



AHCCCS Update

August 15, 2013



30 Years of Medicaid Innovation
Our first care is your health care
Arizona Health Care Cost Containment System

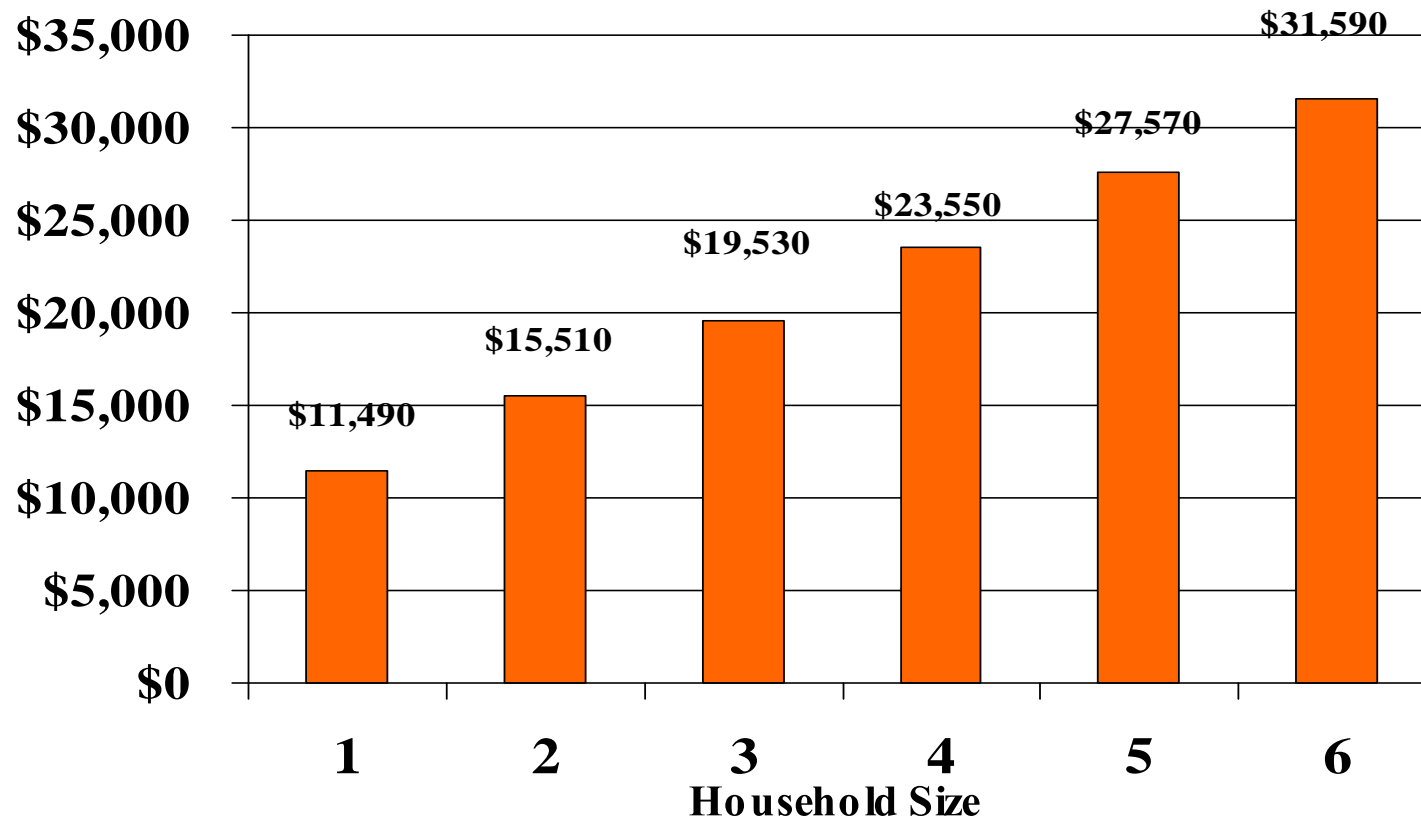
“Reaching across Arizona to provide comprehensive quality
health care for those in need”

AHCCCS Today

- ❑ Largest Insurer in State
- ❑ \$9.0 billion Program and growing
- ❑ Approximately 45% of American Indians are enrolled – 75% AIHP – 25% Managed Care
- ❑ Covers over 50% of all births
- ❑ Covers two-thirds of nursing facility days
- ❑ Financing – I.H.S & 638 facilities 100% federal funds – other providers – Feds two-thirds State one-third

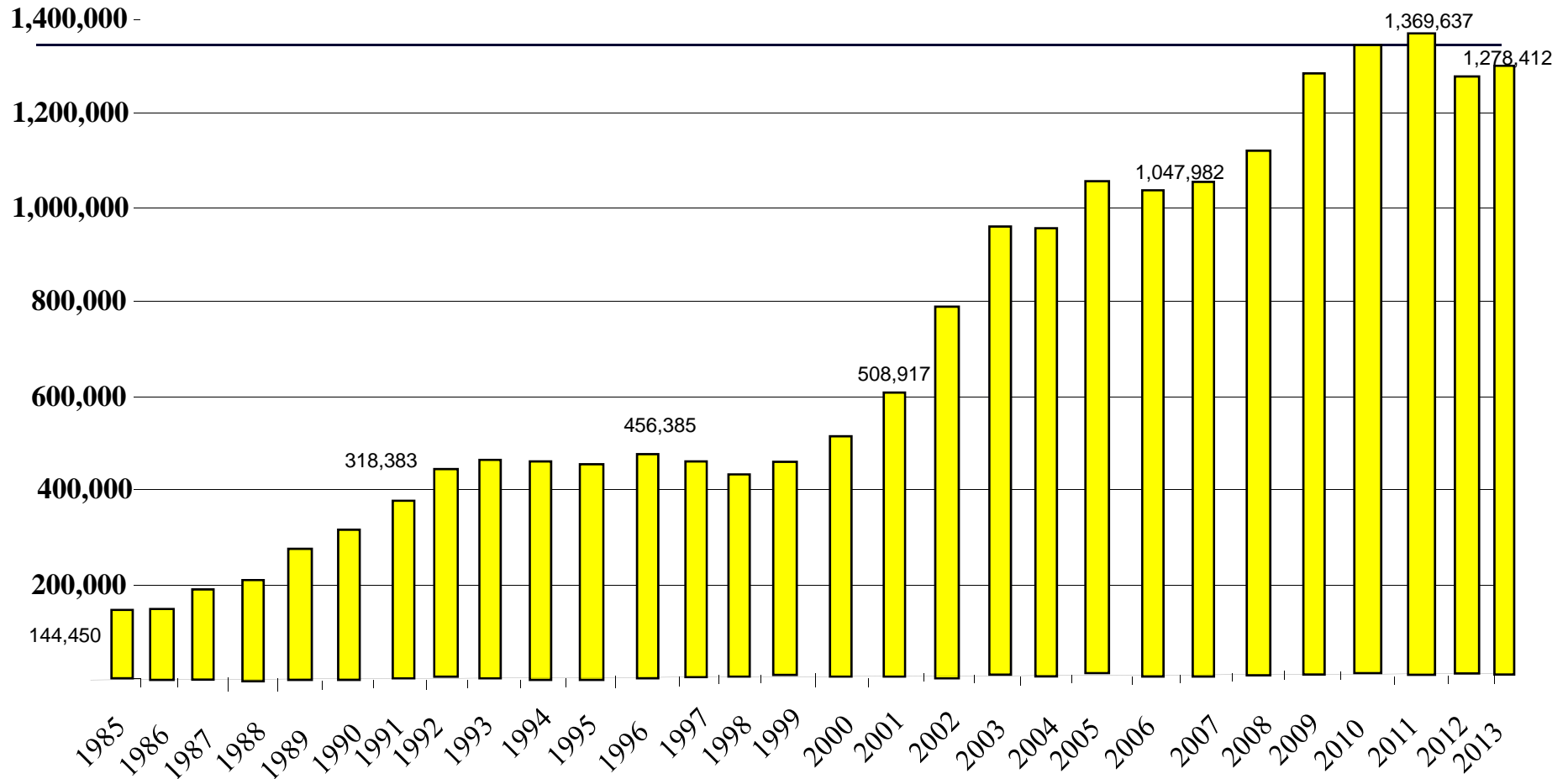


100% Federal Poverty Level (2013)



AHCCCS Population as of July 1

1985 – 2013



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Tribal Consultation Policy

□ AHCCCS Tribal Consultation Policy

AHCCCS and Indian Tribes in the State of Arizona share the common goal of decreasing health disparities and maximizing access to critical health services. In order to achieve this goal, it is essential that the AHCCCS Administration and Indian Tribes engage in open, continuous, and meaningful consultation on a government to government basis.

- To further government to government relations AHCCCS had conducted 40 consultations in the past 4 years



Tribal Consultation Results

- ❑ Increased training and communication around billing for services
- ❑ Opened lines of communication to resolve issues
- ❑ Developed data sharing method for renewal dates for members without children
- ❑ Developed and received federal approval for unique 1115 waiver to provide funding for uncompensated care.

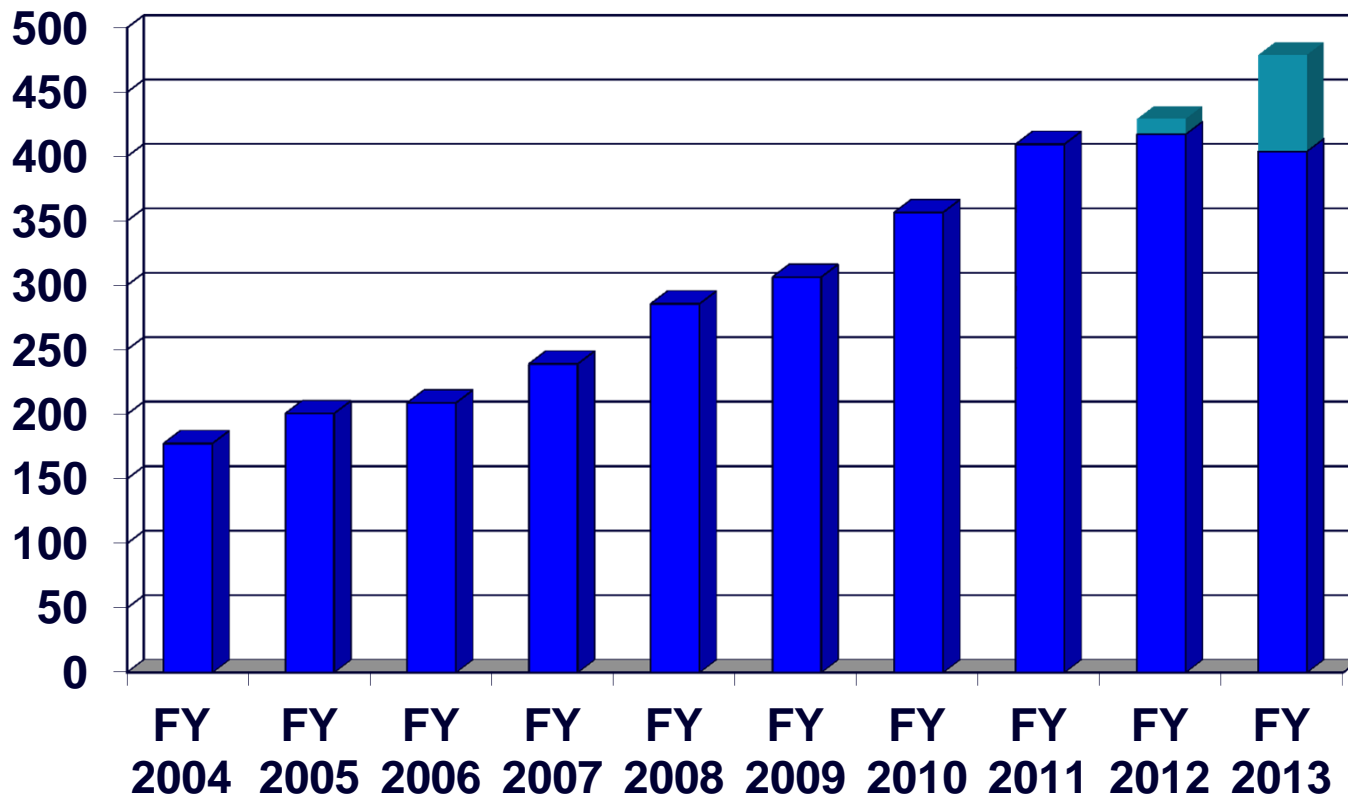


Waiver Overview

- ❑ First of its kind nationally
- ❑ Joint effort with Tribes, AHCCCS and CMS
- ❑ Has paid over \$100 m for uncompensated care
- ❑ Provided I.H.S and 638 facilities with 2 options to receive funding
- ❑ Waiver is set to expire on 1-1-14
- ❑ Providers need to bet final claims into AHCCCS by 3-31-14



100% Federal Indian Health Services & Tribal Facility Payments (In Millions)



Future Opportunities

- Oct. 23 Care Coordination work session -
Develop more effective care management programs
- Develop more robust data collection on health care claims – value for care management
- Oct. 3 facilitated discussion on emergency protocols and coordination for tribal members

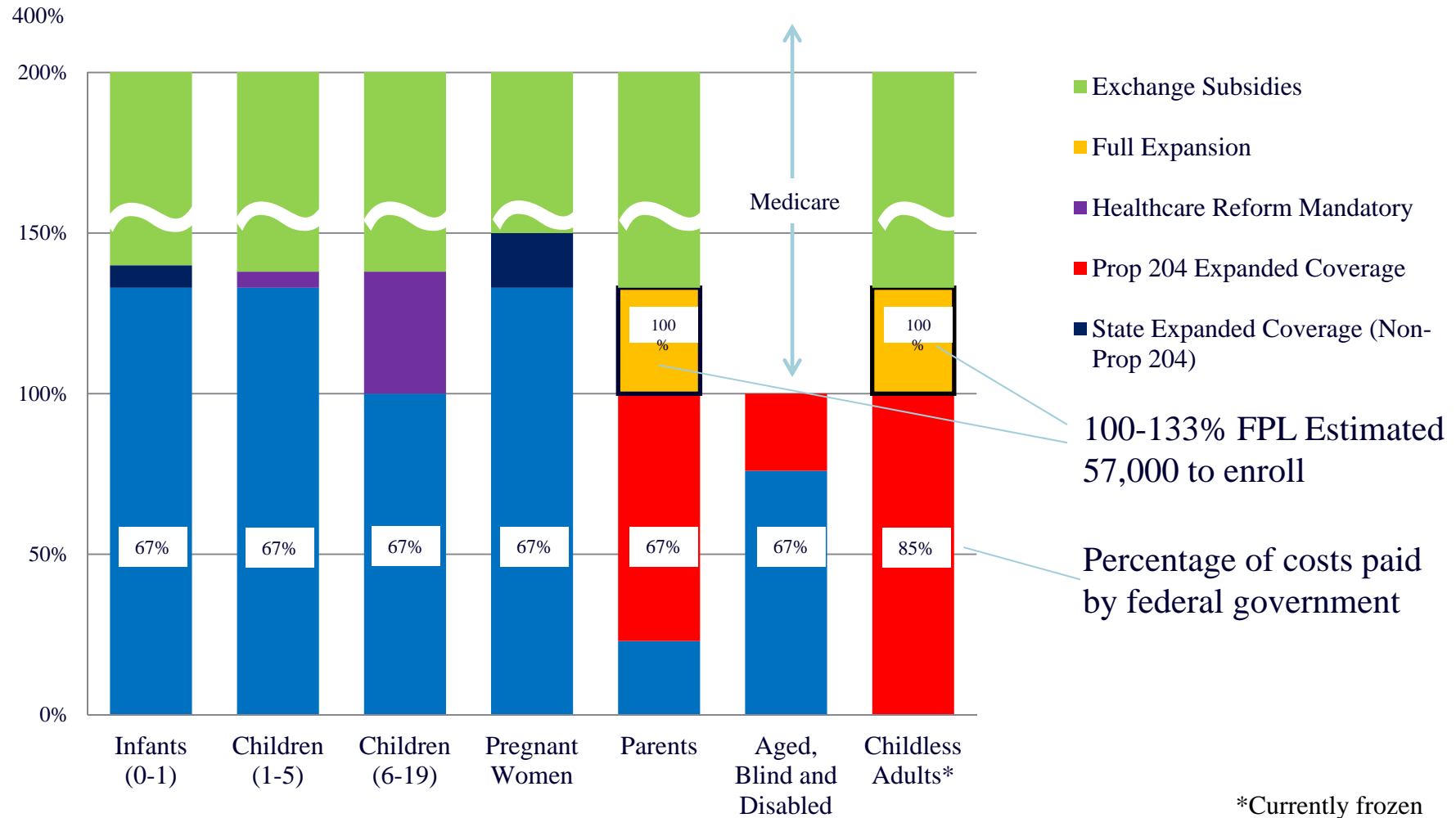


AHCCCS Coverage

- In her State of the State Governor Brewer called for the legislature to restore Proposition 204 coverage and provide coverage up to 133%
- This would provide coverage for about 300,000 statewide (about 30,000 American Indians)
- Proposal would provide about \$1.7 billion in federal funds to support healthcare in AZ



Medicaid and ACA Populations



Policy Options

Options	Lives covered	GF Impact (FY 14-16)	Federal \$ available	Prop 204 Vote Honored
Governor's Proposal	300,000	\$(100) m savings	\$4.1 billion	Yes
Continued Freeze (assume state only)	63,000 and shrinking	\$850 m plus cost	\$0	No
Terminate Coverage 1-1-14	0 (63,000 lose coverage)	\$0	\$0	No





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Final Legislation

- ❑ Authorizes Prop 204 Restoration and Expansion
- ❑ Provides AHCCCS Director with ability to levy an assessment against hospitals – includes ability to exempt – I.H.S & 638 facilities are exempt
- ❑ Includes circuit breakers Governor had requested in case federal funding is reduced
- ❑ Restores Well-exams



Phase II

□ Lawsuits

- Referral – Constitution exempts laws necessary for the support and maintenance of the departments of the state government”
- Prop 108 – does not apply to “fees and assessments that are authorized by statute, but are not prescribed by formula, amount or limit, and are set by a state officer or agency.”

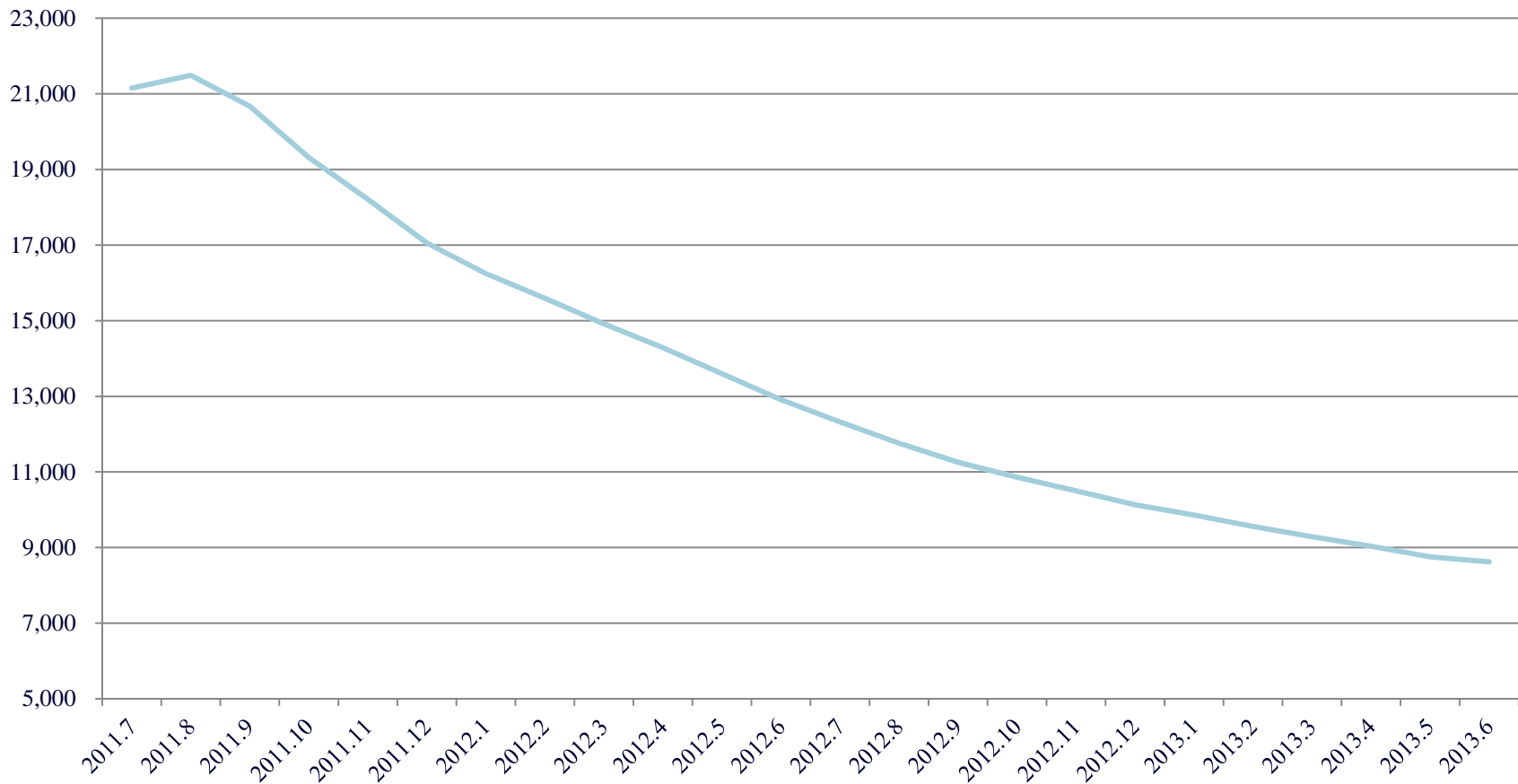


AHCCCS Restoration/Expansion

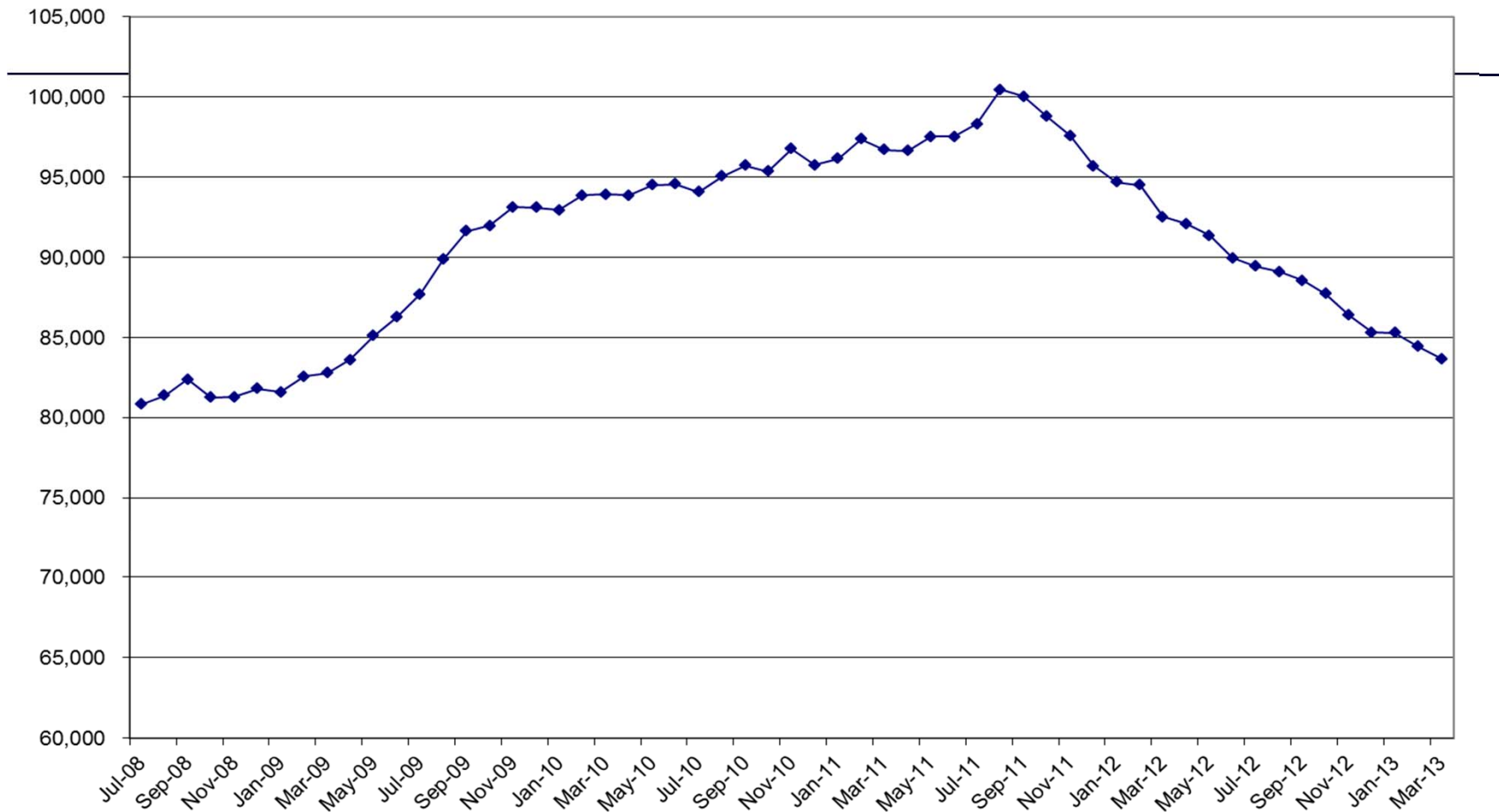
- ❑ Individuals can start applying October 1st
- ❑ Coverage will begin on January 1, 2014
- ❑ Individuals can apply through DES offices, clinics, Health E Arizona Plus, Call Center
- ❑ Member can enroll with AIHP or Managed Care Plans



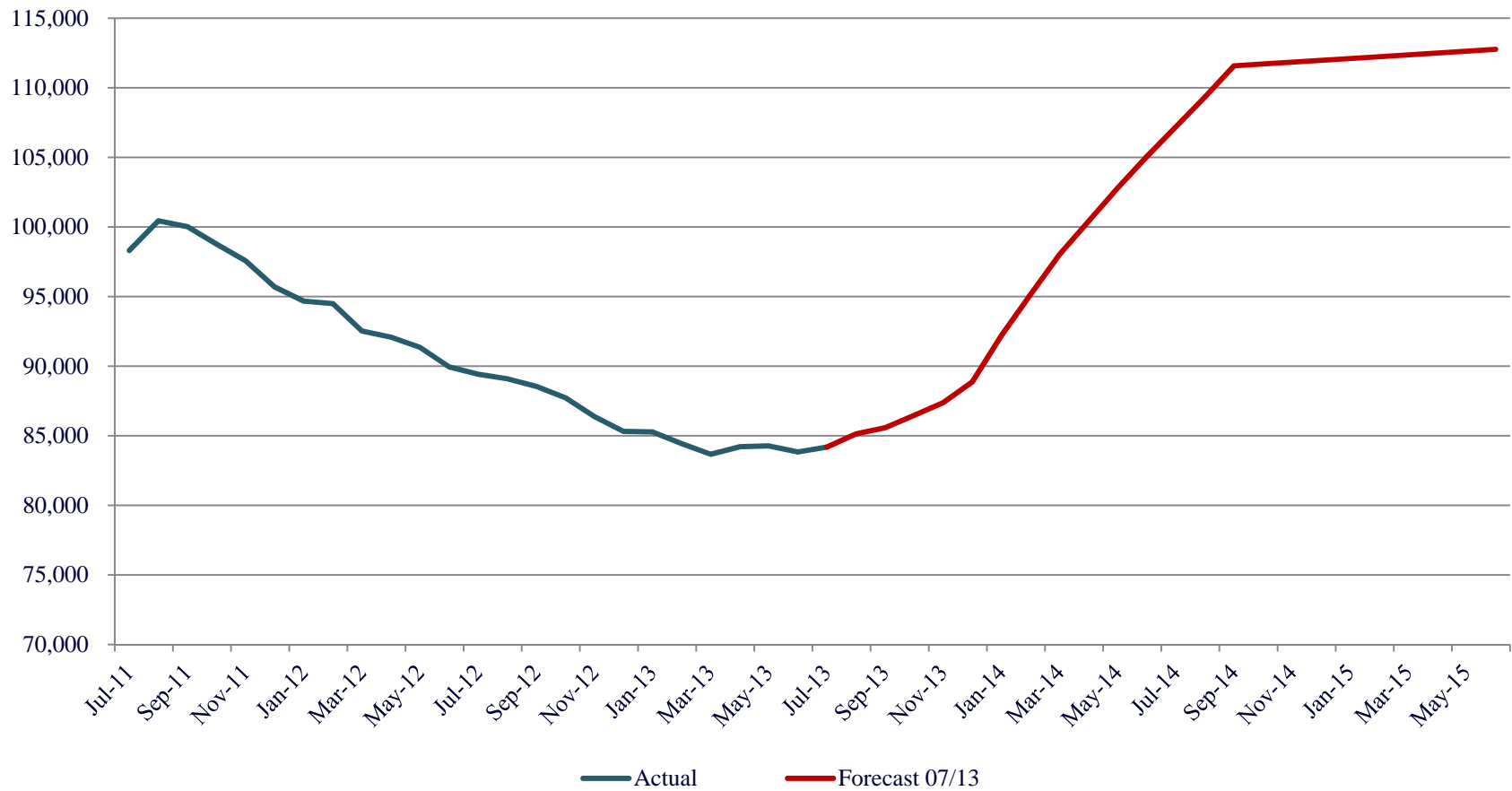
American Indian Childless Adults



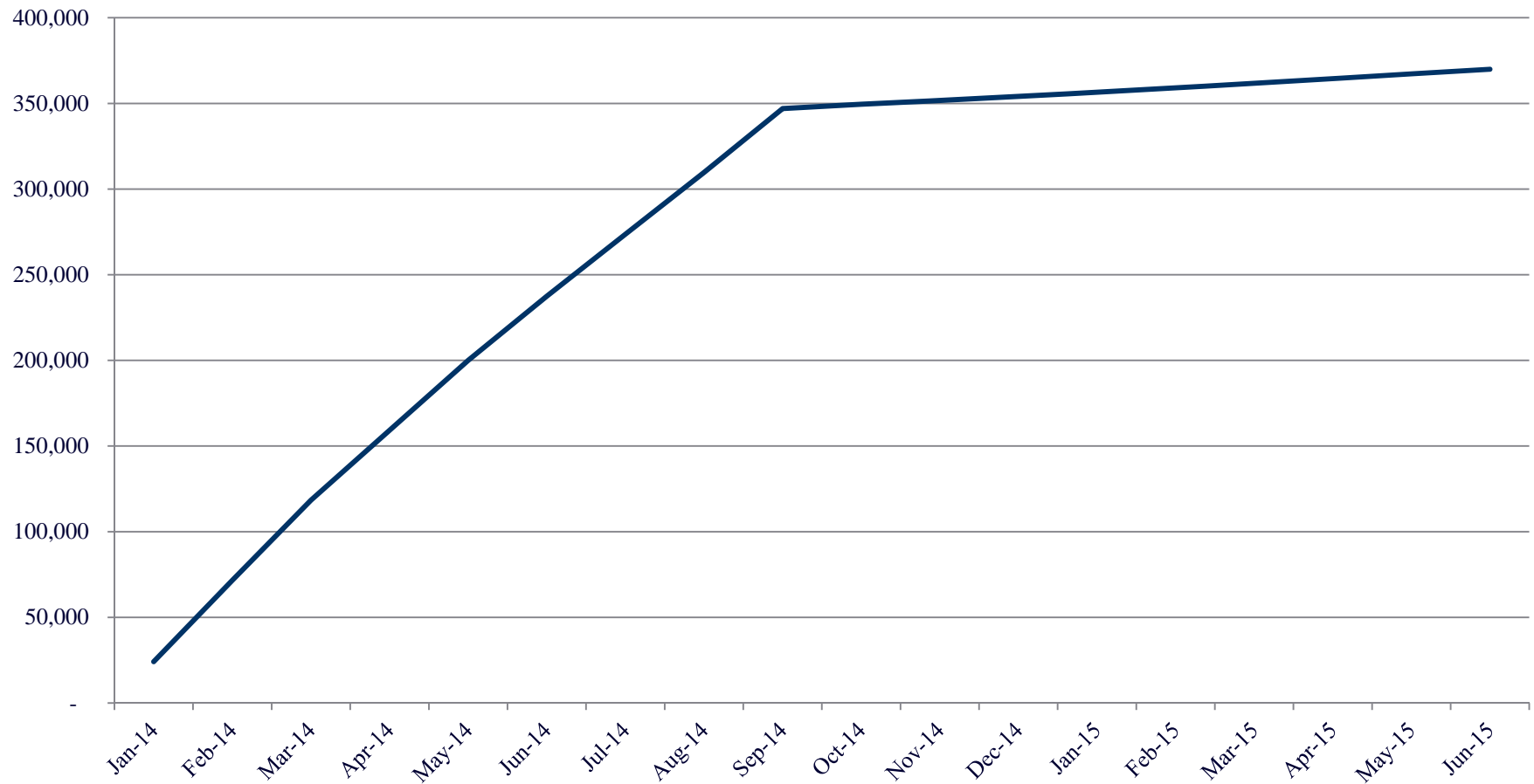
AHCCCS AIHP Enrollment



AIHP Population Estimates



AHCCCS projected cumulative growth



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Health E Arizona Plus

- On schedule to bring up on 10-1-13
- Considerable challenges remain
 - Lack of live testing to federal marketplace
 - CMS just finalized regulations
 - Efforts to consolidate Medicaid call center support
 - Training materials for staff and public
 - Size – Scope – Timeframe – issues unknown



Health Care Reform

- PPACA expanded Medicaid to 133% of the federal poverty limit on January 1, 2014.
 - Nationally Medicaid is estimated to grow by 16 million lives
- Create Health Exchange
 - provide tax credit subsidy for individuals from 100% to 400%
 - Nationally Exchanges are expected to cover 24 million lives by 2019
 - State needs to determine who will operate Exchange
- Made a number of commercial insurance reforms



Federal Marketplace

- ❑ Arizona like 32 other states deferred to the federal government to run federal marketplace
- ❑ Federal Marketplace will be avenue to subsidized coverage
- ❑ Federal Marketplace is scheduled to come up 10-1-13 for coverage 1-1-14
- ❑ The plan is that the Federal Marketplace and Health E Arizona Plus will communicate



American Indian Exchange Provisions

- ❑ American Indians enrolled in Qualified Health Plan below 300 percent FPL will not have to pay any cost sharing
- ❑ There is no cost sharing for services received from I.H.S, tribal facilities or urban clinics
- ❑ Exchanges are to provide special monthly enrollment period for American Indians
- ❑ Tribal members exempt from individual responsibility payment



AHCCCS/Tribal Provider Challenges

- ❑ CMS Policy changes on non-tribally owned providers on tribal lands that require licensure
- ❑ AHCCCS has been meeting with 3 impacted Tribes to resolve provider issues
- ❑ About 10 providers impacted
- ❑ Private providers on tribal lands that normally require state licensure will be required to obtain
- ❑ See Separate Handout



U.S. Healthcare System

System – an assemblage or combination of things or parts forming a complex or unitary whole

- Care delivery has become increasingly fragmented, leading to coordination and communication challenges for patients and clinicians.
- Improved patient engagement is associated with better patient experience, health, and quality of life and better economic outcomes, yet patient and family participation in care remains limited.
- The prevailing approach to paying for health care, based predominantly on individual services and products, encourages wasteful and ineffective care.



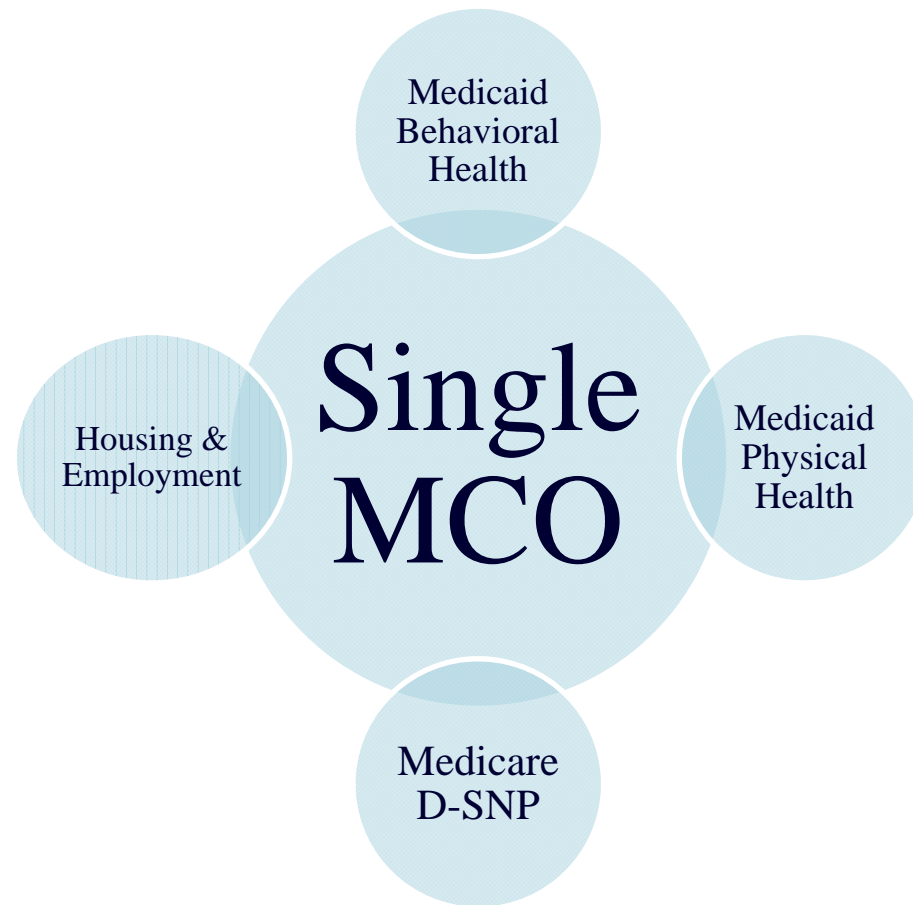
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Maricopa Integration for Members with Serious Mental Illness



Maricopa RBHA Transition

- ❑ March – Mercy Maricopa Integrated Care awarded Maricopa RBHA contract
- ❑ Magellan continues to protest award to MMIC
- ❑ 5-21 Stay issued by ADOA on transition related activity
- ❑ September hearing date set for OAH
- ❑ ADHS and AHCCCS have requested ADOA lift stay
- ❑ DHS has stated that given the stay and this timeframe October 1st is not achievable
- ❑ AHCCCS working with DHS on Plan B –
- ❑ Greater Arizona discussion for 10-1-15 starting now





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