

## Modernizing Arizona Medicaid:

### **AHCCCS CARE – Choice, Accountability, Responsibility, Engagement**

With over 1.6 million Arizonans enrolled in AHCCCS, Medicaid has a far greater responsibility for impacting population health. Despite past innovation, we have an opportunity and obligation to do more. The goals of Modernizing Arizona Medicaid are to: (1) Engage Arizonans to take charge of their health; (2) Make Medicaid a temporary option; and (3) Promote a quality product at the most affordable price.

### **The AHCCCS CARE Program: A Bridge to Independence**

Personal Responsibility is a tool in the AHCCCS CARE program to build a bridge to independence with the right mix of requirements and incentives.

#### ***AHCCCS CARE: Requiring Member Contributions.***

- **Strategic Copays<sup>1</sup>**: Up to 3% of annual household income. Members will make monthly AHCCCS CARE payments reflecting copays for services already obtained. This also removes the burden of collecting the copay by providers at the point of service. Copays will not be applied to certain services such as primary care and medications for disease management.
- **Premiums**: Up to 2% of annual household income. Included in the monthly AHCCCS CARE payment is a monthly deposit set at 2% of income into a personal HSA.

#### ***The AHCCCS CARE Account: Giving People Tools to Manage Their Own Health.***

- The AHCCCS CARE Account is like a Health Savings Account.
- Premium contributions go into the AHCCCS CARE Account.
- AHCCCS CARE Account funds are only for that individual and can be used for approved non-covered services, like dental, vision or chiropractic services.

- To be eligible, members must:
  - Make timely payments.
  - Participate in the AHCCCS Works program.
  - Meet the Healthy Arizona targets.
- Employers, and the philanthropic community can make tax-deductible contributions into individual accounts.

#### ***Personal Responsibility: Ensuring Member Contribution Requirements.***

- Over 100% FPL: Members will be disenrolled from the AHCCCS program for a period of six months for failure to make AHCCCS CARE payments.
- Under 100%: Failure to pay is counted as a debt owed to the State.

#### ***Healthy Arizona: Promoting Healthy Behaviors.***

- Healthy Arizona is a set of targets:
  - Promoting wellness: for example, wellness exams, flu shots, glucose screenings, mammograms, tobacco cessation.
  - Managing Chronic Disease: such as, diabetes, substance use disorders, asthma.
- Provides flexibility for Plans to design individualized targets.

### **The AHCCCS Works Program: Viewing AHCCCS as a Pit Stop.**

AHCCCS Works builds greater partnerships with the business and philanthropic communities who share in the goal of healthy employees and healthy families.

#### ***AHCCCS Works: Getting Back to Work.***

- AHCCCS Works requires individuals to be actively seeking employment.
- This requirement is satisfied if the individual is already employed or enrolled in school/training.

<sup>1</sup>Member contributions do not exceed 5% of annual household income.

- Partner with existing employment supports programs to provide members the tools they need to build their skills and find their confidence.
- Building a Personal Safety Net: Members can transition their AHCCCS CARE Account into a private Health Savings Account when they transition to new employment and off of AHCCCS.

### ***Private Sector Partnerships: Engaging the Business and Philanthropic Community.***

- Employers may make direct contributions into their employees' AHCCCS CARE Account.
- The Philanthropic community can make contributions for targeted purposes, such as smoking cessation or managing chronic disease.
- Private sector contributions are tax-deductible.

## **Today's Medicaid: A Modern Approach**

### ***Electronic Communication: Apps, Texts and More!***

- Avoid an emergency room visit by using an app to look up your primary care doctor or find an urgent care near you.
- Manage chronic illnesses or conduct your own health screenings using an app.
- Receive text alerts for an appointment reminder or managing medication.
- Manage your account online, including annual renewals, address or income changes or use a chat feature to ask questions instead of waiting on hold or in long lines.

### ***Value Based Purchasing: Paying for Quality, Not Quantity.***

- Increase number of value based arrangements between health plans and providers.
- Build partnerships. When there is a quality product – i.e. good health outcomes are achieved – providers will be rewarded.

### ***Building a True Health Care System: Reducing Fragmentation.***

- Strengthen existing efforts for integrated care: alignment of dual eligible members; Children's Rehabilitative Services (CRS) program; and Regional Behavioral Health Authorities (RBHAs) offering physical and behavioral health services.
- Examine new opportunities to align incentives and achieve greater accountability.
- Support efforts to reduce stigma related to mental illness, substance use disorders, and physical or cognitive disabilities.
- Increase adoption of electronic health records and health information exchanges that will reduce duplication and offer better tools to manage patient care.

### ***Fraud Prevention: Applying Modern Tools to Curbing Fraud, Waste and Abuse.***

- Refine data analytics capacity related to program integrity.
- Support the AHCCCS Office of the Inspector General (OIG) with the tools and personnel to investigate bad actors within the Medicaid program.
- Confirm changes in family income using automated systems to ensure taxpayers are not paying for people who are over income for the program.

### ***The Legislative Partnership***

The Arizona Legislature is an important partner in this effort. Modernizing Arizona Medicaid will include legislative initiatives that:

- Limit lifetime enrollment to five years.
- Ensure copayment and premium obligations.
- Eliminate non-emergency transportation.