

2008 AHCCCS Budget Provisions

Programmatic Changes

- Eliminates ALTCS Dental
- Continues non-ALTCS hospice
- Places KidsCare Parents into permanent law at the current eligibility level
- Establishes a six-month redetermination period for TWGs
- Suspends SSDI-TMC during FY 2008-2009
- Freezes reimbursement rates to hospitals at September 30, 2008 levels between October 1, 2008 and September 30, 2009

Reporting Requirements

- Requires AHCCCS to report to JLBC on FFS program or rate changes pertaining to hospital, nursing facility or home and community-based service rate categories that have increases 2% or \$1500 above budgeted medical inflation
- Requires AHCCCS to report estimated capitation rate changes for the following fiscal year by March 1, 2009
- Requires each agency to report to JLBC on the number of filled, appropriated FTE positions by fund source by September 1, 2008
- Requires each agency to report the results of stipulated performance measures as part of its budget request

HCG Changes & Reporting Requirements

- Allows HCG to establish a PPO only in counties with less than 500,000 persons
- Eliminates eligibility for groups of one (grandfathers currently enrolled groups of one)
- Shortens the bare period to 90 days
- Prohibits HCG from reimbursing non-contracted hospitals for non-emergency services
- Establishes the reimbursement rate for emergency services performed in a non-contracted hospital as follows:
 - Counties with 500,000 or more persons: 114% AHCCCS default rates
 - Counties with less than 500,000 persons: 125% AHCCCS default rates
- Requires non-contracted hospitals to notify HCG when a patient is stabilized
- Eliminates the prohibition against the consideration of health-related factors when establishing premium levels
- Requires HCG to adjust premiums in accordance with an analysis performed by an independent actuary
- Requires HCG to consider age, sex, health-related factors, group size, geographic area and community-rating when establishing rates
- Prohibits a plan from providing services that are not part of the contract
- Requires HCG to establish utilization control standards for contractors that meet national standards for utilization management control
- Prohibits HCG from enrolling more than 5% of the number of employer groups enrolled during the prior fiscal year
- Requires HCG to give priority to uninsured groups
- Requires HCG to report the following to JLBC:
 - Quarterly financial reports
 - Annual fiscal audit
 - Actuarial analysis used to adjust rates