

NOTICE OF PUBLIC INFORMATION-PUBLIC NOTICE

1. **Name of the Agency:** Arizona Health Care Cost Containment System (AHCCCS)
2. **The topic of the public information notice:** AHCCCS Fee-For-Service (FFS) proposed rates for Hospital-Based Freestanding Emergency Departments to be effective for dates of service beginning January 1, 2017, and for inpatient hospital rates to address costs associated with high acuity pediatric cases to be effective for dates of discharge beginning January 1, 2017.
3. **The public information relating to the topic:**
 - a. This Notice describes proposed changes to the Arizona Health Care Cost Containment System (AHCCCS) Fee-For-Service (FFS) rates for Hospital-Based Freestanding Emergency Departments to be effective for dates of service beginning January 1, 2017, and for inpatient hospital rates to address costs associated with high acuity pediatric cases to be effective for dates of discharge beginning January 1, 2017. The AHCCCS Administration is proposing changes to the FFS rates specified in this Notice to assure that payments are consistent with efficiency, economy, and quality of care and are sufficient to enlist enough providers so that care and services are available at least to the extent that such care and services are available to the general population in the geographic area. The total change in FFS payments as a result of the proposed changes is an estimated increase of \$1,220,000 for the time period of January 1, 2017 through September 30, 2017.
 1. For dates of service on and after January 1, 2017:

Hospital-based Freestanding Emergency Departments will be reimbursed a percentage of the total amount otherwise reimbursable under the AHCCCS Outpatient Capped Fee-For-Service Schedule as follows:

 - i. 60% for a level 1 emergency department visit;
 - ii. 80% for a level 2 emergency department visit;
 - iii. 90% for a level 3 emergency department visit;
 - iv. 100% for a level 4 emergency department visit;
 - v. 100% for a level 5 emergency department visit.Peer Group Multipliers will not be applied except under specific circumstances as described in the Notice of Proposed Rulemaking. For further information regarding these changes, reference the Notice of Proposed Rulemaking on the AHCCCS website at:
<https://www.azahcccs.gov/shared/Downloads/Reporting/ProposedStateRules/AHCCCSR92271290FreeStandingEDNOSPR07152016.pdf>
 2. For dates of discharge on and after January 1, 2017:

Inpatient Hospital APR-DRG rates will be updated to address costs associated with high-acuity pediatric cases, resulting in a 21.5% increase to the rates for those specific cases.

- b. Written comments may be sent to the following address and must be received no later than 5:00 p.m. on September 2, 2016:

Meggan Harley
Arizona Health Care Cost Containment System
701 E. Jefferson St. Phoenix, Arizona 85034

- c. More information regarding these changes to reimbursement can be obtained from the AHCCCS website at:
<https://www.azahcccs.gov/PlansProviders/RatesAndBilling/FFS/AHCCCSProviderRateAnalysis2017.html>.
- d. Many public libraries offer access to the internet. In addition, the information can be obtained at the Offices of the AHCCCS Administration, 701 E. Jefferson, Phoenix, AZ 85034.