/638 facilities for continued coverage of podiatry services.								
8	Percussive Vests	Eliminate coverage of percussive vests	0	$0	$0	$0	$0	0%	0%	$0
		No Objection								

Tucson Area IHS (TAIHS) Response to Benefit Re-design Worksheet

AHCCCS Proposal to eliminate Elective Medicaid Programs

FY 08 - Adults 21+ Members self reported as Native American (Excludes cost related to members with Medicare coverage)

	Benefit	Recommendation	Number Recipients	FY08 Spend Total	FY08 Spend (100% pass through)	FY 08 Spend Excluding 100% pass through	Gross Savings	Offset due to alternative treatment cost	Offset due to adverse outcomes	Net savings
9	Bariatric Surgery Procedures	Eliminate coverage of bariatric surgery procedures, including but not limited to laparoscopic and open gastric bypass and restrictive procedures	4	$4,116	$0	$4,116	$4,116	0%	0%	$4,116
		Given the number of patients, TAIHS does not object. However, there remains a real concern for addressing morbid obesity and complications thereof in those patients that are resistant to other treatments.								
10	Allergic Immunotherapy	Eliminate coverage of allergic immunotherapy (testing, treatment, injections)	42	$22,441	$150	$22,291	$22,291	5%	15%	$17,833
		Given the number of patients TAIHS does not object. However, T**AIHS Highly encourages a phase out plan** for patients presently on this therapeutic regimen.								
11	Health Screening	Eliminate wellness exams. Screening tests such as mammograms, pap smears, and colonoscopies continue as benefits[3]	1,844	$183,535	$5,709	$177,826	$177,826	20%	5%	$133,370

Tucson Area IHS (TAIHS) Response to Benefit Re-design Worksheet

AHCCCS Proposal to eliminate Elective Medicaid Programs

FY 08 - Adults 21+ Members self reported as Native American (Excludes cost related to members with Medicare coverage)

	Benefit	Recommendation	Number Recipients	FY08 Spend Total	FY08 Spend (100% pass through)	FY 08 Spend Excluding 100% pass through	Gross Savings	Offset due to alternative treatment cost	Offset due to adverse outcomes	Net savings
		TAIHS opposes the elimination of wellness exams. Elimination is not just a patient concern but it is a public health concern. Wellness exams serve as a screening tool for chronic diseases, STDs,etc. This proposal is contrary to the national Health Care Reform (HCR) proposals and IHS model of care. Recommend a waiver for our population.								
12	Bone-Anchored Hearing Aid (BAHA)	Eliminate coverage of bone anchored hearing aid	0	$0	$0	$0	$0	0%	0%	$0
		No Objection								
13	Cochlear Implant	Eliminate coverage of cochlear implants	0	$0	$0	$0	$0	0%	0%	$0
		No Objection								
Limit amount, duration, or scope										$0
14	Non-Emergency Transportation (Urban Waiver)	Eliminate non-emergency transport in urban areas for **Waiver Group members**[4]	1,191	$581,369	$0	$581,369	$581,369	20%	20%	$348,821

Tucson Area IHS (TAIHS) Response to Benefit Re-design Worksheet

AHCCCS Proposal to eliminate Elective Medicaid Programs

FY 08 - Adults 21+ Members self reported as Native American (Excludes cost related to members with Medicare coverage)

	Benefit	Recommendation	Number Recipients	FY08 Spend Total	FY08 Spend (100% pass through)	FY 08 Spend Excluding 100% pass through	Gross Savings	Offset due to alternative treatment cost	Offset due to adverse outcomes	Net savings
		TAIHS STRONGLY OPPOSES elimination of non-emergent transportation! TAIHS opposes the definition of Pima County as "Urban", when much of the Tohono O'odham Reservation is located in Pima County. Such an arbitrary and capricious definition is contrary to **Both** Federal and State designations of Sells Service Unit healthcare delivery sites, which are remote rural locations. Elimination of non-emergent transportation will have significant negative repercussions on healthcare delivery and services to the T.O. Nation, IHS, and 638 programs. This will further health disparities in the Tucson Area by eliminating access to care.								
15	Negative Pressure Wound Therapy	Improve medical necessity criteria and publish in AMPM to realize 25% gross savings.	109	$213,471	$0	$213,471	$53,368	25%	25%	$26,684
		No Objection. Low utilization in Tucson Area.								
16	Somnography	Limit to one study per contract year if criteria are met. Publish revised criteria in the AMPM.[5]	156	$117,311	$0	$117,311	$10,716	0%	0%	$10,716

Tucson Area IHS (TAIHS) Response to Benefit Re-design Worksheet

AHCCCS Proposal to eliminate Elective Medicaid Programs

FY 08 - Adults 21+ Members self reported as Native American (Excludes cost related to members with Medicare coverage)

	Benefit	Recommendation	Number Recipients	FY08 Spend Total	FY08 Spend (100% pass through)	FY 08 Spend Excluding 100% pass through	Gross Savings	Offset due to alternative treatment cost	Offset due to adverse outcomes	Net savings
		Concern over patients with morbid obesity. A problem in the TAIHS population.								
17	Physical Therapy	Limit number of visits to 6 per member per year.[6]	436	$237,846	$15,893	$221,953	$115,949	10%	25%	$75,367
		TAIHS objects to the arbitrary limit of PT services. TAIHS provides in-house Physical Therapy services. At 100% FMAP, TAIHS maintains the position that this should be waived for our patient population.								
18	DME	Limit DME to Medicare-Covered Items Only	286	$21,867	$0	$21,867	$21,867	20%	0%	$17,494
		No Objection								
19	Prosthetics Excluding prosthetic implants	Limit prosthetic benefit to $12,500 per contract year[7]	129	$877,392	$0	$877,392	$215,250	0%	0%	$215,250
		Concern for those patients in need of 2 or more prosthetics in a year. Encourage a process by which special cases can be addressed.								
20	Transplants	See end notes for general and specific recommendations[8]								$434,157
		Request IHS/638 input into medical necessity criteria development for AI/AN population.								

Tucson Area IHS (TAIHS) Response to Benefit Re-design Worksheet

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Total				$7,657,908	$4,689,279	$2,968,629	$1,933,785			$1,758,225

Other Concerns

Continued timeliness of AHCCCS payments: The Federal government requires IHS to operate within a balanced budget. Any change in payment schedules will adversely impact TAIHS operations.

Proposed elimination of the KidsCare Parent program and reduced eligibility of the KidsCare Children program is contrary to federally expanded CHPRA and Health Care Reform (HCR) proposals. Elimination of these programs will create a greater disparity in Arizona's AI/AN population.

TAIHS maintains that our service reimbursements should not be reduced since the State receives 100% FMAP. TAIHS is also concerned that the 5% reduction to non-IHS/638 providers will create decreased access to outside services.

Reminder to AHCCCS , in accordance with Federal Law, the Indian Health Service is the payer of last resort.

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Winslow Indian Health Care Center, Inc.
500 North Indiana Avenue
Winslow, Arizona 86047

June 29, 2009

Carol Chicharello
Tribal Relations Liaison
Office of Intergovernmental Relations
Office of the Director
Arizona Health Care Cost Containment System
801 East Jefferson Street, MD-4100
Phoenix, Arizona 85034

RE: BENEFITS REDESIGN REVIEW

Winslow Indian Health Care Center (WIHCCI) as an outpatient 638 Contractor of I.H.S., is concern about the following paragraph found in Benefits Redesign Review document:

"…(B), requires: "Beginning October 1, 2009, public monies may not be expended on any claim or premium in the absence of a third-party certification that a comprehensive, electronic test of primacy has first been executed." However, the Medicaid Act requires the State to make payment for certain services without regard to the existence of third party liability, including prenatal and preventative pediatric services or when third party liability is based on the insurance of a non-custodial parent involved in a child support enforcement effort by the State (although the State may pursue reimbursement after the fact)[ii]. Since the proposed language of A.R.S. § 12-3021 prohibits the expenditure of any state funds prior to establishing the existing of other insurance, it conflicts with federal requirements…"

Your office had informed, at the initial meeting, that you were not aware of a current operational third-party certification system in the United States, that it would require additional administrative and funds resources, and if you are required to implement the above procedures it would bring the payments to a halt on 9/30/2009. If this procedure is implemented, WIHCCI will not be able to provide the health services of our population due to cash-flow problems. WIHCCI is half funded by Indian Health Service and half by collections from third party payers (AHCCCS, Medicare, and private insurances).

Thank you for the opportunity to voice our concern.

/s/ Margaret Joe
Accounting Manager, WIHCCI

Phone: (928) 289-6102 Fax: (928) 289-6290

Winslow Indian Health Care Center, Inc.
500 North Indiana Avenue
Winslow, Arizona 86047

Primacy Requirements

Senate Bill 1145, Section 3 establishes a new Primacy requirement. Section B states that "beginning October 1, 2009, public monies may not be expended on any claim or premium in the absence of a third party certification that a comprehensive, electronic test of primacy has first been executed." There are a number of problems associated with this specific provision, as well as the entire section.

- We are not aware of any system that is in existence in the United States or anywhere else that meets the mandates established by this section. If there is any such system currently operational, I would welcome the opportunity to learn more.
- The establishment of this system would require administrative resources. As you may be aware, AHCCCS currently has 231 fewer filled positions as compared to September 2007. A series of administrative reductions have been implemented. There are no funds in the agency to develop this system, let alone within a 90-day period.
- Given the lack of a proven system and the requirements in this legislation on not only Medicaid health plans but also commercial insurers and others, a significant portion of the State's health care related economic activity will come to a grinding halt on September 30, 2009.
- Because AHCCCS is a managed care model, the specific language cited above raises the question whether AHCCCS could even pay out capitation, which currently is pre-paid on a monthly basis. This would significantly alter the managed care payment process.

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