



AHCCCS MCO Update Meeting

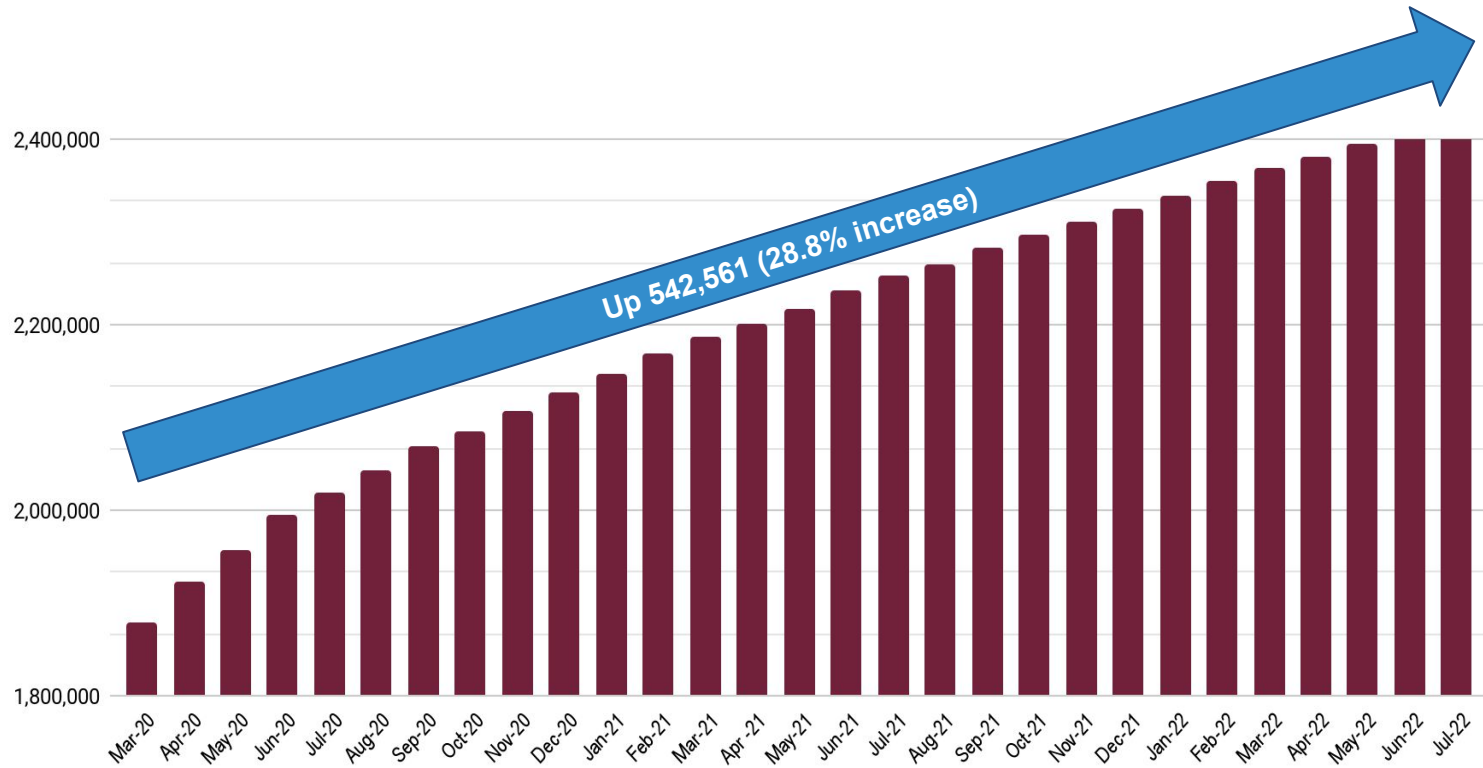
July 20, 2022



Director Update

Jami Snyder, Director

AHCCCS Enrollment: March 2020- July 2022



PHE Renewed - Effective July 15, 2022

11/1/22
Expiration of the
Maintenance of
Effort Requirement/
Initiation of
Processing
Redeterminations

Continuous Enrollment

6.2% FMAP

PHE

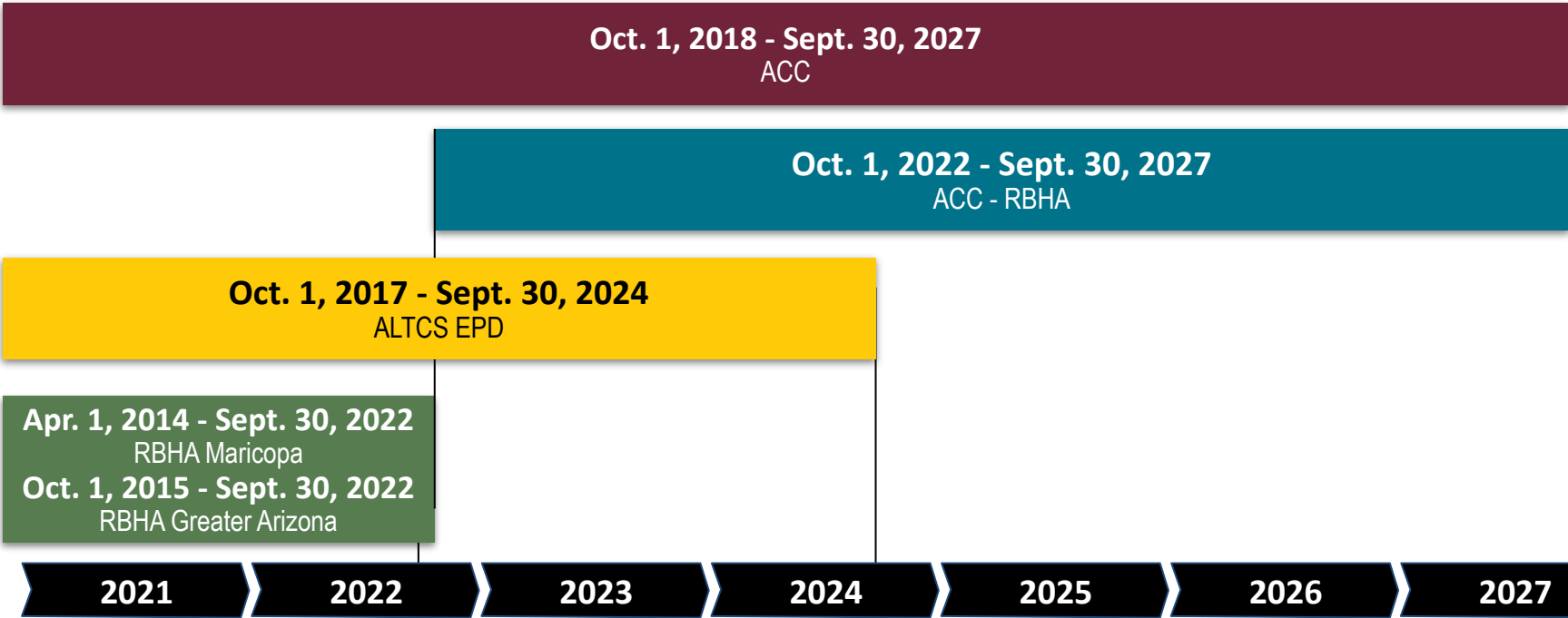
1/21/21 HHS PHE Renewed Flexibilities, enhanced match and MOE continue	4/21/21 HHS PHE Renewed Flexibilities, enhanced match and MOE continue	6/20/21 HHS PHE Renewed Flexibilities, enhanced match and MOE continue	10/18/21 HHS PHE Renewed Flexibilities, enhanced match and MOE continue	1/16/22 HHS PHE Renewed Flexibilities, enhanced match and MOE continue	4/16/22 HHS PHE Renewed Flexibilities, enhanced match and MOE continue	7/16/22 HHS PHE Renewed Flexibilities, enhanced match and MOE continue	10/13/22 PHE Ends
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12/31/22
Expiration of the
Enhanced Federal Match

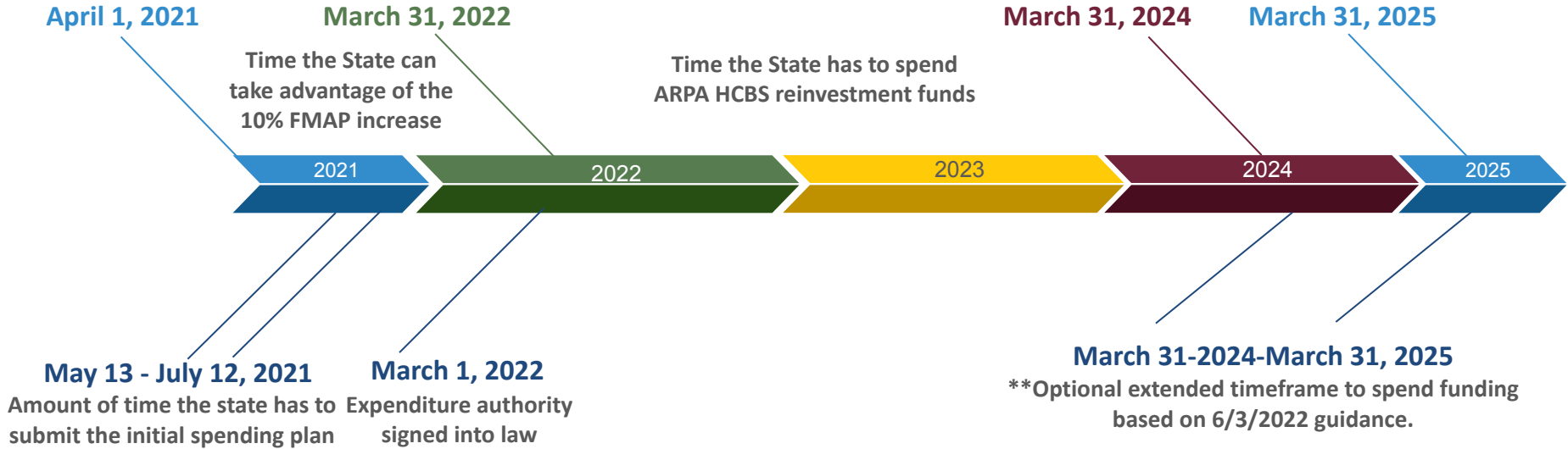
*AHCCCS has not yet received indication from CMS on whether the federally declared PHE will extend beyond 10/13/1022.

**CMS has indicated that they will provide states with 60 days advance notice prior to ending the federally declared PHE (August 14, 2022).

Timeline of AHCCCS MCO Contracts



Optional Extension for ARP HCBS Funding Timeline



**This option would not change the amount of funding available to support the initiatives detailed in AHCCCS' ARP HCBS spending plan. It would simply extend the time that the agency has to expend the available funding.

AHCCCS is currently planning to extend the timeframe through **September 30, 2024** or until the funds have been completely expended, whichever is earlier.

Tentative Target Completion Dates

2022	2023	2024
<ul style="list-style-type: none"> • Attracting and Retaining the Workforce Round 1 Payments (<i>April/May</i>) <ul style="list-style-type: none"> ◦ \$500 million • Provider Rate Surveys – BH Rate Studies (<i>Oct</i>) • Upgrading the CATS and QI System (<i>Dec</i>) 	<ul style="list-style-type: none"> • Attracting and Retaining the Workforce Round 2 Payments (<i>March/April</i>) • Grants: First Round of Grants Payments (<i>April</i>) • Online Workforce Database Progress Report Begins (<i>April</i>) • Addressing Social Isolation • Provider Rate Surveys – HCBS and DDD • NCI Core Indicator Survey: Completion of Year 1 of NCI-AD Survey • HCBS Provider EMR - DAP • Freedom to Work • Comprehensive Workforce Development Plan 	<ul style="list-style-type: none"> • Attracting and Retaining the Workforce Round 3 Payments (<i>Feb/March</i>) • Parents as Paid Caregivers • Interactive Caregiver Pathway Platform • BH Practice Tools as CEU/CME • Parent University Training and Support Programs • Investing in HCBS Technologies • Updating the Preadmission Screening Tools • Updating the PASRR System Portal • NCI Core Indicator Survey: Completion of Year 2 of NCI-AD Survey • HCBS Provider EMR – DAP

Target Completion Dates Still Pending Based on Feedback from Sister Agencies or External Partners (e.g., DES, DES/DDD, community colleges):

- | | | |
|--|--|---|
| <ul style="list-style-type: none"> • I/DD/BH Diagnoses and Community Supports • CEU/CME for I/DD | <ul style="list-style-type: none"> • Case Management/EHR System • Creation of an Employment Repository | <ul style="list-style-type: none"> • Career/Training/Education • Abuse and Neglect Awareness Campaign |
|--|--|---|

AHCCCS Strategic Goals and Priorities

SFY 2023 - 2027

Provide Equitable Access to High Quality, Whole-Person Care

- Reduce provider workforce shortages.
- Ensure all AHCCCS members are able to readily access services in the most appropriate setting to meet their needs.
- Address social drivers of health using available Medicaid levers.
- Improve health outcomes and member experience for individuals with special health care needs through targeted population health programming.

AHCCCS Strategic Goals and Priorities

SFY 2023 - 2027

Implement solutions that ensure optimal member and provider experience

- Maintain and build technology platforms that ensure adherence to existing regulation and enhance program performance.
- Routinely assess and communicate system performance using visualization tools accessible to community stakeholders.
- Eliminate fraud, waste, and abuse across all components of the program.
- Optimize federal block and discretionary grant funding to advance Medicaid programming and systems.

AHCCCS Strategic Goals and Priorities

SFY 2023 - 2027

Maintain core organizational capacity, infrastructure and workforce planning that effectively serves AHCCCS operations

- Improve employee engagement.
- Increase employee retention rates.
- Prevent disruption in program operations by investing in human resource tools and programming.

SFY 2023 Strategic Objectives

- Make 2nd home and community-based services directed payment under Section 9817 of the American Rescue Plan
- Increase the percent of American Indian Health Program members empaneled with an American Indian Medical Home
- Implement the Housing and Health Opportunities (H2O) waiver, including reimbursement for transitional housing
- Increase the number of organizations (Medicaid enrolled providers and community based organizations) actively using CommunityCares
- Finalize Medicaid Enterprise System roadmap and award System Integrator contract
- Post system-level performance dashboards
- Increase employee engagement rate
 - SFY 19 - 82%, SFY 20 - 85%, SFY 21 - 85%, SFY 23 - 83%
- Reduce number of days to fill open positions

Bravo Team USA!

LIVE RESULT FINAL WIND -4.5m/s **MEN'S 100M**

1	USA	F. KERLEY	9.85
2	USA	M. BRACY	9.88
3	USA	T. BROMELL	9.88
4	JAM	O. SEVILLE	9.97
5	RSA	A. SIMBINE	10.01
6	USA	C. COLEMAN	10.01
7	JPN	A. SANI BROWN	10.06
8	CAN	A. BROWN	10.07





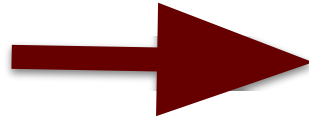
988 Implementation

CJ Loiselle

Crisis Administrator, Division of Grants Administration

988 Implementation

Launched July 16, 2022



Current NSPL and RBHA system structure

NSPL in Arizona



AHCCCS Crisis in Arizona



Effective October 1, 2022

SAMHSA
Substance Abuse and Mental Health
Services Administration

AHCCCS
Arizona Health Care Cost Containment System

988 SUICIDE & CRISIS
LIFELINE

RBHAs


Solari
LA FRONTERA
ARIZONA
IMPACT- SUICIDE PREVENTION CENTER



Medicaid Innovation Collaborative Discussion



Legislative Update

Willa Murphy
Legislative Liaison, OOD

2022 Legislative Session Timeline

- Session began on January 10th
- Over 1800 bills introduced this year
- Regular committees ended in late March, with budget negotiations lasting until late June
- Bipartisan budget passed June 23
- Adjourned sine die June 24th, 2022
- General Effective Date is September 24, 2022



FY 2023 Budget Highlights

- Rate increases (EPD/DD, Global OB, BH Outpatient, etc.)
- Covered services: Chiropractic & Diabetes Self-Management
- Postpartum Extension to 12 Months
- Additional items, including S-BHRFs, Pediatric SNF DAP, continuation of ARPA HCBS language into FY23

Legislative Highlights

AHCCCS Agency Bills

- HB 2157 AHCCCS' supplemental appropriation/exp. authority
- HB 2088 "ALTCS; preadmission screening"

Additional Bills of Note:

- SB 1651 "serious mental illness; annual report"
- HB 2691 "health care workforce; grant programs"
- Several bills relating to COE/COT and adjacent issues



Federal Relations Update

Alex Demyan, Deputy Assistant Director, Division of Health Care Advocacy and Intergovernmental Relations (DCAIR)

2022-2027 1115 Waiver Renewal

- Items in Waiver renewal application under negotiation
 - o Coverage for traditional healing
 - o Extended dental coverage for individuals receiving care in an IHS or 638 facility
 - o Targeted Investments 2.0
 - o Housing and Health Opportunities (H2O) demonstration
- Anticipate next demonstration period will run from Oct. 1, 2022 through Sept. 30, 2027

2022-2027 1115 Waiver Negotiations

Topics	Status
Revise Historical STCs	Complete
Finalize HCBS PMs and Metrics	Complete
Targeted Investments (TI) 2.0	In Progress
ALTCS Tribal Dental Benefit	In Progress
Traditional Healing	In Progress
Housing and Health Opportunities (H2O)	In Progress
1115 ARPA Requests	In Progress
Budget Neutrality	In Progress

Upcoming State Plan Amendments (SPAs)

- **Mobile Crisis Services:** Describes the crisis services and standards established by AHCCCS.
- **Suspension of Cost Sharing (Temporary):** Suspends Medicaid and CHIP member cost sharing for 60-days after the end of the PHE.
- **Pharmacy Tech/Intern Vaccine Administration:** Permanently permits pharmacy techs and interns to administer the flu and COVID-19 vaccines under supervision.



Prior Authorization

Jakenna Lebsock, Assistant Director
Division of Health Care Management

Prior Authorization

- PA updates
- Technical assistance will be provided to discuss the common issues found within the Notices of Adverse Benefit Determinations (NOAs)
- Common themes related to NOAs
 - Inconsistent citations for EPSDT legal authorities as required by policy
 - Inconsistent documentation or lack there of related to consultation with ordering provider (performing peer to peer) and no observed efforts to obtain extensions in the best interest of the member
 - Failure to inform member/family alternative or suggested courses of action following a denial, simply stating “talk to your doctor” is not sufficient

Key Contract Changes for 10/1/2022

Sandi Borys, Contract and Policy Administrator,
Division of Health Care Management

Overview

- Provides a high-level overview of significant changes made to the 10/01/22 Contracts
 - This is not to be considered an all-inclusive list of changes.
 - Not reflective of recent comments/questions that were submitted last week
- The draft Contracts went out last month comments/questions were due on July 14th.
- We received a total of 230 questions and are in the process of reviewing all of the questions.
- The final Contracts will be going out on Monday, August 15, 2022.

Experimental Services

- Previously AHCCCS would only cover costs of clinical trials associated with resulting adverse events.
- CMS Memo SMD #21-005 mandates the coverage of routine member costs furnished in connection with qualifying clinical trials
- If the qualifying clinical trial requires routine care, screenings, laboratory tests, imaging services, inpatient services, physician services, treatment of complications arising from clinical trial participation, or other medical services and costs, AHCCCS will be covering these services
- Costs for services that are solely for the purpose of clinical data are not covered.
- A determination with respect to coverage for a member to participate in a qualifying clinical trial must be expedited and completed within 72 hours regardless of geographic location or if the provider is in network
- More information can be found in AMPM Policy 320-B

Dental Home Assignment

- Requirement for assigning members to Dental Homes revised from one year to six months of age (or upon enrollment)
- Aligns with coverage of a first dental visit at six months of age or at the eruption of the first primary tooth (whichever happens first)

Crisis Services

- Solari has been selected as the single crisis phone vendor for the state, effective 10/1/22
 - ACC-RBHAs will be responsible for maintaining the existing crisis phone numbers for at least one year
- Crisis language was updated to remove duplicative information that is found in the new AMPM Policy 590
- Added requirement for submission of a Crisis Services Report to track unmet metrics and trends throughout the reporting period
 - See AMPM Policy 590 Attachment A
 - This replaces the previous ACOM Policy 436 Attachment B

Crisis Services

- The crisis phone line vendor will serve as a centralized dispatch for mobile teams
 - Mobile teams will only be dispatched upon triage/referral from the phone line
- Mobile crisis teams must respond on site within an average of 60 minutes of receipt for Maricopa County, 90 minutes for all other regions of the state
- A minimum of 25% of total contracted mobile teams must be staffed with peer and recovery support specialists
- Crisis stabilization facilities must prioritize intake from law enforcement, not to exceed a 15 minute average

Member Grievance and Appeal System Standards

Attachment F1

Changes were not captured in Drafts - will be made in Final Contracts

- Added language and requirements to extend the timeframe for resolution of an appeal by up to 14 days to consult with ordering provider if a decision is not reached within the initial time frame
- Additionally added similar language in the event more information is needed to render a decision if the additional information is in the best interest of the member
- Regarding the resolution process, language updated to reflect expectations the Notice of Appeal Resolution must provide a clear and specific explanation of why the service is not medically necessary
- New language added related to member transitioning to another Contractor and status of service authorizations

Pharmacy Benefit Manager Subcontracts Update

- Transparency language between the Contractor-PBM-Pharmacy and AHCCCS is further clarified
- Language was added to clarify credits or funding offered by the PBM to the Contractor
- The discrete administration fee is clarified to state that it includes all services provided under the PBM contract and the administration fee may not exceed \$2.00.
 - Additional charges or contracts may not be added by the PBM for other services, as an example, a “flu vaccine program”

Pharmacy Benefit Manager Subcontracts Update

- Language was added to require the PBM to exclude any waiting period for a pharmacy to be added to the Contractor's pharmacy network
 - As an example, the PBM shall not require the pharmacy to wait six months prior to adding them to the network
- The reimbursement language that "95% of brand name drugs, mail order drugs, or specialty & biosimilar medications" had to meet specific reimbursement rates has been changed and the 95% has been eliminated
- All medications categories, brand name drug, generic drugs, specialty & biosimilar drugs and mail order drugs shall meet the minimum required reimbursement methodologies delineated in the AHCCCS contract

Pharmacy Benefit Manager Subcontracts Update

- Additional language was added for the Contractor to audit the PBM to ensure reimbursements paid to the pharmacy are in accordance with the contract reimbursement methodologies defined in the Contractor/PBM contract and are equal to the encounters submitted to AHCCCS
 - The Contractor shall report the audit findings to AHCCCS as defined in the contract

Pharmacy Benefit Manager Subcontracts Update

- The Contractor shall ensure that all HCPCS codes for drugs and devices billed on a medical claim shall include the National Drug Code (NDC) on the medical claim
 - As an example, all blood glucose testing products including finger stick and continuous glucose monitoring products must contain the NDC and HCPCS code on a medical claim if provided by a DME supplier
- The Contractor shall not disadvantage one preferred agent over another when there is more than one agent in the designated preferred class and some or all of the agents have the same indications
- Effective October 1, 2022, the Contractor's pharmacy department or the Contractor's PBM shall follow the AHCCCS FFS criteria for Point-of-Sale and medical claims

American Rescue Plan Allocations (ARPA)

- New Paragraph added to Contracts at CMS' request to include MCO requirements directly in Contract rather than incorporating reference to review another document
- Specifies Contractor requirements for collaboration and development of administrative and operational processes necessary for implementation of applicable HCBS Spending Plan initiatives

Capitation Rates

Changes were not captured in Drafts - will be made in Final Contracts

- Reinsurance deductible changed to \$75k
- Rural hospital pass-through changes to remove mention of the supplemental payment as it is replaced by APR-DRG reimbursement increases, which do not need to be specified in contract language

System Changes

- Non-Title XIX/XXI encounters must contain the funding source for the Non-Title XIX/XXI service
 - This data can be submitted with the encounter or via the post adjudication process no later than 90 days from the submission of the encounter.

Quality Management/Performance Improvement

- Quality of Care Concerns (QOC) and Investigations
 - Clarified process of AHCCCS reportable events and those items that do not meet QOC criteria (previously noted as non-AHCCCS reportable events)
- Subcontractor Monitoring
 - Additional language added to LOBs with subcontracted health plan oversight
- NCQA Accreditation
 - Accreditation Administrative Actions subsection added regarding First Surveys and Renewal Surveys
 - NCQA LTSS accreditation/distinction required by October 1, 2024

Quality Management/Performance Improvement

- Performance Improvement Projects (PIPs)
 - Additional language added to the section to outline actions that may be required upon notification and direction from AHCCCS
 - Changes to the Contractor Chart of deliverables to incorporate intervention year submissions and various PIP submission types (including Rapid Cycle PIPs submissions)

Quality Management/Performance Improvement

- Performance Measures
 - Line of Business specific updates to the requirements in the table '*HEDIS® or Other Measures*'
 - Additional language related to performance measures required by NCQA as part of its accreditation process
- Health Disparity Summary & Evaluation Report
 - Now a stand-alone deliverable; no longer included as a component of the Contractor's QM/PI Program Plan submission

Quality Management/Performance Improvement

- Key Staff
 - Addition of Quality Improvement Program Behavioral Healthcare Practitioner
- Non-Title XIX/XXI Contract
 - Performance Improvement Projects (PIP)
 - Additional language added to the section to outline actions that may be required upon notification and direction from AHCCCS

Housing

- Non-Title XIX Housing Changes
 - Housing Transitions required for persons experiencing homeless moved to Title XIX/XXI Contract
 - AHCCCS Permanent Supportive Housing removed from list of Contractor provided Non-Title XIX/XXI services due to transition to Housing Administrator
 - Contractors are responsible for establishing data share agreement with AHCCCS Housing Administrator for purposes of coordination of housing placement and supports
- Title XIX Housing Change
 - Amended and provided updated template for existing MCO housing deliverable requiring tracking and resolution of housing cases referred to MCOs and utilization of other mainstream housing resources

Non-Title XIX/XXI and Grants Contract

- AHCCCS developed definitions for both uninsured and underinsured in relation to the Non-Title XIX/XXI contract and added to definitions section
 - These definitions are now referred to within the context of grant requirements.
- Added a deliverable for Summary of Funding Source Identifier Submissions for Non-Title XIX/XXI encounters (see System Changes Slide)

Non-Title XIX/XXI and Grants Contract Administrative Actions

- Language added to clarify AHCCCS may impose Administrative Actions for any occurrence of non-compliance with the Non-Title XIX/XXI Contract. Proposed sanctions related to non-compliance with the Non-Title XIX/XXI Contract will be evaluated by the AHCCCS Compliance Committee
 - ACOM Policy 408 will also be updated to reflect this clarification

Grants

- A new deliverable has been added to capture status updates for the use of Mental Health Block Grant (MHBG) for those designated with SMI
- Changes were made to include utilization of the Substance Abuse Block Grant (SABG) for the GMH/SU population
- Added expectations surrounding SABG Secret Shopper requirements
- Replaced SABG Agreements Report with SABG Performance Progress Report
- Added requirements regarding intravenous substance use that aligns with new federal requirements

System of Care

- Updated CALOCUS administration expectations
- Included explicit requirements for AMPM Chapter 200, Behavioral Health Practice Tools
- Updated expectations around Behavioral Health services provided in schools
- Re-initiation of BH Clinical Chart Audit
- Included expectations of MCO collaboration with Housing Administrator
- Updated the various deliverables and their requirements

Financial Update

Colby Schaeffer, Chief Actuary
Ben Kauffman, Rates Administrator
Division of Health Care Management

CYE 23 Capitation Rate Development

AHCCCS sent draft rates to MCOs on July 15

- Includes a proposed increase in the regular reinsurance deductible from \$50k to \$75k for CYE 23
- Feedback from MCOs on the rates expected to be received by July 30
- In aggregate across all LOB, rates increased 2.8% from CYE 22
- Some items not yet incorporated into rates include ARPA funding via DAP, AZEIP, DRG adjustment for RHIF, and any recently FRC items approved in July
- There may be updates to assumptions such as PHE acuity adjustment and projected membership

CYE 23 Capitation Rate Timeline

Rates are on schedule, expected to be sent to CMS in mid-August and then ready for payment in October

#	Key Activity	Date
1	MCO Encounter Data Submission for CYE 23 Rate Setting (first cycle)	2/3/2022
2	MCO Encounter Data Submission for CYE 23 Rate Setting (final cycle)	2/17/2022
3	AHCCCS Send MCO Ground-Up Administrative Information Request	On or before 1/28/2022
4	MCO Ground-Up Administrative Information Request Responses Due	(4 weeks after sent)
5	MCO Identification of Items for Consideration by Actuaries via email or meeting	Jan. 31 - Mar. 4, 2022
6	AHCCCS Send MCO Data Request (non-exhaustive list: MMs, admin, encounters, anything noted during MCO meetings)	On or before 3/11/2022
7	MCO Data Request Responses Due	(2 weeks after sent)
8	AHCCCS Send Projected Trends to MCOs	On or before 5/31/2022
9	MCO Feedback to AHCCCS on Projected Trends	(2 weeks after sent)
10	AHCCCS Send Projected Admin, Case Management (CM), and HCBS Mix % (if applicable) to MCOs	On or before 6/30/2022
11	MCO Feedback to AHCCCS on Projected Admin, CM, and HCBS Mix % (if applicable) to MCOs	(2 weeks after sent)
12	AHCCCS Send Rates to MCOs with Summary of Key Items	Send on 7/15/2022
13	MCO Feedback to AHCCCS on Rates	(1 week after sent)
14	AHCCCS Submit Actuarial Certifications to CMS	Send on 8/12/2022

CYE 23 FFS Rate Guidance

- AHCCCS has released the public notice for the proposed AHCCCS Fee for Service (FFS) rates beginning October 1, 2022.
 - [azahcccs.gov/AHCCCS/Downloads/PublicNotices/rates/Preliminary Public Notice Rate Changes 20221001.pdf](https://azahcccs.gov/AHCCCS/Downloads/PublicNotices/rates/Preliminary%20Public%20Notice%20Rate%20Changes%2020221001.pdf)
- Final Public Notice should be posted by the end of August after review of any public comments submitted.
- Detailed rate guidance will be sent to MCOs no later than the beginning of September.

CYE 23 FFS Rate Guidance

- Items of Interest beginning October 1, 2022:
 - Nursing Facility and HCBS rates will receive a 11.0% rate increase as part of the SFY 2023 budget
 - As a reminder, there is contractual language regarding pass-through requirements for this funding for all HCBS and NF rates including specialty and add-on rates
 - Select Behavioral Health Outpatient Rates will receive a 2.5% rate increase
 - The specific codes impacted are H0001, H0002, H0004, H0015, H0018, H0031, H0038, H2014, H2017, H2025, H2027, S5110, and T1016
 - OB Global Rates (CPT 59400, 59510, 59610, 59618) are increasing by 88%
- The expectation is that these adjustments above will be pass-through to providers.

CYE 23 FFS Rate Guidance

- Non-Budget Related Rate Changes for October 1, 2022
 - Transportation, CON provider increases
 - 78% of CON providers received a rate increase for 10.1.22
 - 97% of these providers received the automatic rate increase of 11.65%
 - Air Ambulance rates were increased on aggregate by 6.7%
 - A0430 (one-way fixed wing) and A0431 (one way rotary wing) received a 17.7% rate increase while A0225 (neonatal transport) received a 7.9% increase
 - Physician Drug Schedule will see an increase of 8.5% on the MCO utilization
 - FQHC and Hospice will both be updated per the State Plan language.
 - AZEIP Rates will be updated with rates increasing between 20% to 40%.
 - Hospital APR-DRG Rates
 - Will be updated to account for newborn screening fee increases and Rural Hospital Inpatient Fund (RHIF) funding

CYE 23 FFS Rate Guidance

- Rates were set for two “By Report” codes on the BHOP fee schedule and one on the HCBS fee schedule
 - H0015 (alcohol and/or drug services)- \$138.82
 - S9480 (intensive outpatient psychiatric services; per diem)- \$370.41
 - S5136 (companion care, adult, per diem)- \$177.52
- Anticipated rate changes once the Public Health Emergency (PHE) ends:
 - COVID Administration rates will be set to align to the Medicare geographic adjusted rates once the PHE ends.
 - Currently the rate for all COVID vaccine administration codes are \$83.00
 - NEMT Transportation wait time for COVID drive-thru will be end dated
 - Current pass through rate is \$93.00

VBP Update

Cynthia Layne, Deputy Assistant Director - DHCM
Georgette Chukwuemeka, Strategic Performance
Administrator - DHCM

VBP Update:

Upcoming ACOM 306 and 307 Policy Changes

- AHCCCS facilitated a series of VBP workgroup meetings, led by Bailit Health, with its Contractors from November 2021 – May 2022.
- Workgroup focus:
 - Reviewing AHCCCS' current VBP model, including successes and challenges from the Contractor and provider perspectives
 - Reviewing the VBP approaches of other managed care states
- Goal: Use the workgroup discussions to inform potential changes to AHCCCS' current VBP model
- The following slides outline changes to the AHCCCS Contractor Operations Manual Policies 306 and 307, effective 10/1/2022 for CYE 2023.

ACOM 307 – APM Strategies/PBP Incentive

- Alternative Payment Model (APM) Targets
 - Will reduce current AHCCCS APM target requirements to re-focus Contractor achievements on quality outcome improvements and the role of APMs in supporting and rewarding providers' efforts to meet quality benchmarks.
 - Will set minimum Health Care Payment-Learning & Action Network (HCP-LAN) APM Category 3 and 4 target sub-requirements for ACC and ACC-RBHA Contractors only, excluding members designated SMI.
 - Will reduce current AHCCCS APM sub-requirement percentages.
 - Will eliminate APM targets for ACC-RBHAs' non-integrated population.

ACOM 307 - APM Strategies/PBP Incentive

- APM Targets (continued)
 - Will remove Contractors' requirement to meet specific APM targets in ACOM 307 in order to qualify for Quality Management Performance incentive payment in the ACOM 306 Quality Withhold.
 - Will make sanctions applicable for all lines of business for non-compliance with target requirements.

Note: AHCCCS does not intend to significantly alter APM target requirements for Contractors between CYE 2023 and CYE 2025.

ACOM 307 - APM Strategies/PBP Incentive

- Reporting
 - If a payment model includes more than one LAN APM Category component, the Contractor shall report the provider contract payments under the LAN APM Category where the provider has the greatest potential to earn additional funds based on performance.
 - Additional Reporting changes - TBD
- Changes beginning in CYE 24 or later:
 - AHCCCS may require APMs to include at least one ACOM 306 performance measure if applicable to the payment model in order to have the APM strategy count towards the criteria in ACOM 307.

ACOM 306 – APM Withhold/Quality Measure Performance Incentive

- Policy applicable to ALTCS, ACC and ACC-RBHA (excluding members determined SMI) for CYE23.
- Will adjust the performance achievement calculation through the application of two achievement benchmarks (Threshold and High-Performance) and an improvement benchmark for included measures (refer to “ACOM 306 Methodology Calculation Example” slide).
- Will change the ACOM 306 methodology so that Contractors do not earn back a portion of their Withhold per measure if they do not meet the achievement and/or improvement Benchmarks.
- Will use National Committee for Quality Assurance (NCQA) Medicaid MCO percentiles and consider historical AHCCCS Contractor performance to set performance benchmarks.

ACOM 306 - APM Withhold/Quality Measure Performance Incentive

- AHCCCS will strive to provide ACOM 306 measures and benchmarks to Contractors prior to the start of the measurement year, dependent on the release date of the NCQA data.
- Will retain primary and secondary measures to account for potential challenges with primary measures.
 - Will add utilization-focused measure Plan All-Cause Readmissions as a primary measure (ACC and ACC-RBHA Contractors, excluding members determined SMI)*.
 - All other measures for CYE 2023 for ACC and ALTCS Contractors will remain the same as the 2022 measures.

*Note: the Plan All-Cause Readmissions measure will not include a performance improvement score component.

ACOM 306 Methodology Calculation Example

Annual Dental Visits (ADV): 2-21 years (15% of total withhold)

Plan	2019 Rate	Performance Achievement Score	2018 Rate	Rate Change	p-value	Performance Improvement Score	Combined Performance Score (CPS)	Measure-Specific Withhold	Measure-Specific Earned CPS
A	59.3%	0.5	58.9%	0.3%	0.08	0.0	0.5	\$2,700,000.00	\$1,350,000.00
B	58.3%	0.5	54.5%	3.8%	0.00	0.5	1.0	\$1,350,000.00	\$1,350,000.00
C	54.9%	0.0	54.0%	0.9%	0.00	0.5	0.5	\$1,087,500.00	\$543,750.00
D	61.4%	1.0	61.7%	-0.2%	N/A	N/A	1.0	\$825,000.00	\$825,000.00

- Threshold Benchmark (0.5 point): 55.0% (will be based on national or regional NCQA Medicaid MCO percentile data)
- High-Performance Benchmark (1 point): 60.0% (will be based on national or regional NCQA Medicaid MCO percentile data)
- Improvement Benchmark (up to 0.5 point): Based on statistically significant improvement from previous year's performance (calculated using a Pearson Chi Squared statistical test)

Note: The values contained in this table are illustrative only and do not reflect Contractor withhold amounts or measure performance.



Next Meeting

September 21, 2022

12:00 PM - 2:50 PM

In Person, Location TBD

Thank You.