## Welcome to the SMAC Quarterly Meeting

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- You were automatically muted upon entry.
- Please only join by phone or computer.
- Please use the chat feature for questions and/or comments or raise your hand.

## Thank you!

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Chat



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ARZONA HEALTH CARE COST CONTAINMENT SYSTEM

State Medicaid Advisory Committee (SMAC) Quarterly Meeting

July 9, 2025

# **AHCCCS Updates**



Marcus Johnson AHCCCS Deputy Director, Community Engagement & Regulatory Affairs



## **Recent Federal Developments**

- Administrative Changes: e.g., Federal Grants Cancelation ARPA Mental Health, Substance Abuse, and Community Health Worker Grants; Future DSHP Changes
- Congressional Changes
- <u>AHCCCS Insights: New Data Reports to Inform Decision-Making</u> Intended to help inform stakeholders and policymakers
  - Enrollment and Spend by County and by Congressional District
  - Congressional District Profiles
  - Policy Briefs Estimated Impacts of Congressional Changes
  - Administrative Cost Estimate of Congressional Changes

## **Medicaid Implications of Federal Changes**

- Community Engagement/Work Requirements 12/31/26
- 6-month Eligibility Redeterminations 12/31/26
- Hospital Assessment Implications Phase down by 2032
- Cost Sharing Changes 10/1/28
- Administrative Costs for Implementation and Operations
- Timelines
- What's Next?
  - Backfill funds or
  - Make changes to provider rates, covered services and/or eligibility criteria
- IMPORTANT: No immediate changes to AHCCCS member coverage

## **New Provider Directory**

#### New Provider Registry Link

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM				
🏝 Home	Medicaid Provider Search			
	Provider Details			
	Provider Name	Provider Type		
	Search by Provider/Doctor/Clinic name	Select		•
	Provider Specialty Select V Note: At least one search parameter has to be filled to start searching.			
	Servicing Location			
	Provider Address	Search by city		
	Search by provider address	Search by city		
	State Select	Search by zip code	Radius within *	
	Additional Search Criteria			•
	Q Search	Clear		



#### ① Alert: Unauthorized Agent and Broker Activity on ACA Marketplace

gents and Broker

help enroll consumers

in coverage and also get payments from

surance plans

What to do if you suspect

Mage Care (

changes were made on

your account

You may discover a potential problem with

a If you believe you were enrolled in or

answer your questions.

your coverage when you get mail or a call, or

visit the doctor and try to use your insurance.

switched to a plan without your knowledge.

call the Marketplace Call Center at 1-800-

resolve any coverage issues. Wait times are

low and a representative will be able to help

318-2596 (TTY: 1-855-889-4325) 10 OUT

official Marketplace representatives can

intervitations that

The Health Insurance Marketplace is seeing an increase in suspicious activity by some agents and brokers selling Marketplace coverage. This may include signing you up for coverage without your knowledge or switching you out of a plan you already have and into a new one.

#### What you need to know to protect yourself

- Agents and brokers must get your permission when signing you up or making changes to your insurance plan.
- Health insurance ads on social media or elsewhere that offer you cash, gifts, or other perks, could be a scam. Don't give our personal information that might be used without your consent.

 Use trusted, official sources to find legitimate help comparing and enrolling in Marketplace insurance. Go to 'find local help' on HealthCare gov or call the Marketplace Call Center at 1-800-318-2596 to find help in your area.





- Make sure the unauthorized plan is cancelled
- Make sure you're reenrolled in a plan that you choose
- Have inaccurate costs repaid to you
- Get corrected tax forms

#### instith insurance Markelpiece

## Unauthorized Marketplace Enrollment

- This is a national issue and CMS is taking action against brokers/agents.
- Contact the Marketplace Call Center to drop the Marketplace plan, if desired.
  - 0 1.800.318.2596
- AHCCCS Clinical Resolution Unit (CRU) can assist with access to care issues.
  - **1.800.867.5808.**
- Know the warning signs! No broker should be offering \$ or gifts to sign up for health insurance.
- AHCCCS to outreach to all members dualenrolled in a commercial plan.

# For more information visit...

#### THIS AHCCCS WEBPAGE

https://www.azahcccs.gov /Members/UnauthorizedM arketplaceEnrollment.html

#### Notice: ACA Marketplace Fraud What to Watch for to Protect Your AHCCCS

Coverage

CONTAINMENT SYSTEM

AZ

## On the Horizon

- Traditional Healing Go Live
- Cochlear Implants and Speech Therapy Coverage Expansion
- Continued system improvements to combat fraudulent billing and member exploitation
- Two Justice Initiatives
  - Consolidated Appropriations Act (CAA): healthcare services for incarcerated youth
  - Reentry Waiver: Reimbursement for services 90 days pre-release

- MES Roadmap
  - MES = Medicaid Enterprise System
     (30 yrs old!)
  - Pre/Post Payment review system
  - EVV Changes
- Changes stemming from H.R. 1
- AHCCCS Waiver Renewal

# **Open Discussion**



# SMAC Member Spotlight Updates



Karen Resseguie Administrator, Residential Behavioral Health AllThrive 365 - formerly Foundation for Senior Living (FSL)





# **AllThrive**365

Helping Arizonans age with confidence since 1974 www.allthrive365.org



### **The Journey to AllThrive 365**





#### Mission, Vision, Values

#### MISSION

Our holistic approach prepares and embraces individuals to age independently, safely and with peace of mind. VISION

We all age with confidence.

VALUES

Compassion Growth Resilience Openness



#### HOUSING



#### CONNECTION







#### Health

#### Supporting Well-Being

- Adult Day Health Centers
- Adult Foster Care
- Behavioral Health Homes
- Food Programs
- Health Education
- Transitional Care





#### Housing

Safe, Affordable & Energy-Efficient Homes

- Apartments with affordable rents
- Energy Efficiency
- Home Modifications
- SouthWest Building Sciences
   Training Center





#### Connection

#### Building Community & Support

- Community Resource Centers
- Emergency Assistance
- Friendly Callers
- Transportation





# Find the thrive-path for you **AllThrive 365 Resource Navigation**











#### Get connected to internal and external services and support













## Impact

40,000 Arizonans served annually

- 1,335 individuals housed in safe & affordable homes
- 782 homes modified to maximize energy efficiency
- 243,966 miles of free transportation
- 142,453 hours of respite supplied to caregivers
- 190,013 meals provided
- \$2,138,964 provided in rent, mortgage, and utility bill assistance

Impact data from fiscal year 2024



#### Get Involved Help Arizonans Age With Confidence

#### VOLUNTEER

Deliver meals, assist with activities, and offer companionship.

#### ARIZONA STATE CHARITABLE TAX CREDIT

Fund programs that provide health, housing, & connection.

#### **ADVOCATE**

Help raise awareness and support policies that benefit healthy aging.



# **Thank You**

602-285-1800 www.allthrive365.org

# Other SMAC Member Updates



# **Open Discussion**



## **Federal Relations Updates**



Maxwell Seifer Federal Relations Chief, Division of Public Policy and Strategic Planning



Parin Kaba Federal Relations Specialist, Division of Public Policy and Strategic Planning



## Section 1115 of the Social Security Act

- Allows states the flexibility to design Demonstration projects that promote the objectives of the Medicaid program,
- Demonstration projects are typically approved for a five-year period and can be renewed every five years, and
- Must be budget neutral, meaning that federal spending under the waiver cannot exceed what it would have been in absence of the waiver.

## **Current 1115 Waiver Overview**

- Arizona's current 1115 Waiver was last approved for a five-year extension on Oct. 14, 2022. This waiver is valid until September 30, 2027.
- This extension continued many longstanding AHCCCS programs including Integrated Managed Care through:
  - AHCCCS Complete Care (ACC);
  - the Arizona Long Term Care System (ALTCS);
  - the Comprehensive Health Plan (CHP) for children in foster care;
  - and Regional Behavioral Health Agreements (RBHAs) which provide integrated care for individuals with a Serious Mental Illness (SMI)

## **Current 1115 Waiver Overview**

- In addition to continuing many longstanding programs, AHCCCS also received approval on a variety of new programs:
  - Targeted Investments (TI) 2.0,
  - KidsCare Eligibility Expansion,
  - Traditional Healing services, and
  - Pre-release services.
- AHCCCS is now seeking to renew its 1115 Waiver Authority and is beginning much of the exploratory work to envision what this may look like.

## 1115 Waiver Renewal

- To renew the 1115 authority, AHCCCS must submit a renewal application to CMS by September 30, 2026.
- This renewal application must include all existing programs under the waiver and could also include any new programs the state wishes to pursue.
- In May 2025, Arizona's Legislature passed **HB 2945**:
  - Institutes a new requirement for AHCCCS to first gain legislative approval prior to submitting any new 1115 Waiver Program that:
    - Expands eligibility,
    - Adds new services, or
    - Will lead to an annual increase in utilization greater than 10%.

## Arizona's 1115 Waiver Renewal Timeline



#### **Next Steps**

- <u>Survey</u> to gain feedback is now live!
- Please complete the survey and share any additional thoughts or insight into the Waiver renewal.
- AHCCCS will hold a few additional sessions throughout the month to ensure we reach all stakeholders.
- In July, we will review all feedback received and post a high level summary of the results and a copy of this slide deck to the <u>AHCCCS</u> <u>waiver renewal webpage</u>.

As always, feel free to reach out with any additional comments or questions to our <u>waiverpublicinput@azahcccs.gov</u> email.
- President Trump and the Republican party are seeking to significantly reduce federal spending.
- One way Congress may "fast track" legislative change that impacts the federal budget is through a process called budget reconciliation.
- Reconciliation can only be used to make changes to the debt limit, federal revenues, or to direct mandatory federal spending (including Medicaid)

#### **Reminders & Level-Setting**

- In April, the House and Senate both passed a budget resolution which provided an outline of how much money each congressional committee is responsible for spending or cutting.
- One key aspect of this resolution includes directing the House Energy & Commerce Committee (the committee with jurisdiction over Medicaid, Medicare, FDA, and more) to find \$880 billion in spending reductions.
- On May 22, the House passed 'H.R.1 One Big Beautiful Bill Act' which contains significant changes to various Medicaid policies.

#### **Budget Reconciliation Process**

- 1. Congress passes budget resolution with committee instructions
- 2. Committees write reconciliation bills in accordance with budget resolution instructions
- Committees mark up bills. Committee members vote on amendments and to "report" – or send – the bill to full House/Senate
- 4. House/Senate votes on full reconciliation package. Committees' bills are combined into a single reconciliation package
- 5. House and Senate reconcile differences. House and Senate must pass the same reconciliation bill for it to be sent to the President
- 6. President signs or vetoes bill.

- On May 11th, the House Energy and Commerce Committee (E&C) released statutory language of policies within its jurisdiction (including health and Medicaid). Key proposals include:
- Community Engagement Requirements
  - Individuals between the ages of 19 and 64 would be required to complete a qualifying activity for 80 hours per month (work, school, or others) to qualify for Medicaid.
  - The bill outlines various exclusions for certain individuals
- Cost Sharing for Expansion Adults
  - Requires states to impose cost-sharing on expansion adults with incomes over 100 percent of FPL



#### • Eligibility Changes

- Requires states to conduct eligibility redeterminations for expansion adults every six months
- Requires states to establish processes to update enrollee address and perform checks of the SSA Death Master File

#### Rule Changes

• Prohibits CMS from implementing certain rules such as the nursing facility minimum staffing standards rule and other eligibility rules

#### • FMAP Conditions

- Prohibits FMAP for individuals whose immigration status has not yet been verified
- Prohibits FMAP for specified treatments for gender dysphoria

#### **Provider Provisions**

- Requires states to check the SSA Death Master File during Provider Enrollment.
- Prohibits Medicaid funds from being paid to certain family planning providers that offer abortion services.
- Requires states to establish streamlined enrollment processes for outof-state pediatric providers.

And More



- On June 16th, the Senate Finance Committee released their version of reconciliation language which incorporates modifications to the 'One Big Beautiful Bill Act.'
- Although much of the text is similar to the House version, there are a few key differences. The biggest of which is additional changes to health care related taxes.
- At this stage in the reconciliation process change is fluid.
- Senate leadership is aiming to hold a floor vote by the July 4th recess.



### **AHCCCS Role**

- Several internal AHCCCS teams are working hard to understand and quantify the impact of these proposals.
  - This is in collaboration with outside contractors, other states, and various stakeholder groups.
- We are sharing this information as soon as it becomes readily available to law makers, advocates, and more.
  - Check out the new "AHCCCS Insights" webpage which showcases a variety of useful data to be used in the policy decision making process.



# **Open Discussion**



### Medicaid Enterprise System (MES) Modernization Updates



### **Brad Perrin**

MES Modernization Program Manager, AHCCCS IT Services Division (ISD)



### Why Modernize & Transform AHCCCS Technology?



The modernization of existing systems and innovation through new tools and technology allows AHCCCS to adapt quickly to meet the needs of members and providers in an everchanging environment.





AHCCCS is transforming their MES systems and applications to help the people of Arizona access Medicaid by:

- Modernizing the current legacy systems and applications
- Keeping what works for AHCCCS
- Leveraging industry standards and best practices
- Incorporating innovative technology



# Putting the Pieces Together of MES Modernization



### Mainframe Refactor Work Involved

Microsoft / Ensono has a structured work approach to ensure the refactored applications are ready for production and meet business needs

### BASELINE & REFACTOR

During baseline the original code is run in the mainframe to establish a baseline result for comparison. Then the code is converted to C# (refactored) to run in the new Microsoft Azure environment.



The validation process involves running the refactored code in the new system environment using the same setup as the mainframe baseline to perform a comparison. AI tools are used to analyze the comparative results.







#### UAT & PERFORMANCE TESTING

User Acceptance Testing (UAT) is performed to ensure the new application works as expected & performance testing is done to ensure the system can operate effectively in the new environment.



#### **MES Modernization Program Evolution**

(PMMIS) Mainframe refactor completed

Program Integrity FWA solution implemented, EDI replacement completed, Mainframe refactor in progress

Mainframe refactor in progress, EVV Aggregator completed, ServiceNow modules in place

Key infrastructure capability built with Systems Integration Platform; Mainframe Refactor begins and improved workflow processes using ServiceNow underway

MES Modernization Roadmap published

Data Warehouse migrated to Azure cloud environment

EVV introduced and modularity continues to expand

Modernization begins with the launch of APEP



2026

2023

2022

2019

2027



# **Open Discussion**



# Legislative Updates



Damien Carpenter Chief Legislative Liaison Division of Public Policy and Strategic Planning



### 2025 Legislative Session Timeline

- Mon. January 13th- Start of Legislative Session.
- January to March Regular committees
- **April to June** Budget negotiations, non-regular committees, floor voting.
- June 27th- Legislature Adjourns Sine Die!
- Next session will begin on the second Monday of the calendar year.

### **Legislative Highlights**

- Agency Bills/Initiatives:
  - SB 1671 Traditional healing services; AHCCCS
- Additional bills of note (not all inclusive)
  - HB 2945 DD; appropriations; waivers
  - SB1132 AHCCCS; continuous glucose monitors
  - SB1711 AHCCCS; obesity treatment; study committee
  - HB2332 postpartum health; education; advisory committee

### AHCCCS Bills/ Budget Provisions (not all inclusive)

# SB1735- general appropriations act; 2025-2026

- Continues Funding for Medicaid Enterprise System (MES) modernization.
- Continues Graduate Medical Education (GME) and Critical Access Hospital (CAH) funding.
- Directs AHCCCS to produce an implementation plan that contains recommendations for Secure Behavioral Health facilities (S-BHRFs) and issue a request for proposals (RFP) for SBHRF funding.

#### SB1741- health care; 2025-2026

- Adds cochlear implants and speech therapy services for adults covered by AHCCCS.
- Adds Duchenne Muscular Dystrophy to State's newborn screening panel.
- Authorizes and funds Traditional Healing services through or by IHS or tribal facility as a cover service to AHCCCS members who qualify.
- Authorizes limited prerelease services as AHCCCScovered benefits for incarcerated individuals.



# **Open Discussion**



# SMAC Updates



Desiree Greene Project Manager and SMAC Liaison, Division of Public Policy and Strategic Planning



#### Beneficiary Advisory Council (BAC)

The BAC is a dedicated forum for **people with lived experience** of the Medicaid program. BAC members must include:

Current and/or former Medicaid enrollees

Family members of enrollees

Paid or unpaid caregivers of enrollees



States must publicly post the MAC and BAC annual report, bylaws, membership lists, member recruitment/selection processes, and meeting minutes and MUST submit an annual report of all BAC activities.

#### Medicaid Advisory Committee (MAC)

The MAC is a **diverse group of Medicaid stakeholders** with a wide range of perspectives and experiences. The MAC includes BAC members and at least one representative from each of these categories:



Clinical providers/ administrators

Participating plans/ state associations

Other state agencies as ex officio members

State, local, or communitybased organizations

By July 10, 2027, 25% of MAC members must be from the BAC\*

\*In the final rule, CMS opted to phase in this requirement, providing that 10% of MAC members must also be members of the BAC for the period July 9, 2025, through July 9, 2026; 20% for the period July 10, 2026, through July 9, 2027; and 25% thereafter.

### **Meeting Requirements**



The BAC must meet separately and in advance of MAC meetings.

This helps ensure that the perspective of those with lived experience informs the broader discussions. The BAC and MAC must offer a variety of meeting participation options.

Can be in-person, virtual, or hybrid, but telephone dial-in is always required.

#### At least two MAC meetings per year must be public.

Meetings must include dedicated time for public comment.



The BAC and MAC must each meet once per quarter.

Meetings may be held off cycle as necessary.

At least one member of the state's executive staff must attend all BAC and MAC meetings.

### **BAC Selection Highlights**

- Applications: We received 63 completed applications for the BAC that met the criteria required for consideration
- Evaluation: All 63 applications were evaluated for quality and uniqueness to ensure that we covered a wide range of lived experience through our potential BAC members
- Health Plans: The current 12 selected BAC members have coverage across a range of AHCCCS health plans including: Arizona Complete Health – Complete Care Plan, Banner-University Family Care, UnitedHealthcare Community Plan, and Mercy Care
- Rural vs Urban: 3/12 of the selected BAC members live in rural centers
- Medicaid Membership: 7/12 of the selected BAC members are current or former Medicaid members, 5/12 are family members to a Medicaid member this includes children, parents, and foster children
- Membership Population: The selected members span across a range of Medicaid populations to ensure a robust representation of the different populations that AHCCCS supports

**Disclaimer:** Selection has been made based on application responses, additional vetting questions will be answered upon reach out, and verification of Medicaid status/involvement is required before final seat selection.

# SMAC Membership Assignments & Voting Session



Dina Norwood Managing Attorney Community Legal Services



### **SMAC Member Nomination Review**

The SMAC receives many nominations for consideration throughout the year. The SMAC Liaison saves and prepares them for submission to the subcommittee in accordance with the bylaws. The subcommittee makes recommendations to the appointed AHCCCS Deputy Director for consideration to use those recommendations to move forward with a formal majority vote of the SMAC during an open meeting.

### **Current Provider SMAC Members**

John Hogeboom, CEO/President, Community Bridges, Inc.

Dr. Aaron Knudson, Internal Medicine and Pediatric Hospitalist, Banner Page Hospital

Dr. Elizabeth McKenna, M.D., Co-Owner, Healing Hearts Pediatrics

Dr. Jessica B. Peterkin, Dentist & Founder/CEO, Ministry of Dentistry, Inc

Vicki Staples, Director of OP Behavioral Health, Valleywise Health

Mary Jo Whitfield, VP of Integrated Health, Jewish Family and Children's Services

Jennifer Longdon, Chief External Affairs Officer, AZ Alliance for Community Health Centers (new member)

Karen Resseguie, Behavioral Health Administrator, Foundation for Senior Living

Katherine Andersen, Director of Health Information Management and Medical Staff; Privacy Officer, San Carlos Apache Healthcare Corporation

Brittney Kaufmann, Chief Executive Officer, Health System Alliance of Arizona

### **Current Public SMAC Members**

Terry Benelli, Executive Director, Local Initiatives Support Corporation

Jennifer J. Burns, Director of Government Relations & Health Policy, Children's Action Alliance

Vince Torres, Community Member/Advocate

Dina Norwood, Managing Attorney, Community Legal Services

Jill Anne Castle, Professor/Advocate/Consultant, Arizona State University

Diana "Dede" Yazzie Devine, Community Member/Advocate

Melissa Kotrys, CEO, Contexture

Tory Roberg, Director of Government Affairs, Alzheimer's Association, Desert Southwest Chapter

Serena Unrein, Community Member/Advocate

Open Seat - Kavita Bernstein, Senior Director of Strategy & Innovation, Candelen

# THANK YOU Kavita Bernstein

### Recommendation for Public Member Assignment

Nominee	Title	Asso	Association	
Jane Jepson	Senior Director	Triumph Education		
			● ( ->=   (	

# SMAC Member Assignment Vote



# **Open Discussion**



# Call to the Public



### 2025 SMAC Meeting Calendar

Per bylaws language, SMAC meetings are to be held during the 2<sup>nd</sup> Wednesday of January, April, July, and October from 1:00 p.m. - 3:00 p.m

#### 2025 SMAC Meetings:

January 8, 2025 April 9, 2025 July 9, 2025 October 8, 2025 (final meeting of the year)

For all SMAC Dates and Meeting Materials, see the following link: <a href="https://www.azahcccs.gov/AHCCCS/HealthcareAdvocacy/smac.html">https://www.azahcccs.gov/AHCCCS/HealthcareAdvocacy/smac.html</a>

### **Subscribe to AHCCCS News Alerts**

### Subscribe to the latest news from AHCCCS



Submit

### Follow & Support AHCCCS on Social Media







### Learn about AHCCCS' Medicaid Program on YouTube!



# YouTube

Watch our Playlist:

Meet Arizona's Innovative Medicaid Program



### **Other Resources - Quick Links**

- AHCCCS <u>Waiver</u>
- AHCCCS <u>State Plan</u>
- AHCCCS <u>Grants</u>
- AHCCCS <u>Whole Person Care Initiative (WPCI)</u>
- AHCCCS <u>Office of Human Rights</u>
- AHCCCS Office of Individual and Family Affairs
- <u>ALTCS</u>Email: <u>mcotransitions@azahcccs.gov</u> and <u>FAQ</u>

# Thank you and have a great day!

