We've prepared the following guidance on APSI, please share it within your organization as appropriate:

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
DIVISION OF HEALTH CARE MANAGEMENT
Access to Professional Services Initiative (APSI)
07/11/19

This guidance is intended to provide further clarification regarding implementation of the Access to Professional Services Initiative (APSI), which provides a uniform percentage increase to otherwise negotiated managed care contracted rates for professional services delivered by qualified practitioners.

Beginning 10/1/17, APSI was funded in capitation rates and AHCCCS intended for Managed Care Organizations (MCOs) to reimburse the APSI increase for all expenditures associated with qualified practitioners that:

1. Bill under Form Type A and D,
2. Bill under one of the Tax Identification Numbers (TINs) that are identified by AHCCCS, and
3. Are contracted with the MCO, except in specific instances identified by AHCCCS in which a contract is not required.

CYE 18 & 19 Guidance
In reviewing CYE 18 and 19 encounters, AHCCCS identified APSI was implemented inconsistently across MCOs. Therefore, AHCCCS is providing guidance to standardize the application of APSI for CYE 18 and 19.

1. APSI should be applied to payment activity incurred under APSI TINs for Form Type A and D.
   a. APSI does not apply to subcapitated/block purchase expenses.
   b. APSI does not apply to expenses for which AHCCCS is not the primary payer.
   c. A post-adjudicated encounter file specific to this issue may be submitted.
      i. CYE 18 must be completely adjusted by the second encounter cycle of September 2019.
      ii. CYE 19 must be completely adjusted by the second encounter cycle of June 2020.
   d. For CYE 18 and 19 only, APSI is not limited to contracted providers.
2. AHCCCS will begin computing the APSI MCO reconciliation after encounters have been adjusted.
   a. AHCCCS will review encounters to ensure APSI has been applied correctly.
      a. Encounter data may be shared with providers to assist in their reconciliation of any APSI adjustments.
3. ACOM 325 will be revised to reflect these guidelines for CYE 18 and 19.

CYE 20 Guidance

In CYE 20, AHCCCS is removing APSI from capitation rates and MCOs will not directly reimburse the APSI increase on a per claim basis. Instead, AHCCCS will make lump sum directed payments to MCOs and provide technical direction to each MCO that specifies the amount that should be paid to each TIN.

1. Beginning 10/1/19, encounters submitted for APSI TINs must indicate if the encounter is eligible to have APSI applied. Technical guidance will be provided on how to submit this information.
   a. For CYE 20 and forward, APSI is only eligible to be applied to encounters associated with a provider that is contracted with the MCO, or has been identified by AHCCCS as a provider for which a contract is not required.
      i. The following TINs are APSI eligible regardless of contract status: 455498816, 650816583, 860511951, and 860665872.
      ii. A letter of agreement (LOA) is not considered a contract for purposes of APSI eligibility.
      iii. The contract status of a provider, and thus its eligibility to receive APSI, may change throughout the contract year and should be reported accordingly by the MCO.
   b. AHCCCS will implement a hard edit to ensure encounters associated with APSI TINs include the required APSI eligibility information.
2. AHCCCS will make three lump sum payments to each MCO with payment information by TIN, to be paid in each of the first three quarters of the contract year.
   . The initial lump sum payments will be based on estimated utilization for each TIN.
   a. AHCCCS will review CYE 20 encounter data submitted through the second encounter cycle of June 2021 and compute the actual APSI payment attributable to each TIN, based on actual utilization and contract status indicated on the encounters. The calculated payment will be compared to the payments made to date in order to determine the final payment amount.
3. AHCCCS will make the fourth and final lump sum payment to each MCO with payment information by TIN to be paid in the quarter ending September 2021. No APSI MCO reconciliation will occur.
4. Beginning in CYE 20, APSI will be implemented for ALTCS EPD, as described above.
5. ACOM 327 will be published to reflect this guidance for CYE 20 and forward.

Thanks and please let me know if you have any questions,

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