EALTH CARE COST

CONTAINMENT SYSTEM

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KATIE HOBBS **GOVERNOR**

KRISTEN CHALLACOMBE INTERIM DIRECTOR

NOTICE OF PROCUREMENT TERMINATION AND INTENT TO INITIATE NEW PROCUREMENT

On August 1, 2023, the Arizona Health Care Cost Containment System ("AHCCCS") issued the ALTCS E/PD RFP #YH24-0001 through which AHCCCS intended to award prepaid capitated contracts to organizations or entities to provide goods and services to ALTCS E/PD members under A.R.S. §§ 36-2904, 36-2906 36-2940, and 36-2944. On December 1, 2023, AHCCCS awarded ALTCS E/PD statewide contracts under RFP #YH24-0001 to Arizona Physicians IPA, Inc., (dba UnitedHealthcare Community Plan), and to Health Net Access, Inc., (dba Arizona Complete Health-Complete Care Plan).

On May 23, 2025, AHCCCS issued public notice that it was rescinding, cancelling, and terminating Arizona Physician's IPA, Inc.'s and Health Net Access, Inc.'s respective ALTCS E/PD statewide contract awards, without cause. Those cancellations were done in fulfillment of the Settlement and Release Agreement terms executed on April 30, 2025, between AHCCCS, Arizona Physicians IPA, Inc., (dba UnitedHealthcare Community Plan), Bridgeway Health Solutions of Arizona, Inc. (dba Arizona Complete Health-Long Term Care) successor by internal merger to Health Net Access, Inc., Banner-University Care Advantage (dba Banner-University Family Care), and Mercy Care (collectively the "Health Plans"). On September 10, 2025, AHCCCS and the Health Plans agreed to terminate the aforementioned Settlement and Release Agreement.

AHCCCS has elected to terminate the YH24-0001 ALTCS E/PD Procurement, as a matter of convenience and in the best interests of the State of Arizona. See A.A.C. § R9-22-602(D) (allowing AHCCCS to cancel a procurement) and R9-28-602. AHCCCS therefore no longer has contracts awarded under the YH24-0001 ALTCS E/PD Procurement, and AHCCCS will not award contracts under the YH24-0001 ALTCS E/PD procurement. Instead, AHCCCS deems it is in the best interest of the State of Arizona for AHCCCS to issue a new ALTCS E/PD procurement. AHCCCS contemplates issuing a new Contractor solicitation for the ALTCS E/PD program to facilitate proposed submissions anticipated to be in the Fall of 2026.

DATED this 18the day of September, 2025.

Meggan LaPorte, MSW, CPPO

AHCCCS Chief Procurement Officer

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