

March 9, 2016

The Honorable David Gowan  
Arizona House of Representatives  
1700 W. Washington  
Phoenix, AZ 85007

Dear Speaker Gowan:

**A.R.S. § 36-2903.08 includes the following requirement:**

On or before August 1, 2014, and annually thereafter, the Arizona Health Care Cost Containment System (AHCCCS) Administration shall report to the Speaker of the House of Representatives, the President of the Senate and the directors of the Joint Legislative Budget Committee and the Governor's Office of Strategic Planning and Budgeting the following:

1. The amount each hospital contributed for the hospital assessment authorized pursuant to section 36-2901.08 in the previous fiscal year.
2. The amount of estimated payments each hospital received from the coverage funded by the assessment.

As explained in our August 2015 Report, health care providers typically take some time to submit health care claims to payers (e.g., AHCCCS contracted health plans). Payers must then review and pay the claims. Upon payment, paid claims are sent to AHCCCS by the health plans. Thus, it can take 3-6 months before the paid claims data appears in AHCCCS' database.

Please find enclosed the amount each hospital contributed for the hospital assessment in State Fiscal Year (SFY) 2015 as well as the estimated amount each hospital received from the coverage funded by the assessment.

Please feel contact Amy Upston, Hospital Finance Administrator, at (602) 417-4146 or via email at Amy.Upston@azahcccs.gov if you have additional questions.

Sincerely,

Thomas J. Betlach  
Director

cc: The Honorable Andy Biggs, Arizona State Senate  
Richard Stavneak, Director, Joint Legislative Budget Committee  
Lorenzo Romero, Director, Governor's Office of Strategic Planning and Budgeting

**Payments Associated with the Hospital Assessment**  
**SFY 2015 (July 2014 - June 2015)**  
Childless Adults + Adult Expansion + Prop 204 Parents \*

| Hospital                               | Hospital Assessment | Total Coverage Payments Total | Difference     |
|--|---------------------|-------------------------------|----------------|
| ABRAZO ARROWHEAD CAMPUS                | \$ 5,668,176        | \$ 7,010,067                  | \$ 1,341,891   |
| ABRAZO CENTRAL CAMPUS                  | \$ 5,103,334        | \$ 15,267,146                 | \$ 10,163,812  |
| ABRAZO MARYVALE CAMPUS                 | \$ 2,617,221        | \$ 6,568,461                  | \$ 3,951,240   |
| ABRAZO SCOTTSDALE CAMPUS               | \$ 3,221,575        | \$ 4,863,322                  | \$ 1,641,747   |
| ABRAZO WEST CAMPUS                     | \$ 4,780,054        | \$ 11,370,549                 | \$ 6,590,495   |
| ACUITY HOSPITAL OF ARIZONA AT MESA     | \$ 48,380           | \$ 197,995                    | \$ 149,615     |
| ACUITY HOSPITAL OF ARIZONA AT SUN CITY | \$ 26,154           | \$ 85,676                     | \$ 59,522      |
| ARIZONA GENERAL HOSPITAL               | \$ -                | \$ 319,206                    | \$ 319,206     |
| ARIZONA SPINE AND JOINT                | \$ -                | \$ 24,586                     | \$ 24,586      |
| AURORA BEHAVIORAL HEALTH               | \$ 434,857          | \$ 5,716,975                  | \$ 5,282,118   |
| AURORA BEHAVIORAL HEALTHCARE - TEMPE   | \$ -                | \$ 3,135,251                  | \$ 3,135,251   |
| AZ ORTHOPEDIC SURGICAL                 | \$ -                | \$ 557,161                    | \$ 557,161     |
| BANNER BAYWOOD MEDICAL CN              | \$ 9,188,336        | \$ 10,782,864                 | \$ 1,594,528   |
| BANNER BEHAVIORIAL HEALTH              | \$ 458,317          | \$ 3,783,623                  | \$ 3,325,306   |
| BANNER BOSWELL MED CTR                 | \$ 9,908,981        | \$ 7,767,406                  | \$ (2,141,575) |
| BANNER CASA GRANDE MED CTR             | \$ 4,031,347        | \$ 6,137,584                  | \$ 2,106,237   |
| BANNER DEL E WEBB MED CTR              | \$ 8,368,462        | \$ 8,533,060                  | \$ 164,598     |
| BANNER DESERT MEDICAL CEN              | \$ 11,007,075       | \$ 30,732,153                 | \$ 19,725,078  |
| BANNER ESTRELLA MEDICAL                | \$ 8,439,404        | \$ 15,783,952                 | \$ 7,344,548   |
| BANNER GATEWAY MEDICAL CT              | \$ 6,130,646        | \$ 8,976,296                  | \$ 2,845,650   |
| BANNER GOLDFIELD MED CNTR              | \$ 636,233          | \$ 1,338,937                  | \$ 702,704     |
| BANNER HEART HOSPITAL                  | \$ -                | \$ 2,237,593                  | \$ 2,237,593   |
| BANNER IRONWOOD MEDICAL                | \$ 1,089,274        | \$ 2,483,159                  | \$ 1,393,885   |
| BANNER THUNDERBIRD MEDICA              | \$ 11,975,827       | \$ 22,660,377                 | \$ 10,684,550  |
| BANNER PAYSON MEDICAL CTR              | \$ 1,096,458        | \$ 2,174,733                  | \$ 1,078,275   |
| BANNER UNIVERSITY SOUTH CAMPUS         | \$ 2,535,166        | \$ 14,128,233                 | \$ 11,593,067  |

| Hospital                            | Hospital Assessment | Total Coverage Payments Total | Difference    |
|-------------------------------------|---------------------|-------------------------------|---------------|
| BANNER-UMC PHOENIX CAMPUS           | \$ 13,436,604       | \$ 41,641,682                 | \$ 28,205,078 |
| BANNER-UMC TUCSON CAMPUS            | \$ 9,505,949        | \$ 39,885,499                 | \$ 30,379,550 |
| BENSON HOSPITAL                     | \$ 140,986          | \$ 696,825                    | \$ 555,839    |
| CANYON VISTA MEDICAL CNTR           | \$ 2,539,544        | \$ 4,438,421                  | \$ 1,898,877  |
| CARONDELET HOLY CROSS HOSPITAL      | \$ 632,641          | \$ 2,838,112                  | \$ 2,205,471  |
| CARONDELET ST JOSEPHS-TUC           | \$ 8,383,055        | \$ 10,695,183                 | \$ 2,312,128  |
| CARONDELET ST MARYS HOSP            | \$ 6,067,674        | \$ 16,490,201                 | \$ 10,422,527 |
| CHANDLER REGIONAL MED.CTR           | \$ 7,960,321        | \$ 16,986,975                 | \$ 9,026,654  |
| COBRE VALLEY COMM HOSP              | \$ 769,137          | \$ 2,503,246                  | \$ 1,734,109  |
| COCHISE REGIONAL MEDICAL CENTER     | \$ 134,700          | \$ 635,526                    | \$ 500,826    |
| COMMUNITY COUNS. CTR-PINEVIEW       | \$ -                | \$ 776,414                    | \$ 776,414    |
| COPPER QUEEN HOSPITAL               | \$ 184,090          | \$ 1,324,476                  | \$ 1,140,386  |
| CORNERSTONE HOSPITAL OF S           | \$ 30,306           | \$ 22,006                     | \$ (8,300)    |
| FLAGSTAFF MEDICAL CENTER            | \$ 5,894,921        | \$ 20,090,167                 | \$ 14,195,246 |
| FLORENCE HOSPITAL AT ANTHEM         | \$ 267,356          | \$ 811,496                    | \$ 544,140    |
| FORT DEFIANCE IND. HOSP.            | \$ -                | \$ 9,016,994                  | \$ 9,016,994  |
| GILBERT HOSPITAL, L.L.C.            | \$ 978,227          | \$ 922,062                    | \$ (56,165)   |
| HAVASU REG MED CENTER LLC           | \$ 2,638,773        | \$ 6,029,366                  | \$ 3,390,593  |
| HAVEN SENIOR HORIZONS               | \$ -                | \$ 75,286                     | \$ 75,286     |
| HEALTHSOUTH E.VALLEY REHA           | \$ -                | \$ 410,337                    | \$ 410,337    |
| HEALTHSOUTH REHAB INST.             | \$ -                | \$ 609,832                    | \$ 609,832    |
| HEALTHSOUTH SCOTTSDALE RE           | \$ -                | \$ 216,712                    | \$ 216,712    |
| HEALTHSOUTH VALLEY OF SUN           | \$ -                | \$ 605,838                    | \$ 605,838    |
| HLTHSOUTH REHAB.HOSP.OF.S           | \$ -                | \$ 308,421                    | \$ 308,421    |
| HONORHEALTH DEER VALLEY MEDICAL CTR | \$ 5,493,515        | \$ 12,703,590                 | \$ 7,210,075  |
| HONORHEALTH JOHN C. LINCOLN MED CTR | \$ 7,317,802        | \$ 26,025,130                 | \$ 18,707,328 |
| HU HU KAM MEMORIAL HOSP             | \$ -                | \$ 17,534,377                 | \$ 17,534,377 |
| IHS CHINLE HOSPITAL                 | \$ -                | \$ 11,307,145                 | \$ 11,307,145 |
| IHS KEAMS CANYON                    | \$ -                | \$ 3,254,874                  | \$ 3,254,874  |
| IHS PARKER                          | \$ -                | \$ 3,547,137                  | \$ 3,547,137  |

| Hospital                  | Hospital Assessment | Total Coverage Payments Total | Difference    |
|---------------------------|---------------------|-------------------------------|---------------|
| IHS PHOENIX INDIAN MED CT | \$ -                | \$ 26,518,852                 | \$ 26,518,852 |
| IHS SAN CARLOS            | \$ -                | \$ 4,426,828                  | \$ 4,426,828  |
| IHS TUCSON SELLS          | \$ -                | \$ 5,518,570                  | \$ 5,518,570  |
| IHS WHITERIVER            | \$ -                | \$ 13,091,529                 | \$ 13,091,529 |
| KINDRED HOSP AZ-NORTHWEST | \$ 79,585           | \$ 161,555                    | \$ 81,970     |
| KINDRED HOSPITAL-TUCSON   | \$ 45,012           | \$ 214,901                    | \$ 169,889    |
| KINGMAN REGIONAL MED CTR  | \$ 3,532,732        | \$ 11,383,801                 | \$ 7,851,069  |
| LA PAZ REGIONAL HOSPITAL  | \$ 378,507          | \$ 1,168,918                  | \$ 790,411    |
| LITTLE COLORADO MED CTR   | \$ 607,497          | \$ 2,304,486                  | \$ 1,696,989  |
| MARICOPA MEDICAL CENTER   | \$ 7,690,484        | \$ 42,043,677                 | \$ 34,353,193 |
| MAYO CLINIC HOSPITAL      | \$ -                | \$ 2,994,784                  | \$ 2,994,784  |
| MERCY GILBERT MED CENTER  | \$ 6,575,605        | \$ 7,148,597                  | \$ 572,992    |
| MOUNTAIN VALLEY REG REHAB | \$ -                | \$ 402,405                    | \$ 402,405    |
| MOUNTAIN VISTA MED CTR    | \$ 4,560,044        | \$ 13,360,404                 | \$ 8,800,360  |
| MT. GRAHAM REG. MED. CTR. | \$ 940,655          | \$ 2,454,785                  | \$ 1,514,130  |
| NORTHERN COCHISE HOSPITAL | \$ 222,704          | \$ 682,960                    | \$ 460,256    |
| NORTHWEST MEDICAL CENTER  | \$ 8,341,522        | \$ 10,282,841                 | \$ 1,941,319  |
| O.A.S.I.S HOSPITAL        | \$ -                | \$ 333,589                    | \$ 333,589    |
| OASIS BEHAVIORAL HLTH HSP | \$ -                | \$ 3,517,940                  | \$ 3,517,940  |
| ORO VALLEY HOSPITAL       | \$ 2,090,993        | \$ 2,234,210                  | \$ 143,217    |
| PAGE HOSPITAL             | \$ 235,725          | \$ 1,106,179                  | \$ 870,454    |
| PALO VERDE BEHAVIORAL HLT | \$ -                | \$ 415,335                    | \$ 415,335    |
| PHOENIX CHILDREN'S HOSP   | \$ -                | \$ 8,020,502                  | \$ 8,020,502  |
| PROMISE HOSPITAL OF PHX   | \$ 23,797           | \$ 329,265                    | \$ 305,468    |
| QUAIL RUN BEHAVIORAL HLTH | \$ -                | \$ 201,550                    | \$ 201,550    |
| SAGE MEMORIAL HOSPITAL    | \$ -                | \$ 3,042,221                  | \$ 3,042,221  |
| SCOTTSDALE HLTHCARE-OSBN  | \$ 8,639,540        | \$ 14,694,740                 | \$ 6,055,200  |
| SCOTTSDALE HLTHCARE-SHEA  | \$ 7,239,227        | \$ 6,691,687                  | \$ (547,540)  |
| SCOTTSDALE HLTHCARE-THOMP | \$ 1,708,445        | \$ 1,482,516                  | \$ (225,929)  |
| SCOTTSDALE HLTHCR REHAB   | \$ -                | \$ 14,000                     | \$ 14,000     |

| Hospital                   | Hospital Assessment   | Total Coverage Payments Total | Difference            |
|----------------------------|-----------------------|-------------------------------|-----------------------|
| SELECT SPECIALTY HOSP-PHX  | \$ 51,635             | \$ 1,201,415                  | \$ 1,149,780          |
| SELECT SPECIALTY-PHX D/T   | \$ 72,249             | \$ 1,068,973                  | \$ 996,724            |
| SONORA BEHAVIORAL HEALTH   | \$ 297,350            | \$ 690,287                    | \$ 392,937            |
| ST JOSEPH'S HOSPITAL-PHX   | \$ 13,275,790         | \$ 37,084,156                 | \$ 23,808,366         |
| ST LUKE'S BEHAVIORIAL HOSP | \$ 637,805            | \$ 7,237,897                  | \$ 6,600,092          |
| ST LUKE'S MEDICAL CENTER   | \$ 3,964,446          | \$ 15,640,635                 | \$ 11,676,189         |
| SUMMIT HEALTHCARE REG.MED  | \$ 1,666,688          | \$ 5,967,273                  | \$ 4,300,585          |
| THE GUIDANCE CTR           | \$ -                  | \$ 385,102                    | \$ 385,102            |
| THE SURGICAL HOSP OF PHX   | \$ -                  | \$ 160,778                    | \$ 160,778            |
| TUBA CITY REGIONAL HEALTH  | \$ -                  | \$ 21,704,580                 | \$ 21,704,580         |
| TUCSON MEDICAL CENTER      | \$ 11,965,327         | \$ 19,694,075                 | \$ 7,728,748          |
| VALLEY HOSPITAL            | \$ -                  | \$ 5,415,301                  | \$ 5,415,301          |
| VALLEY VIEW MEDICAL CENT   | \$ 1,210,055          | \$ 2,775,802                  | \$ 1,565,747          |
| VERDE VALLEY MEDICAL CTR   | \$ 1,980,315          | \$ 6,342,163                  | \$ 4,361,848          |
| WESTERN AZ REG MED CTR     | \$ 2,875,396          | \$ 8,317,499                  | \$ 5,442,103          |
| WHITE MNTN REG MED CNTR    | \$ 164,334            | \$ 444,399                    | \$ 280,065            |
| WICKENBURG COMMUNITY HOSP  | \$ 192,621            | \$ 437,762                    | \$ 245,141            |
| WINDHAVEN PSYCHIATRIC HOS  | \$ -                  | \$ 718,983                    | \$ 718,983            |
| YAVAPAI REG MED CENTER     | \$ 3,142,102          | \$ 5,388,943                  | \$ 2,246,841          |
| YRMC EAST                  | \$ 1,745,280          | \$ 5,216,985                  | \$ 3,471,705          |
| YUMA REGIONAL MED CENTER   | \$ 5,244,324          | \$ 18,577,401                 | \$ 13,333,077         |
| YUMA REHABILITATION HOSP   | \$ -                  | \$ 169,942                    | \$ 169,942            |
| <b>TOTAL</b>               | <b>\$ 270,538,669</b> | <b>\$ 795,923,669</b>         | <b>\$ 525,385,000</b> |

\* Includes 30.0% of AHCCCS payments to hospitals for the Prop 204 Parents population since the assessment pays for approximately 30.0% of the state match for this population.