

November 15, 2021

Brian Zolynas  
Division of Medicaid and Children's Health Operations  
U.S. Department of Health & Human Services  
Centers for Medicare & Medicaid Services  
90 Seventh Street, Suite 5-300 (5W)  
San Francisco, CA 94103-6707

**RE: Arizona SPA #21-023, Inpatient Hospital DAP**

Dear Mr. Zolynas:

Enclosed is State Plan Amendment (SPA) #21-023, IP DAP, which updates the Inpatient Differential Adjusted Payment (IP DAP) in the State Plan, effective October 1, 2021.

Tribal Consultation on this SPA occurred on August 12, 2021. The Tribal Consultation presentation is available on the following webpage:

- [https://www.azahcccs.gov/AmericanIndians/Downloads/Consultations/Meetings/2021/August12\\_2021QuarterlyTC.pdf](https://www.azahcccs.gov/AmericanIndians/Downloads/Consultations/Meetings/2021/August12_2021QuarterlyTC.pdf)

Public Notice for this rate update was posted on the following webpages:


- <https://www.azahcccs.gov/AHCCCS/PublicNotices/>
- <https://www.azahcccs.gov/AHCCCS/Downloads/PublicNotices/rates/DAPFinalNoticeCYE2022.pdf>

If there are any questions about the enclosed SPA, please contact Ruben Soliz at [ruben.soliz@azahcccs.gov](mailto:ruben.soliz@azahcccs.gov) or 602-417-4355.

Sincerely,



Dana Flannery  
Assistant Director  
Arizona Health Care Cost Containment System (AHCCCS)

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>  <b>FOR: Centers for Medicare and Medicaid Services</b>	1. TRANSMITTAL NUMBER: 21-023	2. STATE Arizona
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE AND MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE October 1, 2021	
5. TYPE OF PLAN MATERIAL <i>(Check One)</i> :  <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="checked" type="checkbox"/> AMENDMENT COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT <i>(Separate Transmittal for each amendment)</i>		
6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR Part 447	7. FEDERAL BUDGET IMPACT: FFY 2022: \$4,715,264 FFY 2023: \$4,523,600	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  Attachment 4.19-A Page 28, 28(a)-(t)	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT <i>(If Applicable)</i> :  Attachment 4.19-A Page 28, 28(a)-(s)	
10. SUBJECT OF AMENDMENT: This amendment updates the inpatient hospital Differential Adjusted Payment (DAP) Program		
11. GOVERNOR'S REVIEW <i>(Check One)</i> : <input checked="checked" type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL		
12. SIGNATURE OF STATE AGENCY OFFICIAL:  	16. RETURN TO:  Dana Flannery 801 E, Jefferson, MD#4200 Phoenix, AZ 85034	
13. TYPED NAME: Dana Flannery		
14. TITLE: Assistant Director		
15. DATE SUBMITTED: November 15, 2021		
<b>FOR REGIONAL OFFICE USE ONLY</b>		
17. DATE RECEIVED:	18. DATE APPROVED:	
PLAN APPROVED – ONE COPY ATTACHED		
19. EFFECTIVE DATE OF APPROVED MATERIAL:	20. SIGNATURE OF REGIONAL OFFICIAL:	
21. TYPED NAME:	22. TITLE:	
23. REMARKS:		

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**Section XI – Inpatient Differential Adjusted Payment**

**A. Overview:**

As of October 1, 2021, through September 30, 2024 (Contract Year Ending (CYE) 2024), AHCCCS-registered Arizona hospitals (other than the facilities described in section C. below) which meet Agency established value-based performance metrics requirements in section B. below will receive a Differential Adjusted Payment described in section D. below. The Differential Adjusted Payment Schedule represents a positive adjustment to the AHCCCS Fee-For-Service **reimbursement** rates. These payment adjustments will occur for all dates of discharge in CYE 2024 (October 1, 2021 through September 30, 2024) only. The purpose of the Differential Adjusted Payment is to distinguish facilities which have committed to supporting designated actions that improve patients' care experience, improve members' health, and reduce cost of care growth.

**B. Applicability**

To qualify for the Inpatient Differential Adjusted Payment (**DAP**), a hospital providing inpatient hospital services must meet one of the following criteria:

1. Hospitals (provider type 02) receiving APR-DRG reimbursement are eligible for DAP increases under the following criteria. (Up to 3.05%; ~~Up to 13.5% on Select Services~~)

**a. Health Information Exchange Participation**

Hospitals that meet the following milestones and performance criteria are eligible to participate in this DAP initiative and earn up to a 2.5% DAP increase for inpatient services. In order to qualify, by April 1, 2021 the hospital must have submitted a Letter of Intent (LOI) to AHCCCS and the Health Information Exchange (HIE), in which it agrees to achieve the following milestones by the specified dates, or maintain its participation in the milestone activities if they have already been achieved:

- i. **Milestone #1:** No later than April 1, 2021, the hospital must have in place an active participation agreement with a qualifying HIE organization and submit a LOI to AHCCCS and the HIE, in which it agrees to achieve the following milestones by the specified dates or maintain its participation in the milestone activities if they have already been achieved.
- ii. **Milestone #2:** No later than May 1, 2021, or by the hospital's go-live date for new data suppliers, or within 30 days of initiating the respective COVID-19 related services for current data suppliers, the hospital must complete the following COVID-19 related milestones, if they are applicable:

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1. Related to COVID-19 testing services, submit all COVID-19 lab test codes and the associated LOINC codes to qualifying HIE organization to ensure proper processing of lab results within the HIE system.
  2. Related to COVID-19 antibody testing services, submit all COVID-19 antibody test codes and the associated LOINC codes to the qualifying HIE organization to ensure proper processing of lab results within the HIE system.
  3. Related to COVID-19 immunization services, submit all COVID-19 immunization codes and the associated CDC-recognized code sets to the qualifying HIE organization to ensure proper processing of immunizations within the HIE system.
- iii. Milestone #3: No later than May 1, 2021, hospitals that utilize external reference labs for any lab result processing must submit necessary provider authorization forms to the qualifying HIE organization, if required by the external reference lab, to have all outsourced lab test results flow to the qualifying HIE on their behalf.
  - iv. Milestone #4: No later than May 1, 2021, the hospital must electronically submit the following actual patient identifiable information to the production environment of a qualifying HIE organization: admission, discharge and transfer information (generally known as ADT information), including data from the hospital emergency department if the provider has an emergency department; laboratory and radiology information (if the provider has these services); transcription; medication information; immunization data; and discharge summaries that include, at a minimum, discharge orders, discharge instructions, active medications, new prescriptions, active problem lists (diagnosis), treatments and procedures conducted during the stay, active allergies, and discharge destination.
  - v. Milestone #5: No later than November 1, 2021, the hospital must approve and authorize a formal statement of work (SOW) to initiate and complete a data quality improvement effort, as defined by the qualifying HIE organization.
  - vi. Milestone #6: No later than November 1, 2021, the hospital must approve and authorize a formal SOW to initiate connectivity to a Social Determinants of Health (SDOH) Closed Loop Referral Platform operated by the qualifying HIE organization.
  - vii. Milestone #7: No later than January 1, 2022, the hospital must complete the initial data quality profile with a qualifying HIE organization, in alignment with the data quality improvement SOW as agreed to in Milestone #5.
  - viii. Milestone #8: No later than May 1, 2022, the hospital must complete the final data quality profile with a qualifying HIE organization, in

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- alignment with the data quality improvement SOW as agreed to in Milestone #5.
- ix. Quality Improvement Performance Criteria: Hospitals that meet each of the following HIE data quality performance criteria will be eligible to receive DAP increases described below in B.1.a.x.
    - 1. Demonstrate a 10% improvement from baseline measurements in the initial data quality profile, based on July 2020 data, to the final data quality profile, based on March 2021 data.
    - 2. Meet a minimum performance standard of at least 60% based on March 2021 data.
    - 3. If performance meets or exceeds an upper threshold of 90% based on March 2021 data, the hospital meets the criteria, regardless of the percentage improvement from the baseline measurements.
  - x. DAP HIE Data Quality Standards CYE 2022 Measure Categories: Hospitals that meet the standards, as defined in Section B.1.a.xi., qualify for a 0.5% DAP increase for each category of the five measure categories, for a total potential increase of 2.5% if criteria are met for all categories.
    - 1. Data source and data site information must be submitted on all ADT transactions. (0.5%)
    - 2. Event type must be properly coded on all ADT transactions. (0.5%)
    - 3. Patient class must be properly coded on all appropriate ADT transactions. (0.5%)
    - 4. Patient demographic information must be submitted on all ADT transactions. (0.5%)
    - 5. Overall completeness of the ADT message. (0.5%)
  - xi. CYE 2022 DAP HIE Data Quality Standards
    - 1. Measure 1: Data source and data site information must be submitted on all ADT transactions.
      - i. Standards: HL7
      - ii. Inclusions: MSH.4, EVN.7, PV1.3.4
      - iii. Exclusions: None
      - iv. Additional Notes: The source information can be derived from the MSH.4 segment, and the site information from one of the other inclusions. If both source and site information are sent in MSH.4, the sending organization must provide the required mapping details to Health Current.
    - 2. Measure 2: Event type must be properly coded on all ADT transactions.
      - i. Standards: HL7

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- ii. Inclusions: EVN.1, MSH.9.1, MSH.9.2
- iii. Exclusions: None
- 3. Measure 3: Patient class must be properly coded on all appropriate ADT transactions.
  - i. Standards: HL7
  - ii. Inclusions: PV1.2 (associated with completed EVN., MSH.9 with A01, A02, A03, A04)
  - iii. Exclusions: None
- 4. Measure 4: Patient demographic information must be submitted on all ADT transactions.
  - i. Standards: HL7
  - ii. Inclusions: PID.1.1, PID.3.1, PID.5.1, PID.5.2, PID.7.1, PID.8.1, PID.10.1 PID.11.1, PID.11.3, PID.11.4, PID,11.5
  - iii. Exclusions: None
  - iv. Additional Notes: The patient demographic elements that will be evaluated for this measure are first name, last name, date of birth, gender, and address (street address, city, state, and zip). The patient demographic elements that have been removed from previous iterations of this measure include middle name, address type, county, and country.
- 5. Measure 5: Overall completeness of the ADT message
  - i. Standards: HL7
  - ii. Inclusions: MSH.4, MSH.9.1, MSH.9.2, EVN.1, EVN.7, PV1.3.4, PV1.2, PID.1.1, PID.3.1, PID.5.1, PID.5.2, PID.7.1, PID.8.1, PID.10.1 PID.11.1, PID.11.3, PID.11.4, PID.11.5
  - iii. Exclusions: None

For any milestone that includes electronic submission of patient information, the information transferred to the qualifying HIE must be actual patient data; the transfer of test data does not fulfill these requirements. It must include all patient data, including behavioral health data and data covered by 42 CFR Part 2.

If a hospital has already achieved one or more of the CYE 2022 milestones as of April 1, 2021, the LOI must include a commitment by the hospital to maintain its participation in those milestone activities for the period April 1, 2021 through September 30, 2022.

If a hospital submits a LOI and receives up to a 2.5% DAP increase for CYE 2022 but fails to achieve one or more of the milestones by the specified date or fails to maintain its participation in the milestone activities, that hospital will be ineligible to receive DAP for dates of service from October 1, 2022 through September 30, 2023 (CYE 2023) if a DAP is available at that time.

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AHCCCS anticipates that HIE Data Quality Standards, minimum performance standards, and upper thresholds will continue to be monitored and evaluated during the CYE 2022 period in order to ensure that performance improvements are maintained.

**b. Enter into a Care Coordination Agreement with an IHS/Tribal 638 Facility**

Hospitals will be eligible for this DAP by participating in a Care Coordination Agreement (CCA) with an IHS/Tribal 638 facility. By March 15, 2021, the facility must submit a LOI to enter into a CCA (a fully signed copy of a CCA with an IHS/Tribal 638 facility is also acceptable). By April 30, 2021, the facility must have entered into a CCA with a IHS/Tribal 638 facility for inpatient, outpatient, and ambulatory services provided through a referral under the executed CCA. The facility agrees to achieve and maintain participation in the following activities:

1. The facility will have in place a signed CCA with an IHS/Tribal 638 facility and will have submitted the signed CCA to AHCCCS. The CCA will meet minimum requirements as outlined in the CMS SHO Guidance- SHO #16-002.
2. The facility will have a valid referral process for IHS/Tribal 638 facilities in place for requesting services to be performed by the non-IHS/Tribal 638 facility.
3. The hospital will provide to the IHS/Tribal 638 facility clinical documentation of services provided through a referral under the CCA.
4. AHCCCS will monitor activity specified under the CCA(s) to ensure compliance. To help facilitate this, the facility will participate in the HIE or establish an agreed claims operation process with AHCCCS for the review of medical records by May 31, 2021.

~~The hospitals that are eligible to participate in this DAP initiative are: Providers that have not previously participated in DAP, Providers that participated in CYE 2019 DAP (but not CYE 2020 DAP) and Providers that participated in CYE 2020 DAP (but not CYE 2019 DAP). Participants in this initiative cannot participate in the Health Information Exchange Performance initiative described in 1.b.~~

~~Participation in a qualifying Health Information Exchange (HIE) organization qualifies the hospital for a 2.5% DAP increase for services. Participation means that by May 27, 2020, the hospital must have submitted a Letter of Intent (LOI) to AHCCCS and the HIE, in which it agrees to achieve the following milestones by the specified dates, or maintain its participation in the milestone activities if they have already been achieved:~~

- ~~i. Milestone #1: No later than May 27, 2020, the hospital must have in place an active participation agreement with a qualifying HIE organization and submit a~~

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~~LOI to AHCCCS and the HIE, in which it agrees to achieve the following milestones by the specified dates, or maintain its participation in the milestone activities if they have already been achieved.~~



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- ii. ~~Milestone #2: No later than June 1, 2020 the hospital must electronically submit the following actual patient identifiable information to the production environment of a qualifying HIE organization: admission, discharge, and transfer information (generally known as ADT information), including data from the hospital emergency department if the provider has an emergency department.~~
  
- iii. ~~Milestone #3: No later than August 1, 2020 the hospital must electronically submit the following actual patient identifiable information to the production environment of a qualifying HIE organization: laboratory and radiology information (if the provider has these services), transcription, medication information, immunization data, and discharge summaries that include, at a minimum, discharge orders, discharge instructions, active medications, new prescriptions, active problem lists (diagnosis), treatments and procedures conducted during the stay, active allergies, and discharge destination.~~
  
- iv. ~~Milestone #4: Complete the following COVID 19 related milestones, if they are applicable:
  - 1. ~~By September 1, 2020, or within 30 days of initiating COVID 19 lab testing, submit all COVID 19 lab test codes and the associated LOINC codes to qualifying HIE to ensure proper processing of lab results within the HIE system.~~
  - 2. ~~By September 1, 2020, or within 30 days of initiating COVID 19 antibody testing, submit all COVID 19 antibody test codes and the associated LOINC codes to the qualifying HIE to ensure proper processing of lab results within the HIE system.~~
  - 3. ~~Within 30 days of initiating COVID 19 immunizations, submit all COVID 19 immunization codes and the associated LOINC codes to the qualifying HIE to ensure proper processing of immunizations within the HIE system.~~
  - 4. ~~By October 1, 2020, hospitals that utilize external reference labs for any lab result processing must submit necessary provider authorization forms to the qualifying HIE, if required by the external reference lab, to have all outsourced lab test results flow to the qualifying HIE on their behalf.~~~~
  
- v. ~~Milestone #5: No later than November 1, 2020 the hospital must approve and authorize a formal scope of work (SOW) with a qualifying HIE organization to initiate and complete a Phase 1 data quality improvement effort, as defined by the qualifying HIE organization in collaboration with the qualifying HIE organization.~~

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- vi. ~~Milestone #6: No later than January 1, 2021 the hospital must complete the Phase 1 initial data quality profile with a qualifying HIE organization.~~
- vii. ~~Milestone #7: No later than May 1, 2021 the hospital must complete the Phase 1 final data quality profile with a qualifying HIE organization.~~

~~For any milestone that includes electronic submission of patient information, the information transferred to the qualifying HIE must be actual patient data; the transfer of test data does not fulfill these requirements. It must include all patient data, including behavioral health data and data covered by 42 CFR Part 2.~~

~~In order to receive the 2.5% DAP increase for HIE participation a hospital must submit an LOI to the HIE and AHCCCS by May 27, 2020 at the following email addresses:~~

~~FFSRates@azahcccs.gov, and  
ceo@healthcurrent.org~~

~~If a hospital has already achieved one or more of the CYE 2021 milestones as of May 27, 2020, the LOI must include a commitment by the hospital to maintain its participation in those milestone activities for the period May 27, 2020 through September 30, 2021. The LOI must list each facility that hospital requests to participate in this DAP initiative and must include the AHCCCS IDs for each listed facility. If a LOI was submitted in alignment with the Preliminary Public Notice, dated March 6, 2020, a new LOI is not required; the hospital is presumed to be included in DAP under these final requirements unless the hospital submits a written request to AHCCCS and the HIE requesting that their LOI be retracted. In all cases, the hospital must submit the AHCCCS IDs for each listed facility as part of the LOI or must email the associated AHCCCS IDs to the email addresses noted.~~

~~If a hospital submits an LOI and receives the 2.5% DAP increase for CYE 2021, but fails to achieve one or more of the milestones by the specified date, or fails to maintain its participation in the milestone activities, that hospital will be ineligible to receive DAP for dates of service from October 1, 2021 through September 30, 2022 (CYE 2022) if a DAP is available at that time.~~

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~~b. Health Information Exchange Performance~~

~~Hospitals that participated in both CYE 2019 and CYE 2020 DAP are eligible to participate in this DAP initiative. Participants in this initiative cannot participate in the Health Information Exchange Participation initiative described in 1.a.~~

~~Hospitals that meet the following milestones (B.1.b.i to vi) and performance criteria (vii and viii) are eligible to earn up to a maximum 2.5% DAP increase.~~

~~In order to qualify, by May 27, 2020 the hospital must have submitted a LOI to AHCCCS and the HIE, in which it agrees to achieve the following milestones by the specified date, or maintain its participation in the milestone activities if they have already been achieved:~~

~~i. Milestone #1: No later than May 27, 2020 the hospital must have in place an active participation agreement with a qualifying HIE organization and submit a LOI to AHCCCS and the HIE, in which it agrees to achieve the following milestones by the specified dates, or maintain its participation in the milestone activities if they have already been achieved.~~

~~ii. Milestone #2: No later than June 1, 2020 the hospital must electronically submit the following actual patient identifiable information to the production environment of a qualifying HIE organization: admission, discharge and transfer information (generally known as ADT information), including data from the hospital emergency department if the provider has an emergency department, laboratory and radiology information (if the provider has these services), transcription, medication information, immunization data, and discharge summaries that include, at a minimum, discharge orders, discharge instructions, active medications, new prescriptions, active problem lists (diagnosis), treatments and procedures conducted during the stay, active allergies, and discharge destination.~~

~~iii. Milestone #3: Complete the following COVID-19 related milestones, if they are applicable:~~

- ~~1. By September 1, 2020, or within 30 days of initiating COVID-19 lab testing, submit all COVID-19 lab test codes and the associated LOINC codes to qualifying HIE to ensure proper processing of lab results within the HIE system.~~
- ~~2. By September 1, 2020, or within 30 days of initiating COVID-19 antibody testing, submit all COVID-19 antibody test codes and the associated~~

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~~LOINC codes to the qualifying HIE to ensure proper processing of lab results within the HIE system.~~

- ~~3. Within 30 days of initiating COVID-19 immunizations, submit all COVID-19 immunization codes and the associated LOINC codes to the qualifying HIE to ensure proper processing of immunizations within the HIE system.~~
  - ~~4. By October 1, 2020, hospitals that utilize external reference labs for any lab result processing must submit necessary provider authorization forms to the qualifying HIE, if required by the external reference lab, to have all outsourced lab test results flow to the qualifying HIE on their behalf.~~
- ~~iv. Milestone #4: No later than November 1, 2020 the hospital must approve and authorize a formal SOW to initiate and complete a Phase 2 data quality improvement effort, as defined by the qualifying HIE organization and in collaboration with the qualifying HIE organization.~~
- ~~v. Milestone #5: No later than January 1, 2021 the hospital must complete the Phase 2 initial data quality profile with a qualifying HIE organization.~~
- ~~vi. Milestone #6: No later than May 1, 2021 the hospital must complete the Phase 2 final data quality profile with a qualifying HIE organization.~~

~~In addition to the submission of the LOI agreeing to the above milestones, the hospital must meet these following performance criteria~~

- ~~vii. **Performance Criteria:** Hospitals that meet each of the following HIE data quality performance criteria will be eligible to receive DAP increases described below in 1.b.viii.~~
  - ~~1. Demonstrate a 10% improvement from baseline measurements in the initial data quality profile, based on July 2019 data, to the final data quality profile, based on March 2020 data.~~
  - ~~2. Meet a minimum performance standard of at least 60% based on March 2020 data.~~
  - ~~3. If performance meets or exceeds an upper threshold of 90% based on March 2020 data the hospital meets the criteria, regardless of the percentage improvement from the baseline measurements.~~
- ~~viii. **DAP HIE Data Quality Standards 2021 Measure Categories:** Hospitals that meet the standards, as defined below, qualify for a 0.5% DAP increase for each~~

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category of the five measure categories, for a total potential increase of 2.5% if criteria are met for all categories

1. ~~Data source and data site information must be submitted on all ADT transactions. (0.5%)  
Event type must be properly coded on all ADT transactions. (0.5%)~~
2. ~~Patient class must be properly coded on all appropriate ADT transactions. (0.5%)~~
3. ~~Patient demographic information must be submitted on all ADT transactions. (0.5%)~~
4. ~~Overall completeness of the ADT message. (0.5%)~~

~~For any milestone that includes electronic submission of patient information, the information transferred to the qualifying HIE must be actual patient data; the transfer of test data does not fulfill these requirements. It must include all patient data, including behavioral health data and data covered by 42 C.F.R. Part 2.~~

~~A hospital must submit an LOI to the HIE and AHCCCS by May 27, 2020 at the following email addresses:~~

~~FFSRates@azahcccs.gov, and  
ceo@healthcurrent.org~~

~~If a hospital has already achieved one or more of the CYE 2021 milestones as of May 27, 2020, the LOI must include a commitment by the hospital to maintain its participation in those milestone activities for the period May 27, 2020 through September 30, 2021. The LOI must list each facility that hospital requests to participate in this DAP initiative and must include the AHCCCS IDs for each listed facility. If a LOI was submitted in alignment with the final requirements dated March 6, 2020, a new LOI is not required; the hospital is presumed to be included in DAP under these final requirements unless the hospital submits a written request to AHCCCS and the HIE requesting that their LOI be retracted. In all cases, the hospital must submit the AHCCCS IDs for each listed facility as part of the LOI or must email the associated AHCCCS IDs to the email addresses noted.~~

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If a hospital receives a DAP increase for CYE 2021, but fails to achieve one or more of the milestones in the LOI by the specified date, or fails to maintain its participation in the milestone activities, that hospital will be ineligible to receive DAP for dates of service from October 1, 2021 through September 30, 2022 (CYE 2022) if a DAP is available at that time.

**~~c.~~ Sepsis Care Performance Measure**

Hospitals that meet or exceed the state-wide average for the Sepsis Care performance measure will qualify for a 1.0% DAP increase for dates for service from October 1, 2020 through September 30, 2021. On May 12, 2020, AHCCCS will download data from the Medicare Hospital Compare website for the Early Management Bundle, Severe Sepsis/Septic Shock (SEP-1) performance measure. This measure reflects the percentage of patients who received appropriate care for severe sepsis and septic shock. Facility results will be compared to the Arizona average results for the measure. Hospitals that meet or exceed the state-wide average percentage will qualify for the DAP increase.

In lieu of the performance requirement above, a pediatric hospital will qualify to receive this DAP increase if it submits a letter by May 27, 2020 to AHCCCS attesting it is a participant in the Improving Pediatric Sepsis Outcomes (IPSO) collaborative for 2020 at the following address: FFSRates@azahcccs.gov.

**~~d.~~ Long-Acting Reversible Contraception**

For dates of services from October 1, 2020 through September 30, 2021, hospitals subject to APR-DRG reimbursement (Provider Type 02) may qualify for a DAP on codes J7296-J7298, J7300-J7301, and J7307 billed on the 1500 or UB-04 forms for long-acting reversible contraception devices. The DAP represents a 10.0% increase on the specific codes.

2. Psychiatric Hospitals, with the exception of public hospitals, Provider Type 71; Subacute Facilities (1-16 Beds), Provider Type B5; Subacute Facilities (17+ beds), Provider Type B6; Rehabilitation Hospitals, Provider Type C4; Long Term Acute Care Hospitals, Provider Type C4 are eligible for DAP increases under the following criteria. For purposes of Section 2, other inpatient facilities will be referred to as hospitals. (Up to ~~5.04~~5%)

**a. Health Information Exchange Participation**

Hospitals that meet the following milestones and performance criteria are eligible to participate in this DAP initiative and earn up to a 2.5% DAP increase. In order to qualify, by April 1, 2021 the hospital must have submitted a LOI to AHCCCS and the HIE, in which it agrees to achieve the following milestones by the specified dates, or maintain its participation in the milestone activities if they have already been achieved:

- i. Milestone #1: No later than April 1, 2021, the hospital must have in place an active participation agreement with a qualifying HIE organization and submit

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a LOI to AHCCCS and the HIE, in which it agrees to achieve the following milestones by the specified dates or maintain its participation in the milestone activities if they have already been achieved.

- ii. Milestone #2: No later than May 1, 2021, or by the hospital's go-live date for new data suppliers, or within 30 days of initiating the respective COVID-19 related services for current data suppliers, the hospital must complete the following COVID-19 related milestones, if they are applicable:
  1. Related to COVID-19 testing services, submit all COVID-19 lab test codes and the associated LOINC codes to the qualifying HIE organization to ensure proper processing of lab results within the HIE system.
  2. Related to COVID-19 antibody testing services, submit all COVID-19 antibody test codes and the associated LOINC codes to the qualifying HIE organization to ensure proper processing of lab results within the HIE system.
  3. Related to COVID-19 immunization services, submit all COVID-19 immunization codes and the associated CDC-recognized code sets to the qualifying HIE organization to ensure proper processing of immunizations within the HIE system.
- iii. Milestone #3: No later than May 1, 2021, hospitals that utilize external reference labs for any lab result processing must submit necessary provider authorization forms to the qualifying HIE, if required by the external reference lab, to have all outsourced lab test results flow to the qualifying HIE organization on their behalf.
- iv. Milestone #4: No later than May 1, 2021, the hospital must electronically submit the following actual patient identifiable information to the production environment of a qualifying HIE organization: admission, discharge and transfer information (generally known as ADT information), including data from the hospital emergency department if the provider has an emergency department, laboratory and radiology information (if the provider has these services), transcription, medication information, immunization data, and discharge summaries that include, at a minimum, discharge orders, discharge instructions, active medications, new prescriptions, active problem lists (diagnosis), treatments and procedures conducted during the stay, active allergies, and discharge destination.
- v. Milestone #5: No later than November 1, 2021, the hospital must approve and authorize a formal SOW to initiate and complete a data quality improvement effort, as defined by the qualifying HIE organization.
- vi. Milestone #6: No later than November 1, 2021, the hospital must approve and authorize a formal SOW to initiate connectivity to either a SDOH Closed-Loop Referral Platform operated by the qualifying HIE organization or an Advance Directives Registry platform operated by the qualifying HIE organization.
- vii. Milestone #7: No later than January 1, 2022, the hospital must complete the initial data quality profile with a qualifying HIE organization, in alignment with the data quality improvement SOW as agreed to in Milestone #5.

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- viii. Milestone #8: No later than May 1, 2022, the hospital must complete the final data quality profile with a qualifying HIE organization, in alignment with the data quality improvement SOW as agreed to in Milestone #5.
- ix. Quality Improvement Performance Criteria: Hospitals that meet each of the following HIE data quality performance criteria will be eligible to DAP increases described below in B.2.a.x.
  - 1. Demonstrate a 10% improvement from baseline measurements in the initial data quality profile, based on July 2020 data, to the final data quality profile, based on March 2021 data.
  - 2. Meet a minimum performance standard of at least 60% based on March 2021 data.
  - 3. If performance meets or exceeds an upper threshold of 90% based on March 2021 data the hospital meets the criteria, regardless of the percentage improvement from the baseline measurements.
- x. DAP HIE Data Quality Standards CYE 2022 Measure Categories: Hospitals that meet the standards, as defined in Section B.2.a.xi., qualify for a 0.5% DAP increase for each category of the five measure categories, for a total potential increase of 2.5% if criteria are met for all categories.
  - 1. Data source and data site information must be submitted on all ADT transactions. (0.5%)
  - 2. Event type must be properly coded on all ADT transactions. (0.5%)
  - 3. Patient class must be properly coded on all appropriate ADT transactions. (0.5%)
  - 4. Patient demographic information must be submitted on all ADT transactions. (0.5%)
  - 5. Overall completeness of the ADT message. (0.5%)
- xi. CYE 2022 DAP HIE Data Quality Standards
  - 1. Measure 1: Data source and data site information must be submitted on all ADT transactions.
    - i. Standards: HL7
    - ii. Inclusions: MSH.4, EVN.7, PV1.3.4
    - iii. Exclusions: None
    - iv. Additional Notes: The source information can be derived from the MSH.4 segment, and the site information from one of the other inclusions. If both source and site information are sent in MSH.4, the sending organization must provide the required mapping details to Health Current.
  - 2. Measure 2: Event type must be properly coded on all ADT transactions.
    - i. Standards: HL7
    - i. Inclusions: EVN.1, MSH.9.1, MSH.9.2
    - ii. Exclusions: None
  - 3. Measure 3: Patient class must be properly coded on all appropriate ADT transactions.
    - i. Standards: HL7



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- ii. Inclusions: PV1.2 (associated with completed EVN., MSH.9 with A01, A02, A03, A04)
- iii. Exclusions: None
- 4. Measure 4: Patient demographic information must be submitted on all ADT transactions.
  - i. Standards: HL7
  - ii. Inclusions: PID.1.1, PID.3.1, PID.5.1, PID.5.2, PID.7.1, PID.8.1, PID.10.1 PID.11.1, PID.11.3, PID.11.4, PID.11.5
  - iii. Exclusions: None
  - iv. Additional Notes: The patient demographic elements that will be evaluated for this measure are first name, last name, date of birth, gender, and address (street address, city, state, and zip). The patient demographic elements that have been removed from previous iterations of this measure include middle name, address type, county, and country.
- 5. Measure 5: Overall completeness of the ADT message
  - i. Standards: HL7
  - ii. Inclusions: MSH.4, MSH.9.1, MSH.9.2, EVN.1, EVN.7, PV1.3.4, PV1.2, PID.1.1, PID.3.1, PID.5.1, PID.5.2, PID.7.1, PID.8.1, PID.10.1 PID.11.1, PID.11.3, PID.11.4, PID.11.5
  - iii. Exclusions: None

For any milestone that includes electronic submission of patient information, the information transferred to the qualifying HIE must be actual patient data; the transfer of test data does not fulfill these requirements. It must include all patient data, including behavioral health data and data covered by 42 CFR Part 2.

If a hospital has already achieved one or more of the CYE 2022 milestones as of April 1, 2021, the LOI must include a commitment by the hospital to maintain its participation in those milestone activities for the period April 1, 2021 through September 30, 2022.

If a hospital submits a LOI and receives up to a 2.5% DAP increase for CYE 2022 but fails to achieve one or more of the milestones by the specified date or fails to maintain its participation in the milestone activities, that hospital will be ineligible to receive DAP for dates of service from October 1, 2022 through September 30, 2023 (CYE 2023) if a DAP is available at that time.

AHCCCS anticipates that HIE Data Quality Standards, minimum performance standards, and upper thresholds will continue to be monitored and evaluated during the CYE 2022 period in order to ensure that performance improvements are maintained.

~~The providers who are eligible to participate in this DAP initiative are: Providers that have not previously participated in DAP, Providers that participated in 2020 DAP (but not 2019 DAP) and Providers that participated in 2019 DAP (but not 2020 DAP). Participants in this initiative cannot participate in the Health Information Exchange Performance initiative~~

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described in 2.b

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Participation in a qualifying Health Information Exchange (HIE) organization qualifies the hospital for a 2.5% DAP increase for inpatient services. Participation means that by May 27, 2020, the hospital must have submitted a LOI to AHCCCS and the HIE, in which it agrees to achieve the following milestones by the specified dates, or maintain its participation in the milestone activities if they have already been achieved:

xii. Milestone #1: No later than May 27, 2020 the hospital must have in place an active participation agreement with a qualifying HIE organization and submit a LOI to AHCCCS and the HIE, in which it agrees to achieve the following milestones by the specified dates, or maintain its participation in the milestone activities if they have already been achieved.

xiii. Milestone #2: No later than June 1, 2020 the hospital must electronically submit the following actual patient identifiable information to the production environment of a qualifying HIE organization: admission, discharge, and transfer information (generally known as ADT information), including data from the hospital emergency department if the provider has an emergency department.

xiv. Milestone #3: No later than August 1, 2020 the hospital must electronically submit the following actual patient identifiable information to the production environment of a qualifying HIE organization: laboratory and radiology information (if the provider has these services), transcription, medication information, immunization data, and discharge summaries that include, at a minimum, discharge orders, discharge instructions, active medications, new prescriptions, active problem lists (diagnosis), treatments and procedures conducted during the stay, active allergies, and discharge destination.

xv. Milestone #4: Complete the following COVID-19 related milestones, if they are applicable:

1. By September 1, 2020, or within 30 days of initiating COVID-19 lab testing, submit all COVID-19 lab test codes and the associated LOINC codes to qualifying HIE to ensure proper processing of lab results within the HIE system.

2. By September 1, 2020, or within 30 days of initiating COVID-19 antibody testing, submit all COVID-19 antibody test codes and the associated LOINC codes to the qualifying HIE to ensure proper processing of lab results within the HIE system.

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- ~~3. Within 30 days of initiating COVID-19 immunizations, submit all COVID-19 immunization codes and the associated LOINC codes to the qualifying HIE to ensure proper processing of immunizations within the HIE system.~~
- ~~4. By October 1, 2020, hospitals that utilize external reference labs for any lab result processing must submit necessary provider authorization forms to the qualifying HIE, if required by the external reference lab, to have all outsourced lab test results flow to the qualifying HIE on their behalf.~~
- xvi. Milestone #5: No later than November 1, 2020 the hospital must approve and authorize a formal SOW with a qualifying HIE organization to initiate and complete a Phase 1 data quality improvement effort, as defined by the qualifying HIE organization and in collaboration with the qualifying HIE organization.
- xvii. Milestone #6: No later than January 1, 2021 the hospital must complete the Phase 1 initial data quality profile with a qualifying HIE organization.
- xviii. Milestone #7: No later than May 1, 2021 the hospital must complete the Phase 1 final data quality profile with a qualifying HIE organization

For any milestone that includes electronic submission of patient information, the information transferred to the qualifying HIE must be actual patient data; the transfer of test data does not fulfill these requirements. It must include all patient data, including behavioral health data and data covered by 42 C.F.R. Part 2.

In order to receive up to a maximum 2.5% DAP increase for HIE participation a hospital must submit an LOI to the HIE and AHCCCS by May 27, 2020 at the following email addresses:

[FFSRates@azahcccs.gov](mailto:FFSRates@azahcccs.gov), and

[ceo@healthcurrent.org](mailto:ceo@healthcurrent.org)

If a hospital has already achieved one or more of the CYE 2021 milestones as of May 27, 2020, the LOI must include a commitment by the hospital to maintain its participation in those milestone activities for the period May 27, 2020 through September 30, 2021. The LOI must list each facility that hospital requests to participate in this DAP initiative and must include the AHCCCS IDs for each listed facility. If a LOI was submitted in alignment with the Preliminary Public Notice, dated March 6, 2020, a new LOI is not required; the hospital is presumed to be included in DAP under these final requirements unless the hospital submits a written request to AHCCCS and the HIE requesting that their LOI be

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retracted. In all cases, the hospital must submit the AHCCCS IDs for each listed facility as part of the LOI or must email the associated AHCCCS IDs to the email addresses noted. If a hospital receives up to a 2.5% DAP increase for CYE 2021 but fails to achieve one or more milestones in the LOI by the specified date, that hospital will be ineligible to receive DAP for dates of service from October 1, 2021 through September 30, 2022 (CYE 2022) if a DAP is available at that time.

**Health Information Exchange Performance**

Hospitals that participated in both CYE 2019 and CYE 2020 DAP are eligible to participate in this DAP initiative. Participants in this initiative cannot participate in the Health Information Exchange Participation initiative described in 2.a.

Hospitals that meet the following milestones (2.b.i to vi) and performance criteria (vii and viii) are eligible to participate in this DAP initiative and earn up to a 2.5% DAP increase if performance milestones vii and viii are achieved.

In order to qualify, by May 27, 2020 the hospital must have submitted a LOI to AHCCCS and the HIE, in which it agrees to achieve the following milestones by the specified dates, or maintain its participation in the milestone activities if they have already been achieved:

- xix. ~~Milestone #1: No later than May 27, 2020 the hospital must have in place an active participation agreement with a qualifying HIE organization and submit a LOI to AHCCCS and the HIE, in which it agrees to achieve the following milestones by the specified dates, or maintain its participation in the milestone activities if they have already been achieved.~~
  
- xx. ~~Milestone #2: No later than June 1, 2020 the hospital must electronically submit the following actual patient identifiable information to the production environment of a qualifying HIE organization: admission, discharge and transfer information (generally known as ADT information), including data from the hospital emergency department if the provider has an emergency department, laboratory and radiology information (if the provider has these services), transcription, medication information, immunization data, and discharge summaries that include, at a minimum, discharge orders, discharge instructions, active medications, new prescriptions, active problem lists (diagnosis), treatments and procedures conducted during the stay, active allergies, and discharge destination.~~
  
- xxi. ~~Milestone #3 Complete the following COVID-19 related milestones, if they are applicable:~~

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- ~~1. By September 1, 2020, or within 30 days of initiating COVID-19 lab testing, submit all COVID-19 lab test codes and the associated LOINC codes to qualifying HIE to ensure proper processing of lab results within the HIE system.~~
- ~~2. By September 1, 2020, or within 30 days of initiating COVID-19 antibody testing, submit all COVID-19 antibody test codes and the associated LOINC codes to the qualifying HIE to ensure proper processing of lab results within the HIE system.~~
- ~~3. Within 30 days of initiating COVID-19 immunizations, submit all COVID-19 immunization codes and the associated LOINC codes to the qualifying HIE to ensure proper processing of immunizations within the HIE system.~~
- ~~4. By October 1, 2020, hospitals that utilize external reference labs for any lab result processing must submit necessary provider authorization forms to the qualifying HIE, if required by the external reference lab, to have all outsourced lab test results flow to the qualifying HIE on their behalf.~~

~~xxii. Milestone #4: No later than November 1, 2020 the hospital must approve and authorize a formal SOW to initiate and complete a Phase 2 data quality improvement effort, as defined by the qualifying HIE organization and in collaboration with a qualifying HIE organization.~~

~~xxiii. Milestone #5: No later than January 1, 2021 the hospital must complete the Phase 2 initial data quality profile with a qualifying HIE organization.~~

~~xxiv. Milestone #6: No later than May 1, 2021 the hospital must complete the Phase 2 final data quality profile with a qualifying HIE organization.~~

~~In addition to the LOI agreeing to the above milestones, the hospital must meet the following performance criteria:~~

~~xxv. **Performance Criteria:** Hospitals that meet each of the following HIE data quality performance criteria will be eligible to DAP increases described below in 2.b.viii.~~

- ~~1. Demonstrate a 10% improvement from baseline measurements in the initial data quality profile, based on July 2019 data, to the final data quality profile, based on March 2020 data.~~
- ~~2. Meet a minimum performance standard of at least 60% based on March 2020 data.~~

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3. ~~If performance meets or exceeds an upper threshold of 90% based on March 2020 data the hospital meets the criteria, regardless of the percentage improvement from the baseline measurements.~~

~~xxvi. **Performance Criteria:** Performance Criteria: DAP HIE Data Quality Standards 2021 Measure Categories: Hospitals that meet the following standards, qualify for a 0.5% DAP increase for each category of the five measure categories, for a total potential increase of 2.5% if criteria are met for all categories.~~

1. ~~Data source and data site information must be submitted on all ADT transactions. (0.5%)~~
2. ~~Event type must be properly coded on all ADT transactions. (0.5%)~~
3. ~~Patient class must be properly coded on all appropriate ADT transactions. (0.5%)~~
4. ~~Patient demographic information must be submitted on all ADT transactions. (0.5%)~~
5. ~~Overall completeness of the ADT message. (0.5%)~~

~~For any milestone that includes electronic submission of patient information, the information transferred to the qualifying HIE must be actual patient data; the transfer of test data does not fulfill these requirements. It must include all patient data, including behavioral health data and data covered by 42 C.F.R. Part 2.~~

~~A hospital must submit an LOI to the HIE and AHCCCS by May 27, 2020 at the following email addresses:~~

~~[FFSRates@azahcccs.gov](mailto:FFSRates@azahcccs.gov), and~~

~~[ceo@healthcurrent.org](mailto:ceo@healthcurrent.org)~~

~~If a hospital has already achieved one or more of the CYE 2021 milestones as of May 27, 2020, the LOI must include a commitment by the hospital to maintain its participation in those milestone activities for the period May 27, 2020 through September 30, 2021. The LOI must list each facility that hospital requests to participate in this DAP initiative and must include the AHCCCS IDs for each listed facility. If a LOI was submitted in alignment with the Preliminary Public Notice, dated March 6, 2020, a new LOI is not required; the hospital is presumed to be included in DAP under these final requirements unless the hospital submits a written request to AHCCCS and the HIE requesting that their~~

~~LOI be retracted. In all cases, the hospital must submit the AHCCCS IDs for each~~

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~~listed facility as part of the LOI or must email the associated AHCCCS IDs to the email addresses noted.~~

~~If a hospital receives up to a 2.5% DAP increase for CYE 2021, but fails to achieve one or more of the milestones by the specified date, or fails to maintain its participation in the milestone activities, that hospital will be ineligible to receive DAP for dates of service from October 1, 2021 through September 30, 2022 (CYE 2022) if a DAP is available at that time.~~

**b. Inpatient Psychiatric Facility Quality Reporting Program**

Hospitals that meet the Inpatient Psychiatric Facility Quality Reporting Program (IPFQR) performance measure will qualify for a 2.0% DAP increase for dates of service from October 1, 2021~~0~~-September 30, 2022~~1~~. On ~~March 15, 2021~~ **March 15, 2021** ~~May 12, 2020~~, AHCCCS will download the most current data from the QualityNet.org website to identify Medicare's Annual Payment Update (APU) recipients. APU recipients are those facilities that satisfactorily met the requirements for the IPFQR program, which includes multiple clinical quality measures. Facilities identified as APU recipients will qualify for the DAP increase.

**c. Long-Term Care Hospital Pressure Ulcers Performance Measure**

Hospitals that meet or fall below the national average for the pressure ulcers performance measure will qualify for a 2.0% DAP increase for dates of service from October 1, 2021~~0~~-September 30, 2022~~1~~. On ~~March 15, 2021~~ **March 15, 2021** ~~May 12, 2020~~, AHCCCS will download the most current data from the ~~Medicare Long Term Hospital Compare website~~ **Medicare Provider Data Catalog website for the rate of changes in skin integrity post-acute care: Pressure Ulcer/Injury** for the rate of pressure ulcers that are new or worsened. Facility results will be compared to the national average results for the measure. ~~Hospitals that meet or fall below the national average percentage will qualify for the DAP increase.~~ **Hospitals that meet or fall below the national average percentage will qualify for the DAP increase.**

**d. Inpatient Rehabilitation Pressure Ulcers Performance Measure**

Hospitals that meet or fall below the national average for the pressure ulcers performance measure will qualify for a 2.0% DAP increase for dates of service from October 1, 2021~~0~~-September 30, 2022~~1~~. On ~~March 15, 2021~~ **March 15, 2021** ~~May 12, 2020~~, AHCCCS will download the most current data from the ~~Medicare Inpatient Rehabilitation Facility Compare website~~ **Medicare Provider Data Catalog website for the rate of changes in skin integrity post-acute care: Pressure Ulcer/Injury** for the rate of pressure ulcers that are new or worsened. Facility results will be compared to the national average results for the measure. ~~Hospitals that meet or fall below the national average percentage will qualify for the DAP increase.~~ **Hospitals that meet or fall below the national average percentage will qualify for the DAP increase.**



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**e. Enter into a Care Coordination Agreement with an IHS/Tribal 638 Facility**

Hospitals will be eligible for this DAP by participating in a CCA with an IHS/Tribal 638 facility. By March 15, 2021, the facility must submit a LOI to enter into a CCA (a fully signed copy of a CCA with an IHS/Tribal 638 facility is also acceptable). By April 30, 2021, the facility must have entered into a CCA with a IHS/Tribal 638 facility for inpatient, outpatient, and ambulatory services provided through a referral under the executed CCA. The facility agrees to achieve and maintain participation in the following activities:

- i. The facility will have in place a signed CCA with an IHS/Tribal 638 facility and will have submitted the signed CCA to AHCCCS. The CCA will meet minimum requirements as outlined in the CMS SHO Guidance- SHO #16-002.
- ii. The facility will have a valid referral process for IHS/Tribal 638 facilities in place for requesting services to be performed by the non-IHS/Tribal 638 facility.
- iii. The hospital will provide to the IHS/Tribal 638 facility clinical documentation of services provided through a referral under the CCA.
- iv. AHCCCS will monitor activity specified under the CCA(s) to ensure compliance. To help facilitate this, the facility will participate in the HIE or establish an agreed claims operation process with AHCCCS for the review of medical records by May 31, 2021.

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3. Hospitals designated as a Critical Access Hospital (CAH) by ~~May 27, 2020~~ **March 15, 2021** are eligible for up to a maximum ~~20~~**10.5**% DAP increase under the following criteria.

**a. Health Information Exchange**

Hospitals that meet the following milestones and performance criteria are eligible to participate in this DAP initiative and earn up to a 10.0% DAP increase. In order to qualify, by April 1, 2021 the hospital must have submitted a LOI to AHCCCS and the HIE, in which it agrees to achieve the following milestones by the specified dates, or maintain its participation in the milestone activities if they have already been achieved:

- i. Milestone #1: No later than April 1, 2021, the hospital must have in place an active participation agreement with a qualifying HIE organization and submit a LOI to AHCCCS and the HIE, in which it agrees to achieve the following milestones by the specified dates or maintain its participation in the milestone activities if they have already been achieved.
- ii. Milestone #2: No later than May 1, 2021, or by the hospital's go-live date for new data suppliers, or within 30 days of initiating the respective COVID-19 related services for current data suppliers, the hospital must complete the following COVID-19 related milestones, if they are applicable:
  1. Related to COVID-19 testing services, submit all COVID-19 lab test codes and the associated LOINC codes to the qualifying HIE organization to ensure proper processing of lab results within the HIE system.
  2. Related to COVID-19 antibody testing services, submit all COVID-19 antibody test codes and the associated LOINC codes to the qualifying HIE organization to ensure proper processing of lab results within the HIE system.
  3. Related to COVID-19 immunization services, submit all COVID-19 immunization codes and the associated CDC-recognized code sets to the qualifying HIE organization to ensure proper processing of immunizations within the HIE system.
- iii. Milestone #3: No later than May 1, 2021, hospitals that utilize external reference labs for any lab result processing must submit necessary provider authorization forms to the qualifying HIE, if required by the external reference lab, to have all outsourced lab test results flow to the qualifying HIE organization on their behalf.
- iv. Milestone #4: No later than May 1, 2021, the hospital must electronically submit the following actual patient identifiable information to the production environment of a qualifying HIE organization: admission, discharge and transfer information (generally known as ADT information), including data from the hospital emergency department if the provider has an emergency department; laboratory and radiology information (if the provider has these services); transcription; medication information; immunization data; and

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- discharge summaries that include, at a minimum, discharge orders, discharge instructions, active medications, new prescriptions, active problem lists (diagnosis), treatments and procedures conducted during the stay, active allergies, and discharge destination.
- v. Milestone #5: No later than November 1, 2021, the hospital must approve and authorize a formal SOW to initiate and complete a data quality improvement effort, as defined by the qualifying HIE organization.
  - vi. Milestone #6: No later than November 1, 2021, the hospital must approve and authorize a formal SOW to initiate connectivity to a SDOH Closed Loop Referral Platform operated by the qualifying HIE organization.
  - vii. Milestone #7: No later than January 1, 2022, the hospital must complete the initial data quality profile with a qualifying HIE organization, in alignment with the data quality improvement SOW as agreed to in Milestone #5.
  - viii. Milestone #8: No later than May 1, 2022, the hospital must complete the final data quality profile with a qualifying HIE organization, in alignment with the data quality improvement SOW as agreed to in Milestone #5.
  - ix. Quality Improvement Performance Criteria: Hospitals that meet each of the following HIE data quality performance criteria will be eligible to receive DAP increases described below in B.3.a.x.
    - 1. Demonstrate a 10% improvement from baseline measurements in the initial data quality profile, based on July 2020 data, to the final data quality profile, based on March 2021 data.
    - 2. Meet a minimum performance standard of at least 60% based on March 2021 data.
    - 3. If performance meets or exceeds an upper threshold of 90% based on March 2021 data the hospital meets the criteria, regardless of the percentage improvement from the baseline measurements.
  - x. DAP HIE Data Quality Standards CYE 2022 Measure Categories: Hospitals that meet the standards, as defined in Section B.3.a.xi., qualify for a 2.0% DAP increase for each category of the five measure categories, for a total potential increase of 10.0% if criteria are met for all categories.
    - 1. Data source and data site information must be submitted on all ADT transactions. (2.0%)
    - 2. Event type must be properly coded on all ADT transactions. (2.0%)
    - 3. Patient class must be properly coded on all appropriate ADT transactions. (2.0%)
    - 4. Patient demographic information must be submitted on all ADT transactions. (2.0%)
    - 5. Overall completeness of the ADT message. (2.0%)
  - xi. CYE 2022 DAP HIE Data Quality Standards

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1. Measure 1: Data source and data site information must be submitted on all ADT transactions.
  - i. Standards: HL7
  - ii. Inclusions: MSH.4, EVN.7, PV1.3.4
  - iii. Exclusions: None
  - iv. Additional Notes: The source information can be derived from the MSH.4 segment, and the site information from one of the other inclusions. If both source and site information are sent in MSH.4, the sending organization must provide the required mapping details to Health Current.
2. Measure 2: Event type must be properly coded on all ADT transactions.
  - i. Standards: HL7
  - ii. Inclusions: EVN.1, MSH.9.1, MSH.9.2
  - iii. Exclusions: None
3. Measure 3: Patient class must be properly coded on all appropriate ADT transactions.
  - i. Standards: HL7
  - ii. Inclusions: PV1.2 (associated with completed EVN., MSH.9 with A01, A02, A03, A04)
  - iii. Exclusions: None
4. Measure 4: Patient demographic information must be submitted on all ADT transactions.
  - i. Standards: HL7
  - ii. Inclusions: PID.1.1, PID.3.1, PID.5.1, PID.5.2, PID.7.1, PID.8.1, PID.10.1 PID.11.1, PID.11.3, PID.11.4, PID,11.5
  - iii. Exclusions: None
  - iv. Additional Notes: The patient demographic elements that will be evaluated for this measure are first name, last name, date of birth, gender, and address (street address, city, state, and zip). The patient demographic elements that have been removed from previous iterations of this measure include middle name, address type, county, and country.
5. Measure 5: Overall completeness of the ADT message
  - i. Standards: HL7
  - ii. Inclusions: MSH.4, MSH.9.1, MSH.9.2, EVN.1, EVN.7, PV1.3.4, PV1.2, PID.1.1, PID.3.1, PID.5.1, PID.5.2, PID.7.1, PID.8.1, PID.10.1 PID.11.1, PID.11.3, PID.11.4, PID.11.5
  - iii. Exclusions: None

For any milestone that includes electronic submission of patient information, the information transferred to the qualifying HIE must be actual patient data; the transfer of test data does not fulfill these requirements. It must include all patient data, including behavioral health data and data covered by 42 C.F.R. Part 2.

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If a hospital has already achieved one or more of the CYE 2022 milestones as of April 1, 2021, the LOI must include a commitment by the hospital to maintain its participation in those milestone activities for the period April 1, 2021 through September 30, 2022. The LOI must list each facility that the hospital requests to participate in this DAP initiative and must include the AHCCCS IDs for each listed facility. In all cases, the hospital must submit the AHCCCS IDs for each listed facility as part of the LOI or must email the associated AHCCCS IDs to the email addresses noted.

If a hospital submits a LOI and receives up to a 10.0% DAP increase for CYE 2022 but fails to achieve one or more of the milestones by the specified date or fails to maintain its participation in the milestone activities, that hospital will be ineligible to receive DAP for dates of service from October 1, 2022 through September 30, 2023 (CYE 2023) if a DAP is available at that time.

AHCCCS anticipates that HIE Data Quality Standards, minimum performance standards, and upper thresholds will continue to be monitored and evaluated during the CYE 2022 period in order to ensure that performance improvements are maintained.

Hospitals that participated in both CYE 2019 and CYE 2020 DAP are eligible to participate in this DAP initiative.

Hospitals that meet the following milestones (3.a.i to vi) and performance criteria (vii and viii) are eligible to participate in this DAP initiative and earn up to a maximum 10% DAP increase.

In order to qualify, by May 27, 2020 the hospital must have submitted a LOI to AHCCCS and the HIE, in which it agrees to achieve the following milestones by the specified dates, or maintain its participation in the milestone activities if they have already been achieved:

- i. Milestone #1: No later than May 27, 2020 the hospital must have in place an active participation agreement with a qualifying HIE organization and submit a LOI to AHCCCS and the HIE, in which it agrees to achieve the following milestones by the specified dates, or maintain its participation in the milestone activities if they have already been achieved.
- ii. Milestone #2: No later than June 1, 2020 the hospital must electronically submit the following actual patient identifiable information to the production environment of a qualifying HIE organization: admission, discharge and transfer information (generally known as ADT information), including data from the hospital emergency department if the provider has an emergency department, laboratory and radiology information (if the provider has these services), transcription, medication information, immunization data, and discharge summaries that include, at a minimum, discharge orders, discharge instructions, active medications, new prescriptions, active problem lists (diagnosis), treatments and procedures conducted during the stay, active allergies, and discharge

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~~destination.~~

- ~~iii. Milestone #3: Complete the following COVID-19 related milestones, if they are applicable:~~
- ~~1. By September 1, 2020, or within 30 days of initiating COVID-19 lab testing, submit all COVID-19 lab test codes and the associated LOINC codes to qualifying HIE to ensure proper processing of lab results within the HIE system.~~
  - ~~2. By September 1, 2020, or within 30 days of initiating COVID-19 antibody testing, submit all COVID-19 antibody test codes and the associated LOINC~~

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codes to the qualifying HIE to ensure proper processing of lab results within the HIE system.

3. Within 30 days of initiating COVID-19 immunizations, submit all COVID-19 immunization codes and the associated LOINC codes to the qualifying HIE to ensure proper processing of immunizations within the HIE system.
4. By October 1, 2020, hospitals that utilize external reference labs for any lab result processing must submit necessary provider authorization forms to the qualifying HIE, if required by the external reference lab, to have all outsourced lab test results flow to the qualifying HIE on their behalf.

iv. Milestone #4: No later than November 1, 2020 the hospital must approve and authorize a formal SOW to initiate and complete a Phase 2 data quality improvement effort, as defined by the qualifying HIE organization and in collaboration with the qualifying HIE organization.

v. Milestone #5: No later than January 1, 2021 the hospital must complete the Phase 2 initial data quality profile with a qualifying HIE organization.

vi. Milestone #6: No later than May 1, 2021 the hospital must complete the Phase 2 final data quality profile with a qualifying HIE organization.

In addition to the submission of the LOI agreeing to the above milestones, the hospital must meet the following performance criteria:

**vii. Performance Criteria:** Hospitals that meet each of the following HIE data quality performance criteria will be eligible to receive DAP increases described below in 3.a.viii.

1. Demonstrate a 10% improvement from baseline measurements in the initial data quality profile, based on July 2019 data, to the final data quality profile, based on March 2020 data.
2. Meet a minimum performance standard of at least 60% based on March 2020 data.
3. If performance meets or exceeds an upper threshold of 90% based on March 2020 data the hospital meets the criteria, regardless of the percentage improvement from the baseline measurements.

**viii. Performance Criteria:** DAP HIE Data Quality Standards 2021 Measure Categories: Hospitals that meet the standards, as defined below, qualify for a 2.0% DAP increase for each category of the five measure categories, for a total potential increase of 10.0% if criteria are met for all categories.

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- ~~1. Data source and data site information must be submitted on all ADT transactions. (2.0%)~~
- ~~2. Event type must be properly coded on all ADT transactions. (2.0%)~~
- ~~3. Patient class must be properly coded on all appropriate ADT transactions. (2.0%)~~
- ~~4. Patient demographic information must be submitted on all ADT transactions. (2.0%)~~
- ~~5. Overall completeness of the ADT message. (2.0%)~~

~~For any milestone that includes electronic submission of patient information, the information transferred to the qualifying HIE must be actual patient data; the transfer of test data does not fulfill these requirements. It must include all patient data, including behavioral health data and data covered by 42 C.F.R. Part 2. A hospital must submit an LOI to the HIE and AHCCCS by May 27, 2020 at the following email addresses:~~

~~[FFSRates@azahcccs.gov](mailto:FFSRates@azahcccs.gov), and~~

~~[ceo@healthcurrent.org](mailto:ceo@healthcurrent.org)~~

~~If a hospital has already achieved one or more of the CYE 2021 milestones as of May 27, 2020, the LOI must include a commitment by the hospital to maintain its participation in those milestone activities for the period May 27, 2020 through September 30, 2021. The LOI must list each facility that hospital requests to~~

~~participate in this DAP initiative and must include the AHCCCS IDs for each listed facility. If a LOI was submitted in alignment with the Preliminary Public Notice, dated March 6, 2020, a new LOI is not required; the hospital is presumed to be included in DAP under these final requirements unless the hospital submits a written request to AHCCCS and the HIE requesting that their LOI be retracted. In all cases, the hospital must submit the AHCCCS IDs for each listed facility as part of the LOI or must email the associated AHCCCS IDs to the email addresses noted.~~

~~If a hospital receives up to a 10% DAP increase but fails to achieve one or more of the milestones by the specified date, or fails to maintain its participation in the milestone activities, that hospital will be ineligible to receive DAP for dates of service from October 1, 2021 through September 30, 2022 (CYE 2022) if a DAP is available at that time.~~

**b. Enter into a Care Coordination Agreement with an IHS/638 Facility**

Hospitals will be eligible for this DAP by participating in a CCA with an IHS/Tribal 638 facility. By March 15, 2021, the facility must submit a LOI to enter into a CCA (a fully signed copy of a CCA with an IHS/Tribal 638 facility is also acceptable). By April 30, 2021, the facility must have entered into a CCA with a IHS/Tribal 638 facility for inpatient, outpatient, and ambulatory services provided through a referral under the



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executed CCA. The facility agrees to achieve and maintain participation in the following activities:

- i. The facility will have in place a signed CCA with an IHS/Tribal 638 facility and will have submitted the signed CCA to AHCCCS. The CCA will meet minimum requirements as outlined in the CMS SHO Guidance- SHO #16-002.
- ii. The facility will have a valid referral process for IHS/Tribal 638 facilities in place for requesting services to be performed by the non-IHS/Tribal 638 facility.
- iii. The hospital will provide to the IHS/Tribal 638 facility clinical documentation of services provided through a referral under the CCA.
- iv. AHCCCS will monitor activity specified under the CCA(s) to ensure compliance. To help facilitate this, the facility will participate in the HIE or establish an agreed claims operation process with AHCCCS for the review of medical records by May 31, 2021.

~~c. Long Acting Reversible Contraception~~

~~For dates of services from October 1, 2020 through September 30, 2021, Critical Access Hospitals subject to APR-DRG reimbursement (Provider Type 02) may qualify for a DAP on codes J7296-J7298, J7300-J7301, and J7307 billed on the 1500 or UB-04 forms for long-acting reversible~~

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~~contraception devices. The DAP represents a 10.0% increase on the specific codes.~~

d. **IHS/638 Facilities:** DAP for IHS and 638 tribally owned and/or operated hospitals is described on page 28(q).

e. **Payment Methodology**

For hospitals receiving APR-DRG reimbursement (described in Section B.1 above), fee-for-service ~~reimbursement~~ payment rates may be increased up to a maximum of ~~3.0~~3.5%. ~~Reimbursement~~ rates for inpatient services will be increased by 2.5% if they meet the HIE requirements and by ~~1.0~~0.5% if they meet the ~~CCA sepsis~~ requirements, ~~and by 10% on select procedure codes if they meet the long-acting reversible contraception requirements.~~ These increases do not apply to supplemental payments.

For other hospitals and inpatient facilities (described in Section B.2 above), fee-for-service ~~reimbursement~~ payment rates may be increased up to a maximum of ~~4.5~~5.0%. Payment rates for inpatient services will be increased by 2.5% if they meet the HIE requirements ~~detailed in B.2.a., and by 0.5% if they meet the CCA requirements detailed in B.2.e.~~ For inpatient psychiatric facilities, payment rates for services will be increased by 2.0% if they meet the requirements detailed in B.2.b. For Long-Term Care Hospitals, payment rates for services will be increased by 2.0% if they meet the requirements detailed in B.2.c. For inpatient rehabilitation hospitals, payment rates for services will be increased by ~~2.00~~2.00% if they meet the requirements detailed. B.2.d. These increases do not apply to supplemental payments.

For critical access hospitals (described in Section B.3 above), ~~payment~~ fee-for-service ~~reimbursement~~ rates may be increased up to a maximum of 10.5%. ~~Reimbursement~~ rates for inpatient services will be increased by 10% if they meet the HIE requirements, and by ~~0.5~~0.5% if they ~~meet the CCA requirements. 10% on select procedure codes if they meet the long-acting reversible contraception requirements.~~ These increases do not apply to supplemental payments.

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The following is a description of methods and standards for determining Differential Adjusted Payments for IHS/638 Tribally owned and/or operated facilities. The purpose of the Differential Adjusted Payment is to distinguish facilities which have committed to supporting designated actions that improve patients' care experience, improve members' health, and reduce cost of care growth. The Differential Adjusted Payment Schedule represents a positive adjustment to the AHCCCS rates. These payment adjustments will occur for all dates of service in Contract Year Ending (CYE) 2021 (October 1, 2020 through September 30, 2021) only.

## 1. IHS and 638 Tribally Owned and/or Operated Facilities

### A. Applicability

Hospitals, Provider Type 02, owned and/or operated by Indian Health Services (IHS) or ~~owned and/or operated by Tribal authority under Tribal authority by March 15, 2021~~ ~~May 27, 2020~~ are eligible for a DAP increase under the following criteria:

#### i. Health Information Exchange Participation

Hospitals that meet the following milestones and performance criteria are eligible to participate in this DAP initiative and a 2.5% DAP increase for inpatient services. In order to qualify, by April 1, 2021 the hospital must have submitted a LOI to AHCCCS and the HIE, in which it agrees to achieve the following milestones by the specified dates, or maintain its participation in the milestone activities if they have already been achieved:

- a. Milestone #1: No later than April 1, 2021, the hospital must have in place an active participation agreement with a qualifying HIE organization and submit a LOI to AHCCCS and the HIE, in which it agrees to achieve the following milestones by the specified dates or maintain its participation in the milestone activities if they have already been achieved.
- b. Milestone #2: No later than May 1, 2021, or by the hospital's go-live date for new data suppliers, or within 30 days of initiating the respective COVID-19 related services for current data suppliers, the hospital must complete the following COVID-19 related milestones, if they are applicable:
  1. Related to COVID-19 testing services, submit all COVID-19 lab test codes and the associated LOINC codes to the qualifying HIE organization to ensure proper processing of lab results within the HIE system.
  2. Related to COVID-19 antibody testing services, submit all COVID-19 antibody test codes and the associated LOINC codes to the qualifying HIE organization to ensure proper processing of lab results within the HIE system.
  3. Related to COVID-19 immunization services, submit all COVID-19 immunization codes and the associated CDC-recognized code sets to the qualifying HIE organization

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- to ensure proper processing of immunizations within the HIE system.
- c. Milestone #3: No later than May 1, 2021, hospitals that utilize external reference labs for any lab result processing must submit necessary provider authorization forms to the qualifying HIE, if required by the external reference lab, to have all outsourced lab test results flow to the qualifying HIE organization on their behalf.
  - d. Milestone #4: No later than June 1, 2021, the hospital must electronically submit the following actual patient identifiable information to the production environment of a qualifying HIE organization: admission, discharge, and transfer information (generally known as ADT information), including data from the hospital emergency department if the facility has an emergency department; laboratory and radiology information (if the provider has these services); transcription; medication information; immunization data; and discharge summaries that include, at a minimum, discharge orders, discharge instructions, active medications, new prescriptions, active problem lists (diagnosis), treatments and procedures conducted during the stay, active allergies, and discharge destination. If the hospital has ambulatory and/or behavioral health practices, then the facility must submit the following actual patient identifiable information to the production environment of a qualifying HIE: registration, encounter summary, and SMI data elements as defined by the qualifying HIE organization. For hospitals that have not participated in DAP HIE requirements in CYE 2021, the deadline for this milestone will be November 1, 2021.
  - e. Milestone #5: No later than November 1, 2021, the hospital must approve and authorize a formal SOW to initiate and complete a data quality improvement effort, as defined by the qualifying HIE organization.
  - f. Milestone #6: No later than January 1, 2022, the hospital must complete the initial data quality profile with a qualifying HIE organization, in alignment with the data quality improvement SOW as agreed to in Milestone #5.
  - g. Milestone #7: No later than May 1, 2022, the hospital must complete the final data quality profile with a qualifying HIE organization, in alignment with the data quality improvement SOW as agreed to in Milestone #5.

For any milestone that includes electronic submission of patient information, the information transferred to the qualifying HIE must be actual patient data; the transfer of test data does not fulfill these requirements. It must include all patient data, including behavioral health data and data covered by 42 CFR Part 2.

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If a facility has already achieved one or more of the CYE 2022 milestones as of April 1, 2021, the LOI must include a commitment by the facility to maintain its participation in those milestone activities for the period April 1, 2021 through September 30, 2022. The LOI must list each facility that the hospital requests to participate in this DAP initiative and must include the AHCCCS IDs for each listed facility. In all cases, the hospital must submit the AHCCCS IDs for each listed facility as part of the LOI or must email the associated AHCCCS IDs to the email addresses noted.

If a facility submits a LOI and receives the 2.5% DAP increase for CYE 2022 but fails to achieve one or more of the milestones by the specified date or fails to maintain its participation in the milestone activities, that facility will be ineligible to receive DAP for dates of service from October 1, 2022 through September 30, 2023 (CYE 2023) if a DAP is available at that time.

ii. **Care Coordination Agreement with Non-IHS/Tribal 638 Facilities**

IHS/Tribal 638 facilities will be eligible for this DAP by participating in a CCA with a non-IHS/638 facility. By March 15, 2021, the facility must submit a LOI to enter into a CCA with a non-IHS/638 facility (a fully signed copy of a CCA with a non-IHS/Tribal 638 facility is also acceptable). By April 30, 2021, the facility must have entered into a CCA with a non-IHS/Tribal 638 facility for inpatient services provided through a referral under the executed CCA. The facility agrees to achieve and maintain participation in the following activities:

The IHS/Tribal 638 facility will have in place a signed CCA with a non-IHS/Tribal 638 facility and will have submitted the signed CCA to AHCCCS. The CCA will meet minimum requirements as outlined in the [CMS SHO Guidance- SHO #16-002](#).

- a. The IHS/Tribal 638 facility will have a valid referral template in place for requesting services to be performed by the non-IHS/Tribal 638 facility.
- b. The IHS/Tribal 638 facility will continue to assume responsibility of the referred member, maintaining records and release of information protocol including clinical documentation of services provided by the non-IHS/Tribal 638 facility.
- c. AHCCCS will monitor activity specified under the CCA(s) to ensure compliance. To help facilitate this, the IHS/Tribal 638 facility will participate in the HIE or establish an agreed claims operation process with AHCCCS for the review of medical records by May 31, 2021.

~~Participation in a qualifying HIE organization qualifies the hospital for 2.5% DAP increase for inpatient services. Participation means that by May 27, 2020, the facility must have submitted a LOI to AHCCCS and the HIE, in which it agrees to achieve the following milestones by the specified dates, or maintain its~~

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participation in the milestone activities if they have already been achieved:

1. ~~Milestone #1: No later than May 27, 2020 the facility must have in place an active participation agreement with a qualifying HIE organization and submit a LOI to AHCCCS and the HIE, in which it agrees to achieve the following milestones by the specified dates, or maintain its participation in the milestone activities if they have already been achieved.~~
2. ~~Milestone 2: By October 1, 2020, hospitals that utilize external reference labs for any lab result processing must submit necessary provider authorization forms to the qualifying HIE, if required by the external reference lab, to have all outsourced lab test results flow to the qualifying HIE on their behalf.~~
3. ~~Milestone #3: No later than December 1, 2020 the facility must approve and authorize a formal SOW with a qualifying HIE organization to develop and implement the data exchange necessary to meet the requirements of Milestones #4, #5 and #6.~~
4. ~~Milestone #4: No later than April 1, 2021 the facility must electronically submit actual patient identifiable information to the production environment of a qualifying HIE organization, including admission,~~

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discharge, and transfer information (generally known as ADT information), including data from the hospital emergency department if the facility has an emergency department.

5. Milestone #5: No later than June 1, 2021 the facility must electronically submit the following actual patient identifiable information to the production environment of a qualifying HIE organization: laboratory and radiology information (if the provider has these services), transcription, medication information, immunization data, and discharge summaries that include, at a minimum, discharge orders, discharge instructions, active medications, new prescriptions, active problem lists (diagnosis), treatments and procedures conducted during the stay, active allergies, and discharge destination.

6. Milestone #6: If the facility has ambulatory and/or behavioral health practices, then no later than June 1, 2021 the facility must submit actual patient identifiable information to the production environment of a qualifying HIE, including registration, encounter summary, and SMI data elements as defined by the qualifying HIE organization.

For any milestone that includes electronic submission of patient information, the information transferred to the qualifying HIE must be actual patient data; the transfer of test data does not fulfill these requirements. It must include all patient data, including behavioral health data and data covered by 42 C.F.R. Part 2.

In order to receive the 2.5% DAP increase for HIE participation a hospital must submit an LOI to the HIE and AHCCCS by May 27, 2020.

If a facility has already achieved one or more of the CYE 2021 milestones as of May 27, 2020, the LOI must include a commitment by the facility to maintain its participation in those milestone activities for the period May 27, 2020 through September 30, 2021. The LOI must list each facility that hospital requests to participate in this DAP initiative and must include the AHCCCS IDs for each listed facility. If a LOI was submitted in alignment with the Preliminary Public Notice, dated March 6, 2020, a new LOI is not required; the hospital is presumed to be included in DAP under these final requirements unless the hospital submits a written request to AHCCCS and the HIE requesting that their LOI be retracted. In all cases, the hospital must submit the AHCCCS IDs for each listed facility as part of the LOI or must email the associated AHCCCS IDs to the email addresses noted.

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~~If a facility submits an LOI and receives the 2.5% DAP increase for CYE 2021, but fails to achieve one or more of the milestones by the specified date, or fails to maintain its participation in the milestone activities, that facility will be ineligible to receive DAP for dates of service from October 1, 2021 through September 30, 2022 (CYE 2022) if a DAP is available at that time.~~

**B. Payment Methodology**

~~2.5% if the IHS/638 facility meets the above criteria for HIE participation.~~ All payments may be increased up to a maximum of 3.0%. Payments will be increased by 2.5% if they meet the HIE requirements and by 0.5% if they meet the CCA requirements. The proposed DAP for IHS/638 facilities would be applicable to the All- inclusive Rate (AIR).