

AHCCCS Update

Consultation with Tribes and I/T/U

August 24, 2011

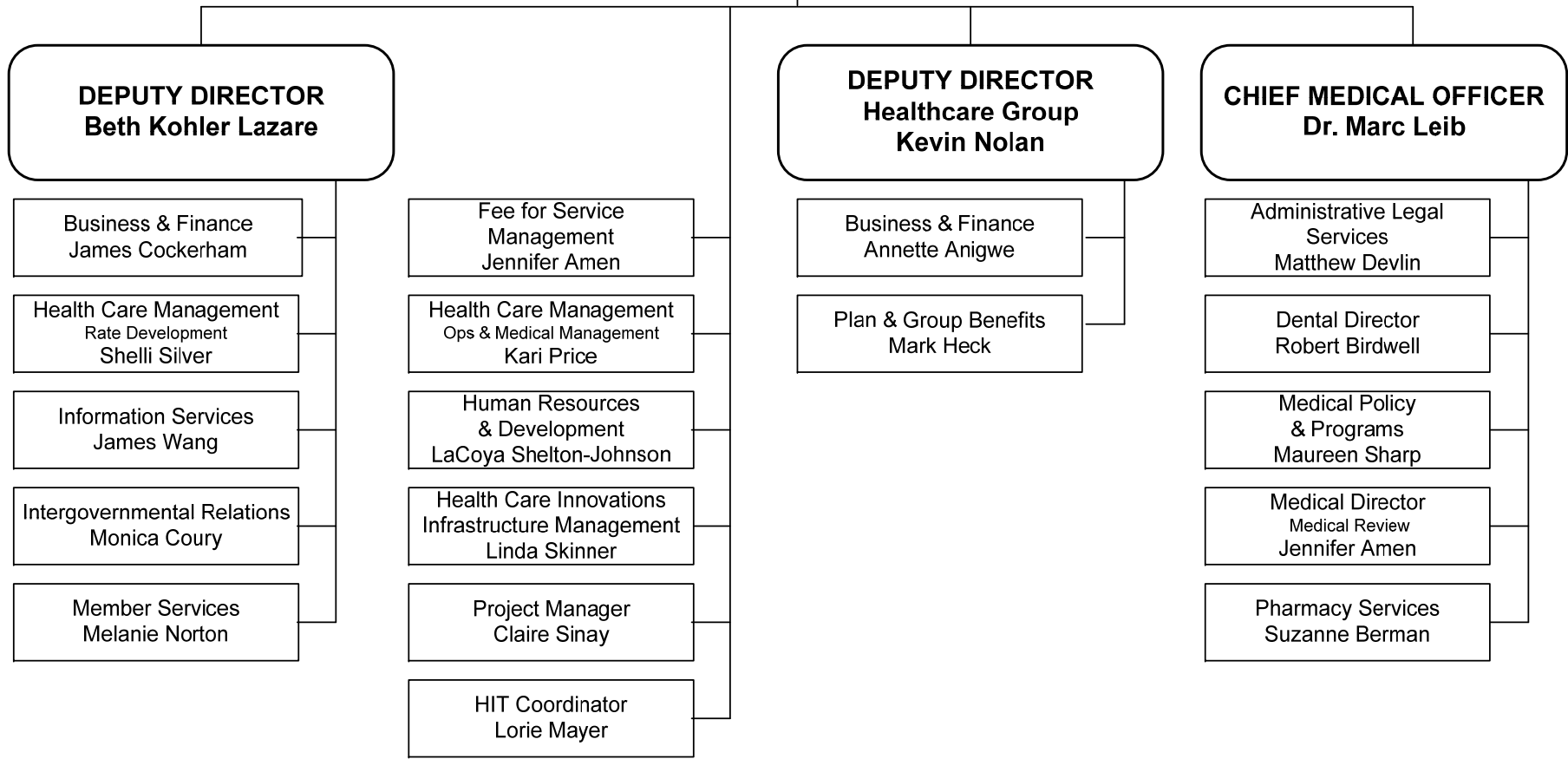
Arizona Health Care Cost Containment System

Agency Administration and Management

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AHCCCS Update

- Short Term – Survival (Largest Cuts Ever)
 - Preserving the Core
 - Maintaining the Core Infrastructure
- Long Term - Bend Cost Curve (Largest Expansion Ever)
 - Exchange and Expansion – Care Coordination
 - Integration and System Modernization
 - Payment Reform
 - Program Integrity
 - HIT

Governor's Medicaid Reform Status

Implemented/In Process

- 5-1-11 - MED Freeze – 10-1 Term
- 7-8-11 - Childless Adults Freeze
- 5% Provider Rate Cuts - 10-1-11
- Benefit Limits – IP & Respite – No ED

Governor's Medicaid Reform Status

Waiver request to continue eligibility and services for Tribal members at 638/I.H.S. facilities

- Coordinated discussion with Tribal representatives and federal CMS staff
- Conducted match comparing AHCCCS data on non Tribal members with I.H.S and 638 facilities data
- Results of match decreased amount in AHCCCS system from \$13 million to approximately \$3.0 million
- Validated that self reported information in AHCCCS system has shortcomings
- Have started work on operational issues – Targeting 1-1-12

Governor's Medicaid Reform Status

TBD

- Parents >75% Freeze
- 6 Month Redetermination
- Additional Cost Sharing
- Medicare Liability
- FES Elimination
- Tribal Eligibility/Benefit exemption – IHS/638

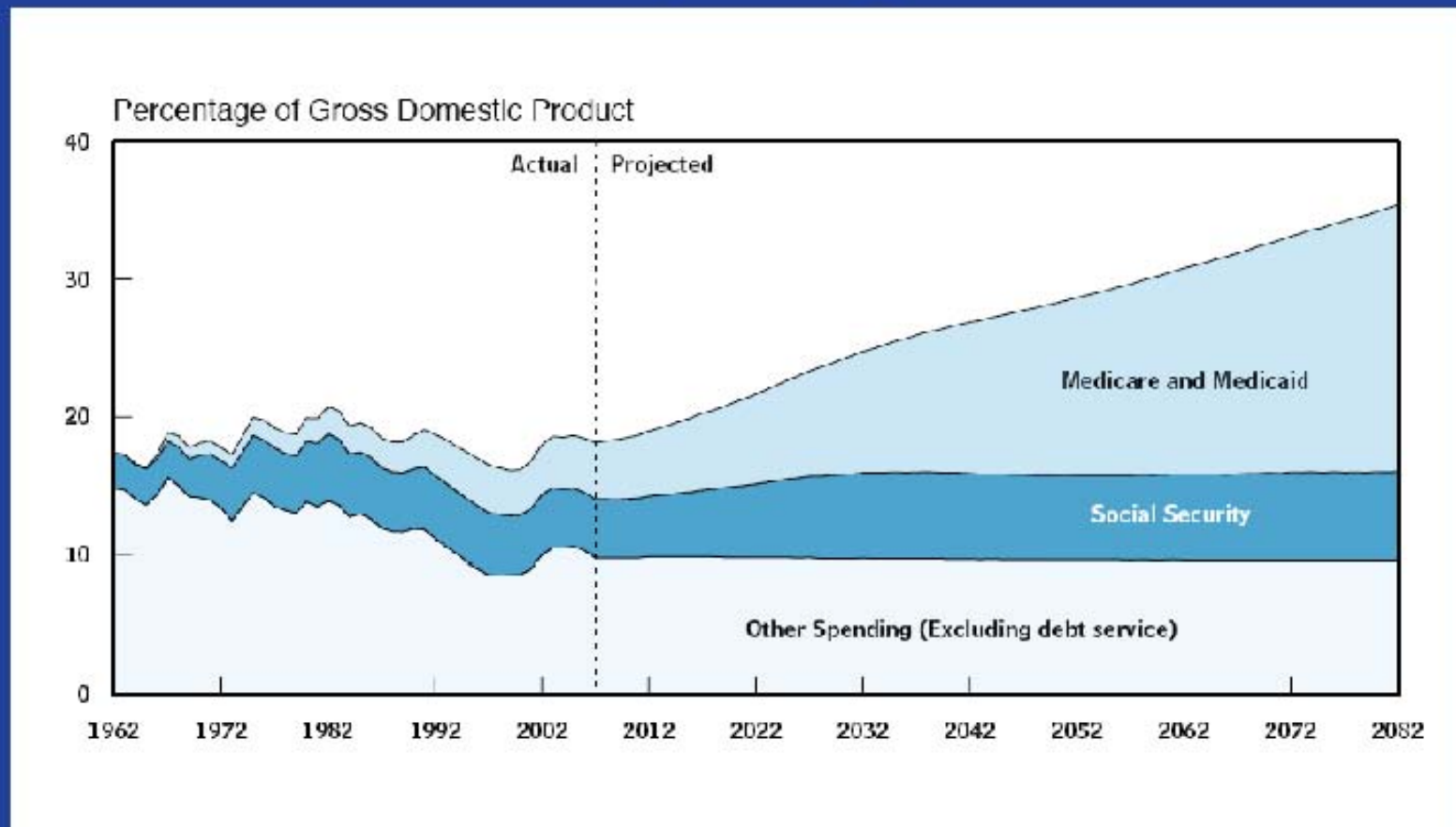
State Budget Status

- Revenues for FY 2011 finished higher
- State has significant debt-accounting maneuvers to address
- FY 2014 – one cent ends – FY 2015 HCR
- Request FY 2013 (July 1, 2012)
 - Childless Adults assumptions
 - Parents >75%
 - Capitation
 - More Details in September

Federal Budget Status

- Super Committee – 12 members
- Need to cut \$1.2 trillion over 10 yrs by Nov 23.
- If no plan then cuts imposed
 - Medicaid – None
 - Medicare – 2%
- Medicare Doc Fix – 30% cut 1-1-12 has one year cost \$25 B

Medicare and Medicaid Are the Primary Drivers of Future Federal Spending Growth and Deficits



Source: CBO, "Key Issues in Analyzing Major Health Insurance Proposals," December 2008.

10-1-11 Waiver Status

- IHS/638 Services Exemption
- Sustain current flexibilities
- Payment Reform
- Uncompensated Care Pool
- MOE Waiver

Long Term – Improve Care & Bend the Curve

- Expansion-Exchange Coordination
- Integration – CRS – Duals – SMIs
- Payment Reform
- Program Integrity
- HIT

Exchange/Expansion Procurement and Coordination Challenges

- Churn - 70,000 fall off and get added each month
- Of those being added – 65% are coming on with a gap of 12 months or less
- What is the best way to manage the population that will move between Exchange and Medicaid coverage?
- What types of data can be shared between Medicaid and Exchange plans?
- How does the Exchange ensure adequate network for American Indians?

Services	SMI Dual
Acute	AHCCCS Acute Contractor/AIHP
Pharmacy	Part D or MA Plan or RBHA/AIHP
Behavioral Health	Medicare FFS, MA, MA SNP, RBHA/TRBHA
Medicare Services	Medicare FFS, MA, MA/SNP
ALTCS - DD LTC Services	DES/DD
ALTCS - DD Acute Services	DES-DD Acute Contractor
Total Different Entities	5

SMI Specialty RBHA Authority with Health Homes

- *Goal-improve quality for members by eliminating fragmentation and create accountable integrated system with aligned incentives*

Accomplishments

- Date – Oct 1, 2013 – Maricopa County
- Steering Committee with DHS
- July 15 Announcement
- Stakeholder Engagement
 - Consumer-Family Meetings
 - Providers
 - Plans – RFI – 9 Responses

SMI Specialty RBHA Authority with Health Homes

Next Steps

- Conduct Tribal Consultation (9-22-11) – 350 Tribal member that are SMI in Maricopa County
- Meet with RFI Respondents
- Establish RFP Process – Milestones – Resources
- Continue Stakeholder Dialogue
- Develop Scope of Health Home
- Continue Data Analysis

Dual Eligible Members

Goal – *Leverage unique moment in history when CMS is trying to improve the model for dual members*

Accomplishments

- Hired Staff –
- Responded to July 8 CMS Letter on 3 way contract
- Exploring options for SMI and ALTCS
- Conducting ongoing data analysis

Dual Eligible Members

Next Steps

- Delve into more details with CMS on potential flexibility
 - Enrollment – Marketing – Grievances
- Engage Plans
- Monitor continued efforts of CMS – very fluid topic
- Conduct Tribal Consultation
- Support Mathematica study of AHCCCS

CRS

Goal – Create plan structure that integrates all acute care services including potentially BH into one statewide plan

Accomplishments

- Statutorily program now in AHCCCS
- Continue to refine relevant issues - >21
- Held session with plans
- Established tool and engaged external resource to handle family consultation
- Met with providers/clinic

CRS Continued

Next Steps

- Conduct Tribal Consultation
- Behavioral Health and JK
- Continue to refine data
- Complete and summarize stakeholder input
- Develop RFP

HIT

Accomplishments

- Medicaid Incentive Payment Systems
- HINAZ HIE progress

Next Steps

- Make Incentive Payments
- Get connected to HIE for AIHP
- Work on tracking meaningful use