AHCCCS Update
AHCCCS Today

- Largest Insurer in State
- $11.0 billion Program and growing
- Covers over 50% of all births
- Covers two-thirds of nursing facility days
- Provides coverage for over 150,000 American Indians
- Places strong emphasis on Tribal Consultation – importance of sovereignty – government to government relationships
AHCCCS Population
as of July 1, 1985 – 2014

Reaching across Arizona to provide comprehensive quality health care for those in need
## Policy Options

<table>
<thead>
<tr>
<th>Options</th>
<th>Lives covered</th>
<th>GF Impact (FY 14-16)</th>
<th>Federal $ available</th>
<th>Prop 204 Vote Honored</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governor’s Proposal</td>
<td>300,000</td>
<td>$(100) m savings</td>
<td>$4.1 billion</td>
<td>Yes</td>
</tr>
<tr>
<td>Continued Freeze (assume state only)</td>
<td>63,000 and shrinking</td>
<td>$850 m plus cost</td>
<td>$0</td>
<td>No</td>
</tr>
<tr>
<td>Terminate Coverage 1-1-14</td>
<td>0</td>
<td>$0</td>
<td>$0</td>
<td>No</td>
</tr>
</tbody>
</table>
Final Legislation

- Authorizes Prop 204 Restoration and Expansion
- Provides AHCCCS Director with ability to levy an assessment against hospitals – includes ability to exempt
- Includes circuit breakers Governor had requested in case federal funding is reduced
- Restores Well-exams
Hospital Assessment & Litigation

Assessment
- AHCCCS worked with consultant and hospital stakeholders
- Assessed $75 m in FY 2014 - $240 m in FY 2015
- Model shows no systems negatively impacted

Litigation
- Lawsuit brought by 36 Republican Legislators
- Hearing held on Dec. 13th to determine standing
- Won at Superior Court – Standing
- Court of Appeals - 4-22-14 rules legislature has standing
- August 26 – State Supreme Court
## Medicaid Restoration

<table>
<thead>
<tr>
<th></th>
<th>12/1/2013</th>
<th>7/1/2014</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prop 204 Restoration</td>
<td>67,770</td>
<td>235,478</td>
<td>167,708</td>
</tr>
<tr>
<td>Adult Expansion</td>
<td>0</td>
<td>24,560</td>
<td>24,560</td>
</tr>
<tr>
<td>KidsCare</td>
<td>46,761</td>
<td>2,012</td>
<td>-44,749</td>
</tr>
<tr>
<td>Family Planning</td>
<td>5,105</td>
<td>0</td>
<td>-5,105</td>
</tr>
<tr>
<td>AHCCCS for Families &amp; Children (1931)</td>
<td>672,135</td>
<td>723,369</td>
<td>51,234</td>
</tr>
<tr>
<td>All Other</td>
<td>505,379</td>
<td>566,749</td>
<td>61,370</td>
</tr>
<tr>
<td>Total Enrollment</td>
<td>1,297,150</td>
<td>1,552,168</td>
<td>255,018</td>
</tr>
</tbody>
</table>
HEAplus Update

- HEAplus went live to public on 10-19-13
- Sent over 200,000 Account Transfers to FFM –
  - Received over 140,000 from FFM
- Started pilot for roll out to eligibility workers
- Marketplace Enrollment – AZ – 120,071 (4-19-14)
- HHS OIG Review starting already
- Performance Evaluation ongoing
Prop 204 Adult Restoration

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

Ahcccs
Arizona Health Care Cost Containment System

Actual
Forecast
AHCCCS Adult Expansion

Reaching across Arizona to provide comprehensive quality health care for those in need
AHCCCS Traditional Families

Reaching across Arizona to provide comprehensive quality health care for those in need
Total AHCCCS Acute

Reaching across Arizona to provide comprehensive quality health care for those in need
AIHP – Adults Restored Coverage

Reaching across Arizona to provide comprehensive quality health care for those in need
AIHP Enrollment

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

Actual vs. 07/13 Forecast
DHS Procurements

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

North includes San Carlos Apache Tribe in Graham county with zip codes 85530 and 85550
1. Serious Mental Illness (SMI) Eligibility Determination will not be a Regional Behavioral Health Authority (RBHA) function.

2. GMH/SA Duals will have behavioral health services integrated into AHCCCS acute plans.

3. The Greater Arizona RFP will include integration of behavioral and physical health for the SMI population similar to the Geographical Service Area (GSA) 6 Contract.

4. The preferred GSA model will be a north/south split. The north/south split is contingent upon a waiver being granted by the Centers for Medicare and Medicaid Services (CMS) concerning choice of plans for acute care. If a waiver is not granted the GSA model will provide for member choice within the defined GSA(s).
5. It is the intent of the ADHS to make every attempt to align GSA’s so that tribal nations will be kept whole in the assignment to a RB.

6. Delivery of Crisis Services within Greater Arizona is dependent upon the CMS waiver determination. If a waiver is granted the crisis system will be the responsibility of each individual RBHA awarded a contract. If a waiver is not granted the RBHAs that are awarded contracts may be required to jointly create and manage a crisis system through a joint governance agreement as delineated within the RFP.

7. A RBHA will not be allowed to be awarded or hold a contract in more than one (1) GSA. For the purposes of this section a RBHA includes any entity holding a substantial financial, operational or organizational attachment to another entity operating as a RBHA within Arizona.

SIM Overview

- CMS established State Innovation Model (SIM) Initiative for multi-payer efforts around payment reform and health system transformation.

- Goal is to achieve statewide transformation for the proponderance of care delivered within the state and:
  - Improve health
  - Transform delivery system
  - Lower costs
Arizona SIM Vision

Accelerate the delivery system’s evolution towards a value-based integrated model that focuses on whole person health in all settings regardless of coverage source.
## SIM Strategies

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implement SHIP strategies to accelerate transformation</td>
<td>$ 5 million</td>
</tr>
<tr>
<td>Accelerate use of HIT/HIE in delivery system – BH emphasis</td>
<td>$ 10 m</td>
</tr>
<tr>
<td>Competitive grants to large provider systems that partner with community based behavioral health providers</td>
<td>$20 m</td>
</tr>
<tr>
<td>Workforce initiatives – training and best practices</td>
<td>$7.5 m</td>
</tr>
<tr>
<td>EMS Partnerships for ED diversion</td>
<td>$2 m</td>
</tr>
<tr>
<td>Accelerate care coordination for high need adults</td>
<td>$6 m</td>
</tr>
<tr>
<td>QHP/Medicaid Care Coordination transition</td>
<td>$2 m</td>
</tr>
<tr>
<td>Enhance and expand American Indian care coordination</td>
<td>$3 m</td>
</tr>
<tr>
<td>Fund 4 regional care coordination models</td>
<td>$10 m</td>
</tr>
<tr>
<td>American Indian Health Plan member education</td>
<td>$1 m</td>
</tr>
<tr>
<td>Justice System Care Coordination</td>
<td>$5 m</td>
</tr>
<tr>
<td>Value Based Payment Modernization</td>
<td>$5 m</td>
</tr>
</tbody>
</table>