

303 – COMMUNITY REINVESTMENT

EFFECTIVE DATE: 10/01/22

APPROVAL DATE: 07/14/22

I. PURPOSE

This policy applies to ACC, ACC-RBHA, ALTCS E/PD, DCS/CHP (CHP), and DES/DDD (DDD) Contractors. The purpose of this Policy is to encourage Contractor activity and investment in the communities served by the Contractor, address Social Risk Factors of health, and to establish standards for the Contractor to meet the Community Reinvestment requirements. The purpose of Community Reinvestment is to further demonstrate AHCCCS' commitment to Whole Person Care by providing integrated care while mitigating Social Risk Factors that may contribute to a member's health outcomes. The effective date of this policy is for Community Reinvestment spending in CYE 2023 for profit earned in CYE 2022.

II. DEFINITIONS

For purposes of this Policy:

**COMMUNITY-BASED
SUPPORT PROGRAMS**

Local independent social activities and services that assist members with self-care and wellbeing and may help to assimilate and integrate the member into society. Some examples are Alcoholics Anonymous (AA), Narcotics Anonymous (NA), Cocaine Anonymous, Crystal Meth Anonymous, Dual Recovery Anonymous, Heroin Anonymous, Marijuana Anonymous, Self-Management and Recovery Training (SMART Recovery), National Alliance on Mental Illness (NAMI) Programs and Living Well with a Disability and Working Well with a Disability Program.

**COMMUNITY
REINVESTMENT**

A strategy that requires the Contractor to reinvest a designated portion of profits into the local community.

SOCIAL RISK FACTORS

Specific adverse social conditions that are associated with poor health including, but not limited to:

1. Food insecurity,
2. Lack of stable housing,
3. Insecure, unsafe physical environment (e.g., domestic and or interpersonal violence),
4. Limited education and/or employment opportunities,
5. Criminal justice involvement,
6. Social isolation, and
7. Inadequate access to non-medical transportation.

WHOLE PERSON CARE

A health care delivery system that addresses the full spectrum of an individual's needs – medical, behavioral, socioeconomic, and beyond to promote improved health outcomes.

**WHOLE PERSON CARE
INITIATIVE (WPCI)**

A system innovation in integrated health care delivery to address social risk factors of health—commonly referred to as Social Determinants of Health (SDOH)—which often lead to poor health outcomes, increased health care costs, and contribute to disparities in health equity.

Additional definitions are located on the AHCCCS website at: [AHCCCS Contract and Policy Dictionary](#).

III. POLICY**A. GENERAL**

There is growing acceptance that improving health outcomes is as much, if not more, about addressing Social Risk Factors of Health as it is about providing access to high-quality medical care. AHCCCS addresses these complex issues through initiatives related to housing, employment, criminal justice involvement, non-emergency transportation, and home and community-based services interventions. AHCCCS also relies on a broad range of funding sources for services and supports including Non-Title XIX/XXI funding. AHCCCS encourages the Contractor to collaborate with community-based organizations, tribal partners, providers, and other external stakeholders in furtherance of the Whole Person Care Initiative (WPCI). To that end, this policy aims to focus Community Reinvestment to improve both access to high-quality medical care and access to community-based services which address Social Risk Factors of Health.

B. COMMUNITY REINVESTMENT ACTIVITIES/SERVICES

1. The Contractor shall designate and spend a minimum of six percent of after-tax profits from each line of business on a Contract Year End (CYE) basis (October 1 through September 30) for Community Reinvestment activities in communities served by the Contractor. The Contractor shall expend the Community Reinvestment amount within two years following the CYE. (For example, Community Reinvestment amounts from profits in CYE A shall be spent by the end of CYE C). CHP and DDD are required to implement these requirements for its subcontracted health plans.
2. Community Reinvestment services shall consist of activities that cannot be reimbursed directly with Title XIX/XXI funds. The Contractor shall use Community Reinvestment funds to expand utilization of Non-Title XIX/XXI services including, but not limited to, services discussed in number three below. Non-Title XIX/XXI funding sources, if applicable, shall be used before using Community Reinvestment funds. Community Reinvestment funds shall supplement and not supplant existing services already required and cannot be used for Title XIX/XXI activities/services covered under another funding source such as Title XIX/XXI or Non-Title XIX/XXI.

3. Community Reinvestment activities shall align and support the WPCI to address Social Risk Factors and demonstrate evidence based measurable impacts to health outcomes. Community Reinvestment activities/services shall be prioritized for WPCI and other activities listed below for any of the following not currently covered by Title XIX/XXI:
 - a. Housing (such as Transitional and Sober Living Housing, permanent supportive housing rental subsidies, eviction prevention interventions, and development of affordable or special population housing),
 - b. Non-medical transportation services such as, providing access to healthy food, food banks, and employment or employment navigation services, community-based support programs, or to/from court or incarceration settings,
 - c. Activities to combat social isolation or enhance social support,
 - d. Activities that reduce recidivism for the justice involved population,
 - e. Employment or educational supportive activities,
 - f. Other social programs that promote health and wellness in the community,
 - g. Activities which address other specific adverse conditions negatively impacting health outcomes for a specific Title XIX/XXI or Non-Title XIX/XXI population and community, including, but not limited to, TRBHAs and Tribal populations,
 - h. Value-added services as specified in ACOM Policy 404, and
 - i. Research activities that support a specific community activity that improves health outcomes. Any research activity must be specifically detailed in the Annual Community Reinvestment Plan.

C. CONTRACTOR RESPONSIBILITIES

1. The Contractor shall submit their Community Reinvestment Plan as specified in Contract. The Community Reinvestment Plan shall detail the anticipated Community Reinvestment activities in the current contract year based on the prior Contract year profits (e.g., CYE 22 expected activities utilizing the Community Reinvestment requirement based on CYE 21 profits). Include the expected dollar amounts, recipients, and benefits as specified in Attachment A.
2. The Contractor shall maintain financial statements that separately identify Community Reinvestment activities. Refer to the AHCCCS Financial Reporting Guide for direction on reporting of Community Reinvestment activities.

3. If a Contractor has more than one AHCCCS line of business, the Contractor shall calculate the Community Reinvestment requirement individually for each line of business. In the instance that one line of business has a loss in a contract year and other lines of business has a profit in the same contract year, the individual net profit (loss) shall not be combined to calculate the Contractor's Community Reinvestment requirement.
 - a. For example, a Contractor's ALTCS E/PD line of business has a net profit of \$100,000 and the Contractor's ACC line of business has a net loss of (\$100,000) for CYE XX. The profit and loss from the ALTCS E/PD and ACC lines of business are not added together to calculate the Community Reinvestment requirement for CYE XX. The Community Reinvestment requirement for the ALTCS E/PD line of business is \$6,000 [$\$100,000 \times 6\%$] and the Community Reinvestment for the ACC line of business is \$0 [loss of $(\$100,000) \times 6\% = \0]. The Contractor's Community Reinvestment requirement for CYE XX is \$6,000.
4. All income shall be included in determining the Community Reinvestment liability, including investment income and non-operating profit/loss.
5. The Contractor shall submit a listing of their Community Reinvestment activities in Attachment B after the end of the Contract year by the due date specified in Contract. Submit one file with separate tabs for each line of business. These activities should generally align with the approved Community Reinvestment Plan and should be allowable per Policy. The Contractor shall include an eight-month cut-off period for the report and continue to submit this report annually to AHCCCS for all previous year commitments until the full required Community Reinvestment amounts have been reinvested. If the Community Reinvestment activities relate to a previous year's commitment, indicate such on the Community Reinvestment Report under the Commitment Year Column.

D. AHCCCS RESPONSIBILITIES

AHCCCS shall review the Community Reinvestment Report for activities conducted in the year applicable to the deliverable, regardless of which Community Reinvestment year, and verify that the amount reinvested into the community is at least six percent of after-tax profit on a Contract year basis. AHCCCS will continue to review prior year Community Reinvestment remaining balances until the full six percent requirement is met. The Contractor is subject to administrative action if the Community Reinvestment requirement is not met within two contract years following the profit year. For information regarding AHCCCS sanction policy refer to ACOM Policy 408.