

## Rate Setting for Applied Behavioral Analysis (ABA) Services

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**A1: Why is AHCCCS changing the ABA rate for fee-for-service providers?**

AHCCCS is proposing a change to the current Fee for Service (FFS) rate structure for Applied Behavioral Analysis services paid to fee-for-service providers that provide this service to members enrolled in the American Indian Health Program (AIHP), Tribal ALTCS program, and DDD Tribal Health Program. Currently, providers submit a FFS claim and are paid 58.66% of the billed rate they submit. This methodology, while a longstanding practice, leaves the Arizona Medicaid program exposed to potential fraudulent billing and criminal activity.

**A2: Will the set rate affect providers who contract with AHCCCS health plans?**

The new proposed rate is only applicable to Fee-For-Service providers who serve members in the American Indian Health Program (AIHP), Tribal ALTCS program, and DDD Tribal Health Program. It has no impact on the contracts that AHCCCS health plans negotiate with their providers. AHCCCS pays the health plans (called Managed Care Organizations or MCOs) a fixed amount of funding per month per member they serve. MCOs and providers may negotiate any contracted rate that is agreed to by both parties. This rate is effective for the length of the contract between the MCO and provider.

**A3: Are ABA services being cut from the Medicaid program?**

No, ABA services are not being removed from the Medicaid program. Setting a specific rate does NOT impact the services that are covered by Medicaid. Medically necessary ABA services remain available to AHCCCS members. There will be no change in Medicaid covered services.

**A4: Are the MCOs being directed to reduce authorized ABA hours?**

AHCCCS has not directed MCOs to reduce authorized hours for any assessed medically necessary services. Assessment for ABA services will continue to follow the process in place for each MCO. Members with questions should contact their health plan's member services department.

**A5: What is the proposed set rate for ABA services?**

AHCCCS is proposing set rates for fee-for-service providers for a variety of ABA services. See [the initial public notice](#) for a list of proposed rates. Setting ABA rates will not affect the ability of providers to negotiate rates with MCOs.

**A6: When will the set rates go into effect?**

The proposed rates will be effective Nov. 1, 2023 for fee-for-service providers. MCOs have already finalized their contracts with providers, and this will not have any impact on the ABA rates MCOs pay their current contractors.

**A7: How did AHCCCS determine that the proposed rates are in line with the Arizona market?**

AHCCCS conducted thorough data analysis of publicly available wage, benefit, and overhead cost data for the professionals performing the services along with the existing reimbursement rates currently established by the federal TRICARE program, and other Medicaid programs in surrounding states.

AHCCCS has incorporated a few changes to the final rates based on the public comment received on the proposed public notice. Of note, AHCCCS has established an “in-home” reimbursement rate for ABA services as well as adding a rate differential on a few codes for a practitioner with a masters degree.

The final rates ensure 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.