Arizona Health Care Cost Containment System

AHCCCS Update

AHCCCS Complete Care (ACC)

What, Who, When and Why?

World Premiere
All about ACC
Heidi Capriotti

Communications

- Consistent Constant Communication
  - Corporate – Staff – External Stakeholders
- Don't Forget the Why
- Confidence and Optimism about the future
- Leverage existing materials
- If you have a large audience – we can be there

Don’t forget the Why
The Benefits of Integration

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- One Plan
- One Payer
- One Provider Network
- Easier to Navigate
- Streamline care coordination to get better outcomes
- Improve a person’s whole health
- System Design Matter

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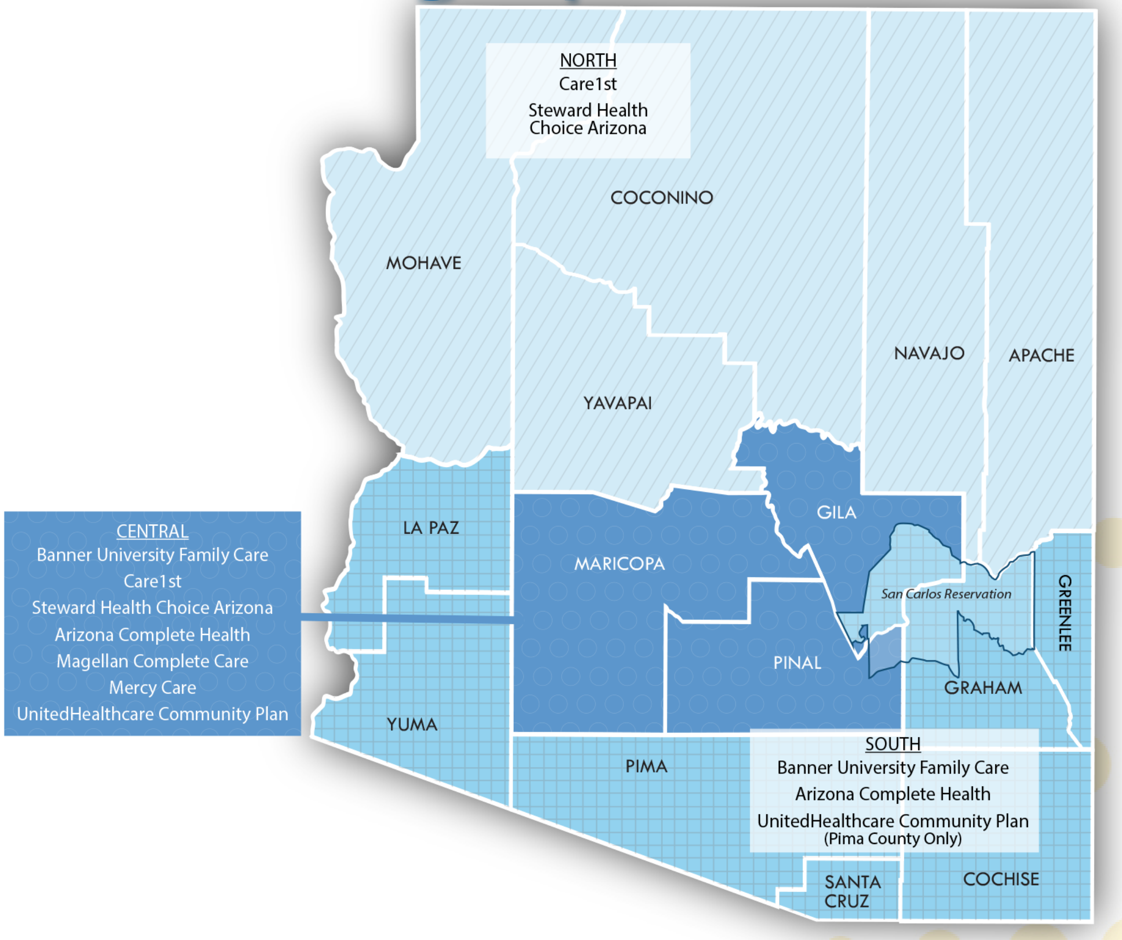
ACC Plan Geographic Service Areas



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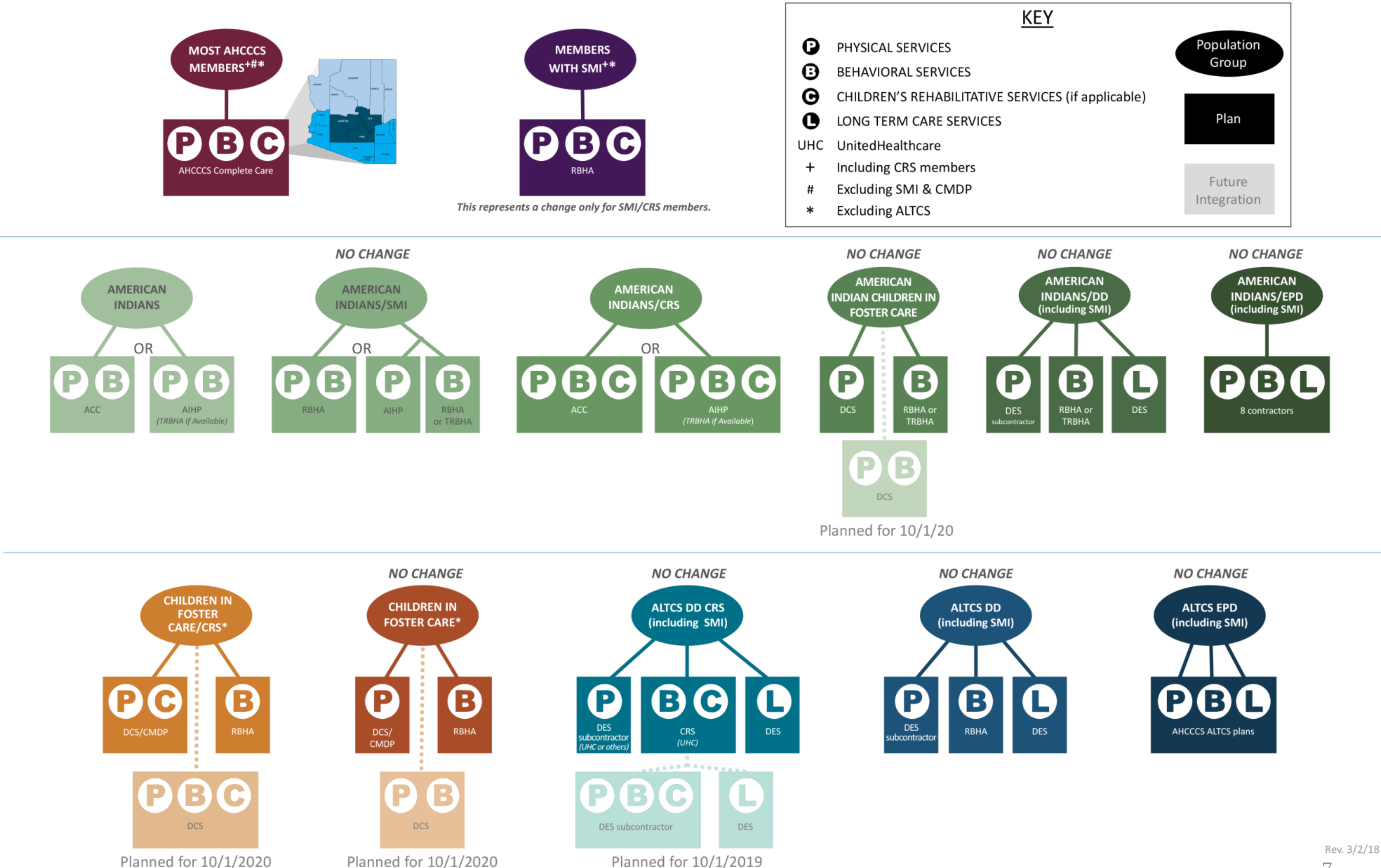
Note: Zip codes 85542, 85192, 85550 representing San Carlos Tribal area are included in the South GSA.

2018-2019 AHCCCS COMPLETE CARE (ACC) INTEGRATION



Projected Membership Transition 137 Days

GSA	Estimated Members
Central	10,400
South	199,575
North	83,445
Total	293,420

Based on February 2018 enrollment.
Pima county projection – 105,200

AHCCCS Complete Care Timeline

What Happens Next?

March 5, 2018
Seven ACC health plan contracts awarded

Spring 2018
AHCCCS holds public forums to explain ACC changes and choices (schedule announced in March)

June 2018
AHCCCS sends letters to members with assigned health plan information and choices

July 2018
AHCCCS members make health plan choices by July 31.

October 1, 2018
AHCCCS members begin service with integrated ACC health plans

Dual Eligible Transition

- Passive Enrollment - Authority now in federal rule (42 CFR 422.60 g) allow passive enrollment for duals impacted by Medicaid plan change
- Sent letter to CMS requesting assistance with 1-1-19 transition of impacted duals – on Medicare side – follow-up phone calls – first use of authority
- 16,111 members falling out of alignment – 28% of 57,000 ACC duals aligned – data by plan by county
- Engaging your Medicare specialists
- Expect full cooperation and support

SFY 2019 Budget Highlights (General Fund Impact)

- K12 Funding – multiple year commitments – assumes limited AHCCCS growth – realistic cap rate growth
- Suicide prevention coordinator – $100k GF
- Increases SNF/ALF provider rates by 3% – $2.7M GF
- Onetime assistance DD providers - proposition 206 - $11M GF
- Increase hospital rates by 2.5% based on HIE – $9.8M GF
- Increases funding for Critical Access Hospitals – $1.8M GF
- Funding for provision of behavioral health services in schools- $3M GF
- Behavioral Health Inpatient capped at 90% of fee schedule if no contract ($1M)
- Budget assumes prior quarter beginning on 7-1-18

2018 Session Legislation

- HB 2228- Exemption to work requirement for American Indians
- SB 1450- Renames the Human Rights Committees to Independent Oversight Committees and transitions jurisdiction to ADOA
- SB 1504- Appropriates additional funding for DD members who exceed the cost effective study rate to stay in their home
- New Reporting Requirements: Diabetes Annual Report (HB2258), Abortion Report (SB1394), Group Home Bed Report (SB1396),
- No expansions or contractions of scope of services

Waivers and Flexibility

- AHCCCS Works – expansion population
- NEMT – adults >100%
- Prior Quarter
- IMD – SUD
- FQHC – Value Based Purchasing
- Pharmacy

AZ Opioid Dashboard

Real Time Opioid Data

For the first time, statewide opioid data is available in real time. Check out the details of the five categories of data we are now collecting.

1,176 suspect opioid deaths	7,437 suspect opioid overdoses	722 neonatal abstinence syndrome	13,994 naloxone doses dispensed	4,917 naloxone doses administered

- The final rule for Opioid Reporting has been released and is now in effect. Review the final reporting rules
- Arizona Opioid Prescribing Guidelines - 2018
- Learn about the new Arizona Opioid Epidemic Act | Español
- The final rule for Opioid Prescribing and Treatment has been released and is now in effect.
- Check out our latest progress on the opioid response.

Figures from 7/11/17 12:42 PM

Opioid Use Disorder Grant: Under and Uninsured

- Legislature allocated $10 m State only
- Disseminated $2M to RBHAs on February 2, 2018
- Disseminated remaining RBHA allocation on March 26, 2018
- Disseminated T/RBHA allocation on April 25, 2018
- 10 community forums to obtain input on use of funds
  - February 12th through February 22nd
  - Tribal consultation – March 7th
  - Themes: priority populations, outreach and navigation, recovery needs, treatment gaps

Targeted Investments

- Over 500 PH and BH sites
- June 15th – PCP assignment file
- TI Resources on our website – please educate provider rep staff on materials
- Key 2018 TI components with MCO linkage
  - High risk registry – leverage plan data
  - Care manager – coordinate with plans
  - Integrated care plans – align with plans
  - SDOH screenings can align with plan efforts
  - Support Coordination with community resources

MACStats & Other Data

- Medicaid National per enrollee spend
  - $7,248
- Arizona
  - $5,867 – second lowest expansion state
- Top 5 in Home and Community Services
- Highest percentage alignment for duals
- National Generic Rate - 82.7%
- Arizona – 86.1% - second highest to RI

Current (2017) Fortune 500 Companies by Business Sector

Category	Number of Companies	CY2016 Revenue (in $1,000,000s)	CY2016 Profits (in $1,000,000s)	CY2016 Profit Margin
Technology	43	$1,257,589	$177,901	**14.1%**
Hotels, Restaurants & Leisure	10	$121,189	$14,511	**12.0%**
Food, Beverages & Tobacco	24	$472,806	$56,308	**11.9%**
Business Services	20	$194,685	$23,107	**11.9%**
Media	11	$180,767	$20,035	**11.1%**
Financials	84	$2,067,607	$228,461	**11.0%**
Household Products	12	$180,846	$19,804	**11.0%**
Apparel	5	$66,254	$6,319	**9.5%**
Telecommunications	10	$459,978	$41,273	**9.0%**
Chemicals	14	$188,667	$15,918	**8.4%**
Transportation	17	$354,733	$28,395	**8.0%**
Industrials	19	$418,359	$32,826	**7.8%**
Aerospace & Defense	12	$338,302	$25,120	**7.4%**
Health Care	46	$1,954,210	$115,638	**5.9%**
Motor Vehicles & Parts	9	$392,466	$17,276	**4.4%**
Engineering & Construction	13	$124,682	$5,072	**4.1%**
Retailing	47	$1,383,281	$46,614	**3.4%**
Materials	19	$169,755	$5,177	**3.0%**
Wholesalers	23	$311,683	$5,431	**1.7%**
Food & Drug Stores	5	$241,598	$4,184	**1.7%**
Energy	57	$1,176,417	$371	**0.0%**
Total	**500**	**$12,055,874**	**$889,740**	**7.4%**

- The health care sector represented 9.2% of the *Fortune* 500 companies, 16.2% of the *Fortune* 500 companies' CY2016 revenues, and 13.0% of the *Fortune* 500 companies' profits.
- Health care companies have become more prominent within the *Fortune* 500 list. The health care industry had 46 *Fortune* 500 firms during 2017, as compared with 44 during 2010 and 36 during 2000. In 2017, seven health care companies were in the top 25 versus four in 2010 and zero in 2000.
- Collectively, the 46 health care companies earned a 5.9% profit margin during CY2016, whereas the entire Fortune 500 group earned a collective profit margin of 7.4%.
- The top 3 *Fortune* 500 companies in terms of profit margin during CY2016 were eBay (a technology firm at 80%), Altria Group (a tobacco company at 74%), and Baxter International (a health care company at 49%).

Fortune 500 Health Care Companies by Industry

Category	Number of Companies	CY2016 Revenue (in $1,000,000s)	CY2016 Profits (in $1,000,000s)	CY2016 Profit Margin
Pharmaceuticals	10	$306,867	$67,748	22.1%
Medical Products and Equipment	7	$76,898	$10,375	13.5%
Health Care: Pharmacy and Other Services	5	$301,849	$10,214	3.4%
Health Care: Insurance and Managed Care	8	$499,645	$15,095	3.0%
Food and Drug Stores	2	$148,088	$4,339	2.9%
Health Care: Medical Facilities	8	$133,130	$1,953	1.5%
Wholesalers: Health Care	6	$487,733	$5,916	1.2%
Grand Total	**46**	**$1,954,210**	**$115,638**	**5.9%**

- The ten pharmaceutical companies represented the largest subcategory of health care companies in the 2017 *Fortune* 500. These companies had a collective profit margin of 22% and accounted for more than half of the total profits of *Fortune* 500 health care companies.
- Insurance and managed care companies captured the largest CY2016 revenues among the *Fortune* 500 health care companies.

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Pharmaceuticals

Category/Company Name	Fortune's Rank	Rank by Profit	CY2016 Revenue (in $1,000,000s)	CY2016 Profits (in $1,000,000s)	CY2016 Profit Margin
Pharmaceuticals			**$306,867**	**$67,748**	**22.1%**
Johnson & Johnson	35	8	$71,890	$16,540	23.0%
Pfizer	54	32	$52,824	$7,215	13.7%
Merck	69	61	$39,807	$3,920	9.8%
Gilead Sciences	92	12	$30,390	$13,501	44.4%
AbbVie	111	40	$25,638	$5,953	23.2%
Amgen	123	29	$22,991	$7,722	33.6%
Eli Lilly	132	82	$21,222	$2,738	12.9%
Bristol-Myers Squibb	147	53	$19,427	$4,457	22.9%
Biogen	248	65	$11,449	$3,703	32.3%
Celgene	254	116	$11,229	$1,999	17.8%

- The 10 pharmaceutical companies in the *Fortune* 500 had the highest collective average profit margin across the health care industry during CY2016 (22.1%).
- Gilead Sciences earned the highest profit margin among these firms (44.4%), driven by their Hepatitis C drugs. The lowest profit margin among these ten companies during CY2016 (Merck at 9.8%) earned a larger profit margin than all *Fortune* 500 firms collectively earned.

CMS Scorecard

- AHCCCS supports CMS efforts to increase transparency for the Medicaid program
- Beta Scorecard will contain several blanks for Arizona – CMS has data – submitted after deadline
- Beta Scorecard is just a sampling of measures and info collected by AHCCCS
- Beta measures difficult to compare – different populations and methods

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CMS Scorecard Measures

1. State Quality – HEDIS and CAHPS
   - Getting Care Quickly
   - Getting Needed Care
2. State Admin Performance
   - HCBS Percent Spend
   - SPA Turnaround Timeframes
3. Federal Admin Performance

Select Quality Measures

Measure	CYE 2013	CY 2014	CYE 2015	CYE 2016
Children's Access 12-24 mo	97.4	97.1	95.1	92.1
Children's Access 25 mo-6 y	89.2	88.5	87.7	85.4
Children's Access 7-11 y	91.4	92.4	91.5	90.6
Children's Access 12-19	89.4	90.1	89.3	88
Well child 6+ in 15 months	67.9	71.5	62.1	57.7
Well Child 3-6	65.5	64.9	64.6	61
Adolescent	39.7	40.7	39.9	39.2
Dental	59.2	63.5	63.7	58.6
EPSDT	59.2	63.5	63.7	58.6

E Prescribe Data

Line of Business	CYE 14 Baseline	CYE 15	CYE 16	CY E 17
Acute	42.2	46.2	49.1	54.2
DDD	44.0	53.5	57.5	61.5
CRS	41.8	51.5	57	63.9
RBHA	28.8	48.0	54.9	62.8
CMDP	46.6	57.0	55.1	59.4
ALTCS	23.8	25.7	28.3	31.3