



# AHCCCS Update Meeting

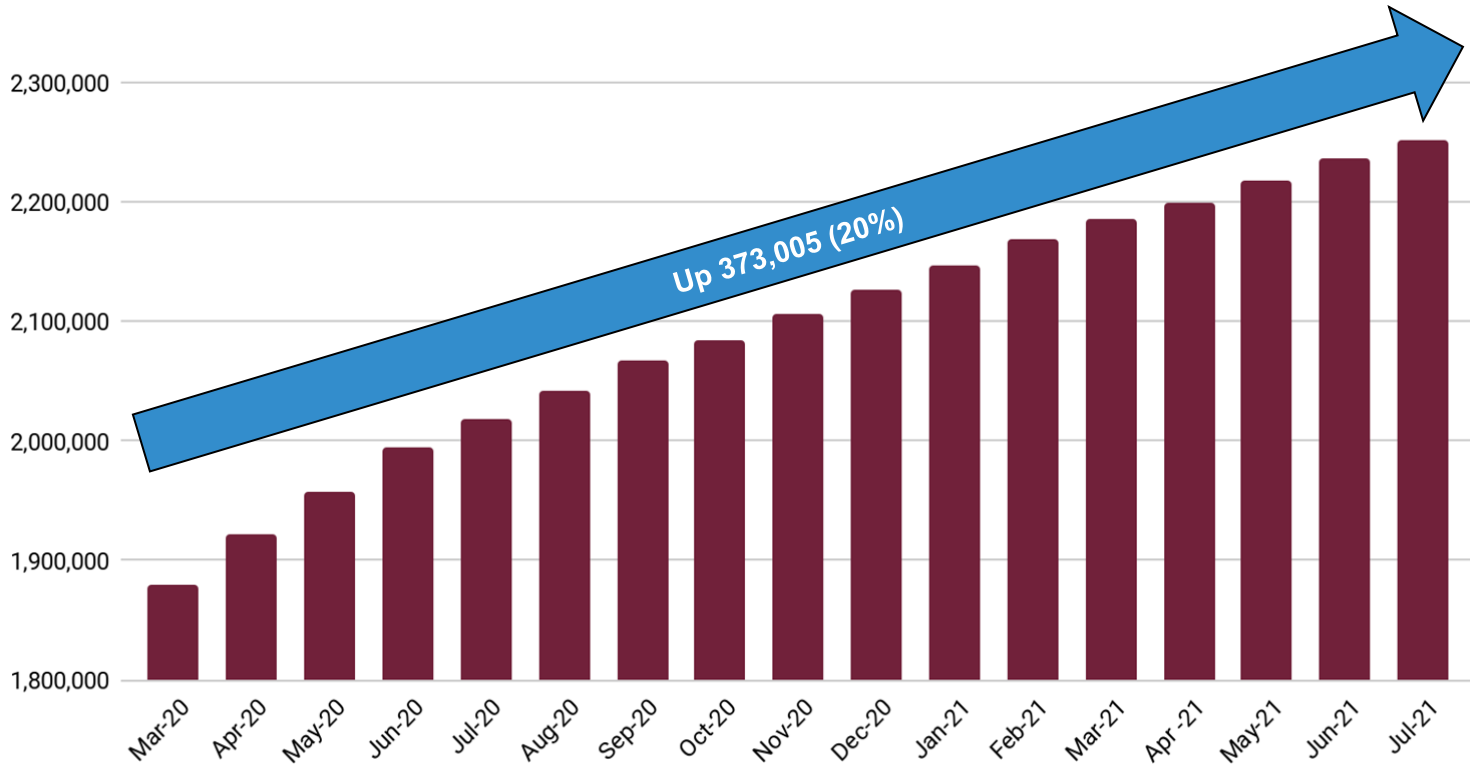
July 21, 2021



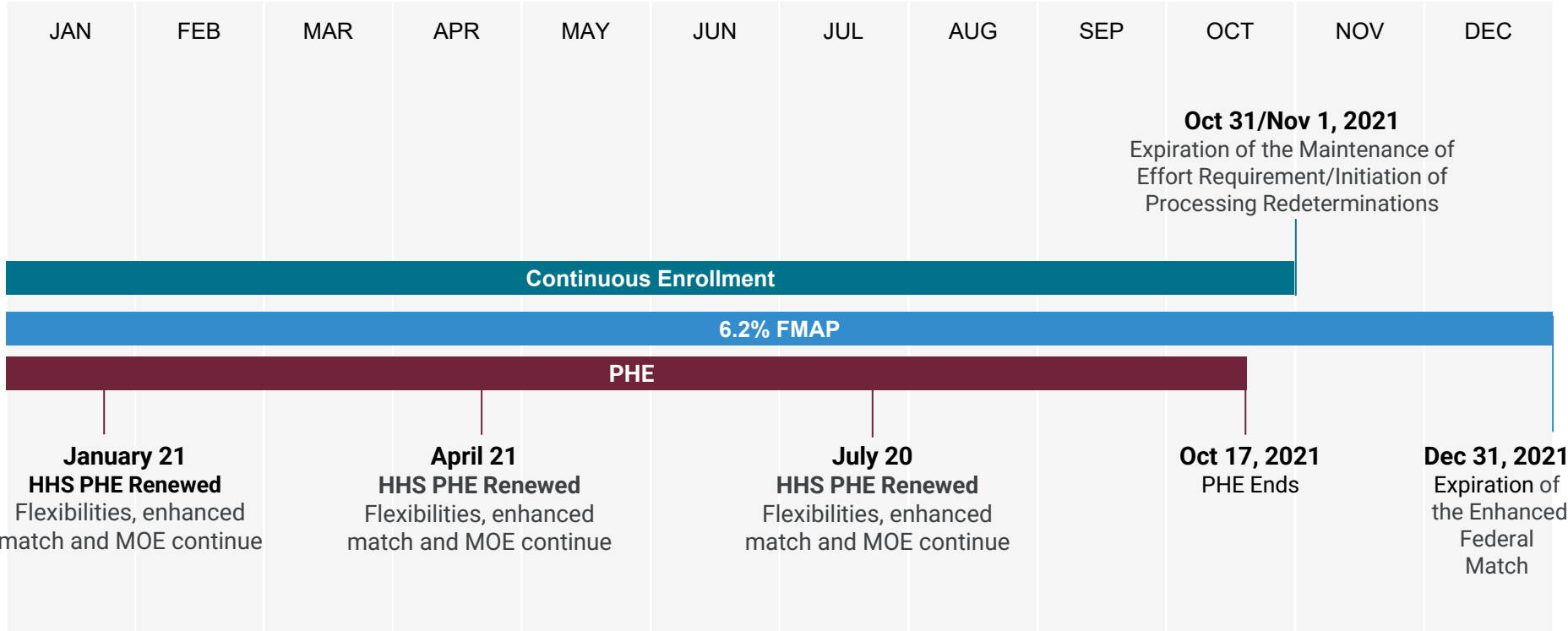
# Director Update

Director Jami Snyder

# AHCCCS Enrollment: March 2020- July 2021



# PHE Renewed - Effective July 20, 2021



# Unwinding from the Public Health Emergency

- Centers for Medicare and Medicaid (CMS) to release revised guidance in the next month
- Anticipate changes to expectations regarding eligibility redeterminations
- AHCCCS on track to process all redeterminations within six months
- Will work in partnership with key stakeholders to connect individuals to alternate sources of coverage when needed

# SFY22 Strategic Plan - Key Objectives

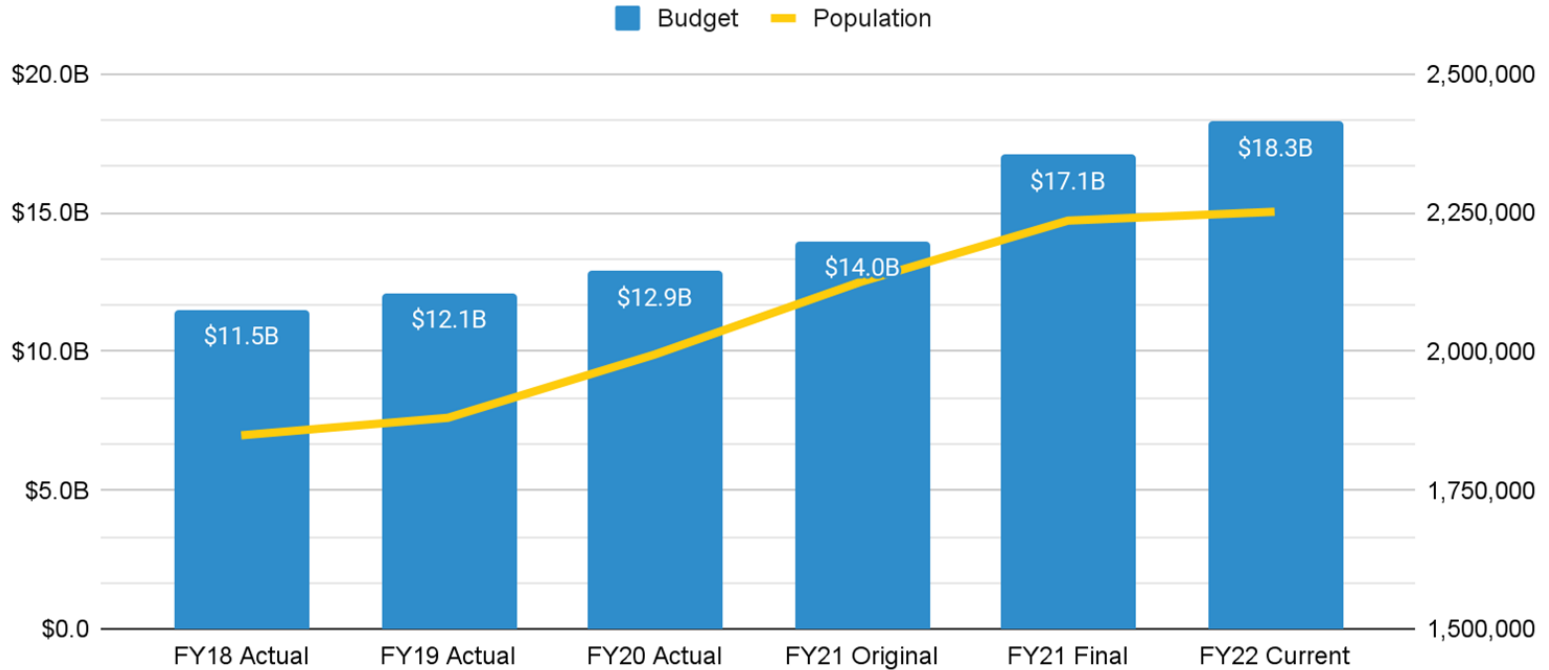
- School safety
  - ◆ Co-location model, MSBC, uninsured/underinsured
- Reducing health disparities
  - ◆ AIMH
- Ensuring seamless AHCCCS application/eligibility experience
  - ◆ HEAplus up-time
- Facilitating member connectivity to social services
  - ◆ Closed loop referral, H2O
- Access to SUD treatment and standardization of treatment planning and placement
  - ◆ ASAM/EHR, treatment locator
- Core organizational capacity
  - ◆ Remote work, succession planning



Link: [SFY22 Strategic Plan](#)

# State Fiscal Year 2022 Budget

## AHCCCS APPROPRIATION AND ENROLLMENT



# State Fiscal Year 2022 Budget

## Major Budget Drivers

- Caseloads/Enrollment
  - 19.9% growth in enrollment from March 2020 to July 2021
  - Growth expected to increase until end of PHE followed by decline from January to June 2022
- Cap Rate Growth
  - FY22 Appropriation includes 3.0% growth for CY22 Cap Rates
- FMAP
  - 6.2% increase from FFCRA expected to end in December 2021 along with PHE



# State Fiscal Year 2022 Budget

## FY22 Policy Issues

- IT Project Funding - \$12.7 million TF (MMIS Replacement, EVV, APEP, Asset Verification)
- Housing Staff - \$200k from SMI Housing Trust Fund for 2 positions
- Housing Waiver - Housing and Health Opportunities (H2O) - \$60.0 million Federal expenditure authority
- ALTCS Provider Rate Increase - EPD \$89.6 million; DDD \$122.9 million
- HCIF practitioner rate increase (exceed threshold) - \$14.9 million TF (1 time)
- SUDS deposit - \$6.0 million (1 time; PDRF)

# State Fiscal Year 2022 Budget

## FY22 Policy Issues

- Newborn Screening - \$1.7 million
- PDRF for GF Shift - \$16.7 million

## FY22 Technical Adjustments

- CRS Admin Base Modification
- GME lag reduction

## What's Missing?

- ARPA HCBS Expenditure Authority and other potential ARPA spending opportunities
- Funding for Interoperability Project

# System Update

- **HEAPlus**
  - Successful transition of maintenance and operations with no system or member disruption
- **AHCCCS Provider Enrollment Portal (APEP)**
  - Awaiting CMS certification of the system; successful demonstration of APEP's performance to CMS/MITRE on June 10
- **Electronic Visit Verification (EVV)**
  - CMS/MITRE demonstration for system certification scheduled January 11, 2022



# 1115 Demonstration Waiver Renewal

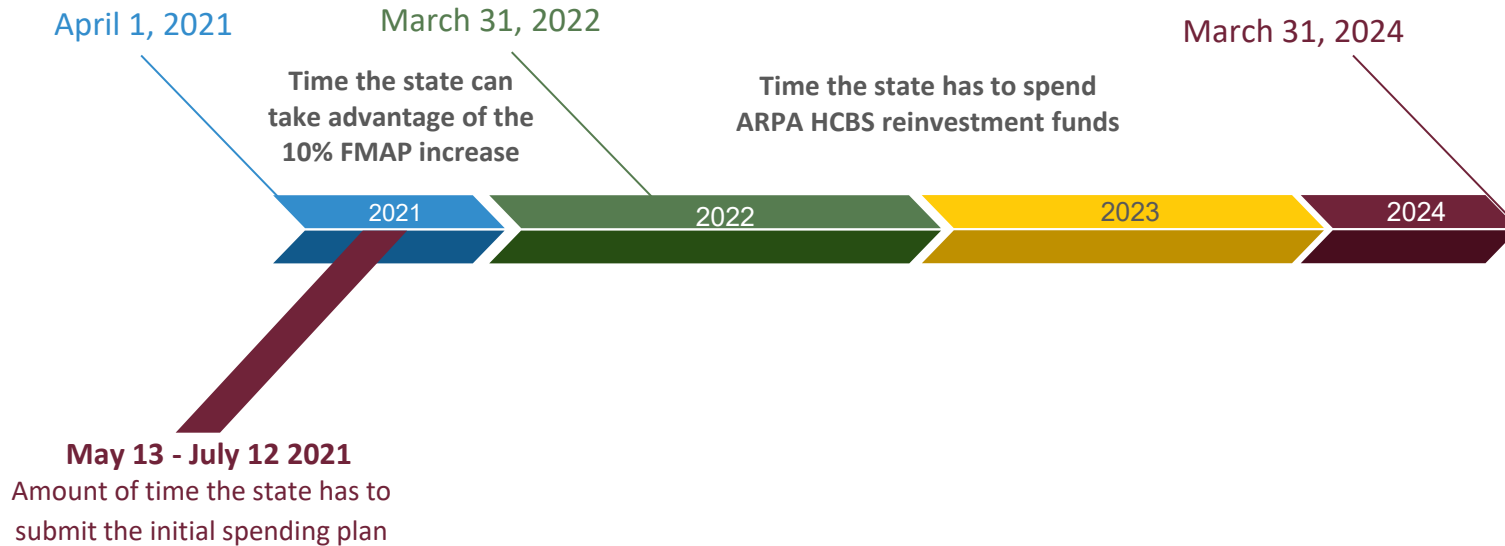
- Current waiver due to expire on September 30, 2021
- Possible short term extension of existing allowances
- Possible termination of certain allowances (AHCCCS Works, AHCCCS Care)
- Further negotiation
  - Targeted Investments Program continuation
  - Verbal consent in lieu of written signature for up to 30 days for ALTCS members
  - Reimbursement for traditional healing services
  - Reimbursement for adult dental services provided by IHS and Tribal 638 facilities
  - Housing and Health Opportunities (H2O) Initiative

# American Rescue Plan Act of 2021

## [ARPA Page](#)

 A small glass vial labeled 'VACCINE COVID-19 CORONA VIRUS' is surrounded by red, spiky virus particles. A white plus sign is positioned to the right of the vial.	 A white van is shown in motion, with a blurred background of green foliage and a road.	 A pile of white, oval-shaped pills is spilling from an orange pill container onto a US one hundred dollar bill.	 A wide-angle view of a city skyline with mountains in the background under a clear sky.	 A woman with long dark hair is sitting at a table, looking at a blue folder. A young girl is sitting next to her, looking at the folder.	 A black and white photograph of a woman in profile, looking thoughtful with her hand to her chin. A baby is visible in the foreground, partially obscured.	 A person wearing a dark hooded jacket is sitting on a stone ledge, looking away from the camera. The background shows a stone wall and a cloudy sky.
<b>Vaccine COVID-19 Administration</b>	<b>Mobile Crisis Services</b>	<b>Elimination of Medicaid Drug Rebate Cap</b>	<b>100% FMAP for Urban Indian Health Program</b>	<b>10% Increase to FMAP for HCBS</b>	<b>Twelve Months Postpartum Coverage</b>	<b>SAMHSA Block Grants to Address Addiction, Mental Health Crisis</b>

# ARPA HCBS Funding Timeline



# On the Horizon: Better Care Better Jobs Act

Figure 1

## Better Care Better Jobs Act Proposal for New \$400 Billion in Federal Medicaid Home and Community-Based Services

<b>HCBS Infrastructure Improvement Program</b>	<b>Money Follows the Person Program</b>
<ul style="list-style-type: none"><li>• Permanent 10 percentage point increase in federal Medicaid matching funds for HCBS for states with Secretary-approved plans to expand HCBS access and support direct care workforce</li><li>• Additional 2 percentage point increase in federal Medicaid matching funds for 1 year for states that adopt a program to support self-direction</li><li>• Increase in federal matching rate from 50% to 80% for HCBS administrative costs</li><li>• \$100 million for state planning grants with opportunity for states to continue to receive ARPA 10 percentage point HCBS increase during planning period</li></ul>	<ul style="list-style-type: none"><li>• Make program permanent with \$450 million in funding per fiscal year</li></ul>
	<b>HCBS Spousal Impoverishment Rules</b>
	<ul style="list-style-type: none"><li>• Make ACA provision permanent, requiring states to treat HCBS and institutional care equally</li></ul>

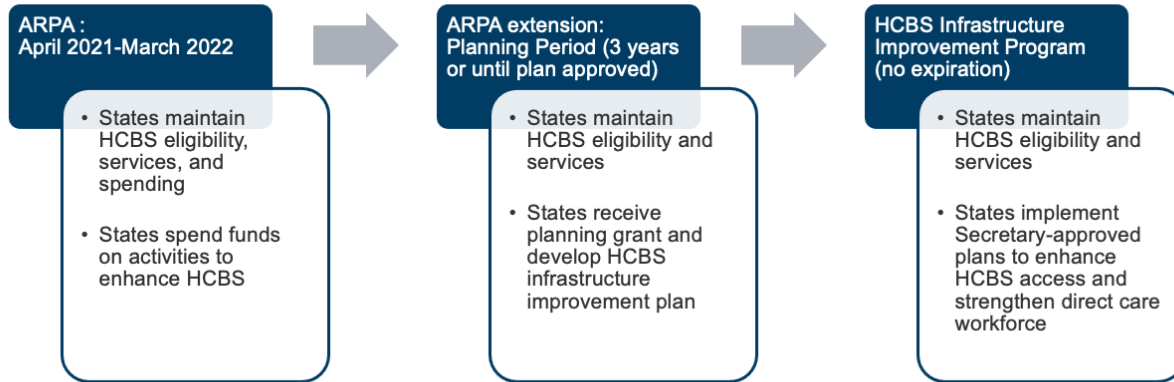
SOURCE: Better Care Better Jobs Act, S.2210 (introduced June 24, 2021).

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# On the Horizon: Better Care Better Jobs Act

Figure 2

## Availability of 10 Percentage Point Medicaid HCBS Federal Funding Increase as Proposed in Better Care Better Jobs Act



SOURCE: American Rescue Plan Act (ARPA), Pub. L. 117-2, § 9817 (enacted March 11, 2021); Better Care Better Jobs Act, S.2210 (introduced June 24, 2021).

**KFF**