Nominal Copayments, Alternative Copayments And American Indians

AHCCCS Tribal Consultation Meeting
March 23, 2010
AHCCCS & Cost-Sharing

- Mandate from the Legislature to institute cost-sharing to the maximum extent permitted under federal law.
Nominal Cost-sharing

- Copayments are made by recipients at the point of service
- In general, limited to “nominal amounts” set by the federal government.
- Providers cannot deny services to a recipient who is unable to make the copayment.
Nominal Cost-sharing

- AHCCCS currently has nominal copayments of:
  - $1.00 for a physician office visit, and
  - $1.00 for non-emergency use of the emergency room.
Nominal Cost-sharing

○ AHCCCS is proposing nominal copayments of:
  ● $2.30 for prescription drugs
  ● $3.40 for office visits for
    ○ evaluation and management
    ○ non-emergency surgical procedures
  ● $2.30 for office visits involving physical, occupational, or speech therapy
Alternative Cost-Sharing

- The Deficit Reduction Act allows “alternative” - higher than nominal - copayments for persons above 100% of the federal poverty level.
- Providers can deny services if recipients do not make the copayment.
AHCCCS is proposing alternative copayments for persons eligible for “transitional medical assistance”.

Families that were eligible for AHCCCS because they are TANF-related but who lose that eligibility due to an increase in earned income.

They receive up to 12 more months of eligibility.
Alternative Cost-Sharing

- The proposed alternative copayments are:
  - $2.30 for prescription drugs
  - $4.00 for office visits for evaluation and management
  - $3.00 for non-emergency surgical procedures
  - $3.00 for office visits involving physical, occupational, or speech therapy
American Indians and AHCCCS Copayments

- Current Rule: American Indians enrolled in I.H.S. have no copayments
- Current Practice: American Indians have no copayments
American Indians and AHCCCS Copayments

- Recovery Act: American Indians have no copayments for services provided by I.H.S., tribal (638), urban Indian health programs, or services provided under Contract Health.
American Indians and AHCCCS Copayments

○ AHCCCS 1\textsuperscript{st} proposed: American Indians have no copayments
○ CMS said they will not approve such an exception
American Indians and AHCCCS Copayments

- AHCCCS now proposing: no one is charged copayments for services that are reimbursed directly by the AHCCCS Administration through its fee-for-service program.
  - I.H.S./638/urban Indian health program
  - AHCCCS-registered provider to FFS members
  - AHCCCS-registered provider to MCO members when billed through Contract Health Service of an I.H.S. or a 638 facility to AHCCCS
  - Federal Emergency Services Program (Non-Qualified Aliens)
  - Assorted other cases
## Copayment Scenarios for American Indian Medicaid Members

<table>
<thead>
<tr>
<th></th>
<th>Current Practice</th>
<th>Current Rule</th>
<th>Proposed Rule</th>
<th>ARRA</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FFS</td>
<td>MCO</td>
<td>FFS</td>
<td>MCO</td>
</tr>
<tr>
<td>IHS/638/Urban</td>
<td>N</td>
<td>N</td>
<td>N</td>
<td>Y</td>
</tr>
<tr>
<td>CHS-Referral</td>
<td>N</td>
<td>N</td>
<td>N</td>
<td>Y</td>
</tr>
<tr>
<td>No CHS-Referral</td>
<td>N</td>
<td>N</td>
<td>N</td>
<td>Y</td>
</tr>
</tbody>
</table>

**FFS** – Fee-for-Service Enrolled Member  
**MCO** – Managed Care Organization Enrolled Member  
*Unless the CHS-Referral is billed directly through the IHS/638 to AHCCCS.*