NOTIFICATION TO TRIBES:

Good Afternoon,

This is to inform you that a special AHCCCS Tribal Consultation teleconference is scheduled to provide an update on the Inpatient Hospital All Patient Refined - Diagnosis Related Group (APR-DRG). The teleconference is scheduled for March 9, 2017 from 10:00 a.m. - 11:00 a.m. (Arizona time). To participate in the teleconference please dial: 1-877-820-7831 and enter participant passcode, 108903#. Please mute your phones. Do not place your phones on-hold as this will disrupt the meeting with music. The meeting agenda and PowerPoint presentation are attached.

Please place this important date on your calendars. We look forward to your participation.

Thank you,

Bonnie Talakte
Tribal Relations Liaison
AHCCCS Office of Intergovernmental Relations
801 E. Jefferson, MD-4100 | Phoenix, AZ 85034
(602) 417-4610 (Office) | (602) 256-6756 (Fax)
Bonnie.Talakte@azahcccs.gov

AGENDA

SPECIAL TRIBAL CONSULTATION TELECONFERENCE
With Tribal Leaders, Tribal Members, Indian Health Services, Tribal Health Programs Operated Under P.L. 93-638 and Urban Indian Health Programs

Date: Thursday, March 9, 2017
Time: 10:00 a.m. – 11:00 a.m. (Phoenix Time)
Conference Call-In: 1-877-820-7831 Participant Passcode: 108903#
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<th>TOPIC</th>
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<tr>
<td>10:00 a.m. - Welcome &amp; Introductions</td>
<td>Bonnie Talakte, AHCCCS Tribal Liaison</td>
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**Topic: Inpatient Hospital APR-DRG Update**

**Background:**

AHCCCS has updated Inpatient Hospital APR-DRG reimbursement rates effective for dates of discharge on or after January 1, 2017. This rate update addresses the relatively high costs associated with high-acuity pediatric services by increasing the policy adjustor from 1.600 to 1.945 for DRGs with Severity-of-Illness levels 3 and 4. Indian Health Service (IHS) and Tribal 638 hospitals remain exempt from APR-DRG reimbursement.

11:00 a.m. - Adjourn

All meeting materials and presentations can be found at the AHCCCS Tribal Consultation website: [https://www.azahcccs.gov/AmericanIndians/TribalConsultation/meetings.html](https://www.azahcccs.gov/AmericanIndians/TribalConsultation/meetings.html)

**ATTENDEES:**

| Tribes | Gila River Indian Community: Steve Willis  
|--------|--------------------------------------|
|        | Pascua Yaqui Tribe: Rosa Rivera, Linda Guerrero, Irene Sanchez  
|        | San Carlos Apache Tribe: Vickie Began, Brenda Schildt, Eric Kutscher  
|        | White Mountain Apache Tribe: Ryan Johnson  
| I/T/Us  | Navajo Area IHS: K Dempsey  
|        | Phoenix Area IHS: Denise Exendine  
|        | Tuba City Regional Health Care Corporation: Lynette Bonar, Yolanda Burke  
| Other  | Arizona Advisory Council on Indian Health Care: Kim Russell  
| AHCCCS Representatives | Bonnie Talakte, Victoria Burns, Elizabeth Lorenz |

**MEETING SUMMARY**

<table>
<thead>
<tr>
<th>TOPICS</th>
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<tr>
<td>In-Patient Hospital APR-DRG Update</td>
<td><strong>Victoria Burns</strong>, AHCCCS Reimbursement Administrator, informed participants that the in-patient hospital APR-DRG reimbursement rate is an increase to one of the policy adjusters that is described in the rule that is applied to the reimbursement logic in the AHCCCS system called the</td>
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*pediatric policy adjuster.* The policy adjuster increases reimbursement when certain coding is involved indicating a pediatric case. AHCCCS is increasing the adjuster from the previous 1.6 to 1.945. Any of the claims submitted under this methodology, that would have the pediatric policy adjuster applied to them, will be reimbursed at 1.945 above what it would otherwise receive. The adjustment only applies to diagnoses related groups with a severity of illness level 3 or 4. The purpose of this is to address what the agency has recognized as the higher cost involved in higher acuity pediatric cases. The effective date of this change is dates of discharge on and after January 2017. There is no change to anything else in the in-patient reimbursement system. According to that system IHS and tribal 638 hospitals are exempt from reimbursement under APR-DRG and continue to be reimbursed under the All-Inclusive rate.

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<th>Questions/Answers/Comments</th>
<th>No questions asked, no comments made.</th>
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<td>Meeting Adjourned</td>
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