AHCCCS CONTRACTOR OPERATIONS MANUAL



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319 CYE 15 – CHILDREN'S REHABILITATIVE SERVICES PROGRAM PAYMENT REFORM INITIATIVE

EFFECTIVE DATE: 10/01/14

REVISION DATE: 11/20/14

STAFF RESPONSIBLE FOR POLICY: DHCM FINANCE

I. PURPOSE

This Policy applies to the Children's Rehabilitative Services (CRS) Contractor. The AHCCCS Payment Reform Initiative (PRI) applies to all dates of service effective on and after October 1, 2014. The purpose of this initiative is to encourage Contractor activity in the area of quality improvement, particularly those initiatives that are conducive to improved health outcomes and cost savings, by aligning the incentives of the Contractor and provider through shared savings payment arrangements.

II. DEFINITIONS

SHARED-SAVINGS ARRANGEMENT A written contract between a contractor and provider designed to achieve cost savings and quantifiable improved outcomes, which in the event of savings, are shared between the contractor and the provider.

III. POLICY

A. GENERAL

The Contractor must meet the minimum shared savings qualifying criteria in B.1., B.2. and certify as described in B.3. Failure to meet the minimum in a particular contract year will result in sanctions up to a maximum of \$250,000.

B. CONTRACTOR RESPONSIBILITIES

- 1. A minimum of five percent of the value of total prospective payments under all contracts executed with health care providers must be governed by shared-savings arrangements for the contract year. AHCCCS expects the minimum value threshold to grow each year.
- 2. Written contracts shall be executed no later than February 1st.
- 3. The Contractor will certify to AHCCCS that this minimum will be met by submitting both an executed copy and an electronic copy in an Excel format:
 - a. An initial Payment Reform Initiative Shared Savings Arrangement Certification as provided in Attachment A to the DHCM Finance Manager within 60 days of the start of the contract year.

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b. A final Payment Reform Initiative Shared Savings Arrangement Certification as provided in Attachment A to the DHCM Finance Manager due 180 days after the end of the contract year.

In the case of differences between the executed copy and electronic template submissions, the executed copies will prevail.

Failure to attest to the minimum in a particular contract year will result in sanctions up to a maximum of \$250,000.

AHCCCS reserves the right to request an audit of the Certifications included in Attachment A.

IV. REFERENCES

- CRS Contract, Section D
- Attachment A, Payment Reform Initiative (PRI) Shared Savings Arrangement Certification



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ATTACHMENT A, CHILDREN'S REHABILITATIVE SERVICES PROGRAM PAYMENT REFORM INITIATIVE SHARED SAVINGS ARRANGEMENT CERTIFICATION

SEE THE ACOM WEBPAGE FOR ATTACHMENT A OF THIS POLICY