ENCOUNTER FLOW
PRIMARY CARE PROVIDER RATE PARITY

Professional/1500 Encounter Received – Determine if consideration for PCP enhanced rate criteria is met:

1. Begin date of service must be > or = to 1/1/2013;
2. Service/Rendering Provider Type = 08, 18, 19 or 31
3. Provider PCP Indicator on PR030 = B – attested Board Certified, 6 – attested 60 % or C – verified board certified (*indicators and effective dates will be included in the weekly Provider extracts to Contractors*)
4. Dates of service on the encounter fall within dates for Provider PCP Indicator
5. Provider Tax Id not defined as excluded FQHC or FQHC look alike (*listing will be provided to the Contractors),* or Place of Service not = 50 FQHC

Yes

No

If all criteria are met, go to New Rate Schedule RF144 (*rate schedule will be included in twice monthly Reference extracts to Contractors*) and check for applicable rate for procedure on the encounter.

Not Found

If all criteria not met, or rate for procedure not found on RF144, continue to use current Fee Schedule (RF142/RF112 as applicable).

Found

Use Rate from RF144 for the encounter date of service to calculate the AHCCCS Allowed for the encounter (apply Provider Type %'s as applicable; Medicare calculations, etc.); Set Pay1 code to PCP, and *update subcap code on the encounter to XX UNLESS CN1 code on the Encounter is 05 and Plan Allowed and Paid are equal*.

New Editing – (applying all criteria – 1500 Form type, dates of service, provider type etc…)
Edit PXXX – AHCCCS valuation logic indicates that PCP enhanced rates should apply to the encounter, but based upon Plan Paid Amount was not applied. (AHCCCS Pay1 code = PCP; check plan paid if not equal AHCCCS Allowed (plus interest if applicable).
Edit PXXX – AHCCCS valuation logic indicates that PCP enhanced rates should not apply to the encounter, but based upon Plan Paid Amount was applied. (AHCCCS Pay 1 code not equal to PCP; check plan paid if not equal AHCCCS allowed (plus interest if applicable) but equal rate applicable from RF144).

Other Edit Considerations – Will need to look at existing editing to ensure that we will accommodate Plan Allowed Amounts which are less than Plan Paid Amounts.

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Reporting of Encounters:

Contractor indication of payment of enhanced rates versus non-enhanced rates within submitted encounters for trending, analysis, and reimbursement for Contractors is as outlined by each of the following scenarios. Contractors must continue to build appropriate CAS segments for all scenarios. (Assumes scenarios meet all basic criteria for consideration - 1500 Form type, dates of service, provider type etc…)

No Subcap arrangement with provider: "Pay Parity Rate" –

Health Plan Allowed = Non-enhanced payment rate
Health Plan Paid = Enhanced payment rate (or Billed Charge if less)

Example:
Billed Charge = $175.00
Non-enhanced payment rate = $100.00 (= Health Plan Allowed)
Enhanced payment rate = $113.00 (= Health Plan Paid)
Payment to MCO will be $13.00

No Subcap arrangement with Provider/Other Insurance Payment on claim: "Pay Parity Rate less Other Insurance Payment" -

Health Plan Allowed = Non-enhanced payment rate
Health Plan Paid = Enhanced payment rate (or Billed Charge if less) minus Other Insurance Payment

Example:
Billed Charge = $175.00
Other Insurance payment = $40.00
Non-enhanced payment rate = $100.00 (Health Plan Allowed)
Enhanced payment rate = $113.00 (Health Plan Paid = $73.00)
Payment to MCO will be $13.00- AHCCCS will consider Other Insurance payment in calculation

Subcap arrangement with provider is < Parity Rate: "Pay Parity Rate" -

Health Plan Allowed = Non-enhanced subcap payment rate would have paid
Health Plan Paid = Difference between subcap payment rate would have paid and the Enhanced payment rate (or Billed Charge if less)

Example:
Billed Charge = $175.00
Non-enhanced subcap arrangement = $90.00 (= Health Plan Allowed)
Enhanced payment rate = $113.00 (Health Plan Paid = $23.00)
Payment to MCO will be $23.00

Example with Interest:
Billed Charge = $175.00
Interest Amount = $10.00
Non-enhanced subcap arrangement = $90.00 (= Health Plan Allowed)
Enhanced payment rate = $113.00 (Health Plan Paid = $33.00)
Payment to MCO will be $23.00-AHCCCS will deduct Interest Paid

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PRIMARY CARE PROVIDER RATE PARITY

Subcap arrangement with provider is < Parity Rate/Other Insurance Payment on claim: "Pay Parity Rate less Other Insurance Payment" -

Health Plan Allowed = Non-enhanced subcap payment rate would have paid
Health Plan Paid = Difference between subcap payment rate would have paid and the Enhanced payment rate (or Billed Charge if less) minus Other Insurance Payment

Example:

Billed Charge = $175.00
Other Insurance payment = $40.00
Non-enhanced subcap arrangement = $90.00 (Health Plan Allowed)
Enhanced payment rate = $113.00 *($73.00 = enhanced payment - OTI*) (Health Plan Pd = $23.00)
Payment to MCO will be $23.00- AHCCCS will consider Other Insurance payment in calculation

Subcap arrangement with provider is > or = Parity Rate: "Pay Subcap Rate" – no additional reimbursement to the Contractor.

Health Plan Allowed = No change to current process
Health Plan Paid = No change to current process

Example:

Billed Charge = $175.00
Non-enhanced payment rate = $115.00 (= Health Plan Allowed)
Enhanced payment rate = $113.00 (Health Plan Paid = $0.00)
No additional payment to MCO

ENCOUNTER FLOW
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MCO Payments:

Payments to Contractors will be based upon adjudicated encounter data, flagged by an AHCCCS subcap code as eligible for PCP Enhanced Payment.

On a quarterly basis Contractors will be sent a report with all Encounter CRNs (and other key identifying data) that have been reported, and validated as correctly paid, by Contractors using enhanced rates since the last quarter based upon the Encounter adjudication status date.

Contractors will be given a two-week review period to review and tie their payments to the report. Contractor will agree or comment on the reported CRNs and amounts and payment will be made based upon the finalized list of CRNs.

Contractors will be required to include all reprocessed claims in their reported encounters and refund payments to AHCCCS for any reduced claim payments in the event that a provider is subsequently "decertified" for enhanced payments due to audit. However, AHCCCS will provide a reasonable timeline or window of opportunity for Contractors to comply with this requirement, and will work with the Contractor to help identify impacted Encounter CRNs for the Contractor.

Payment to the MCO will be based upon:

Difference between Health Plan Paid (minus Interest Paid if applicable) and Health Plan Allowed
Or
Difference between Health Plan Paid (minus Interest Paid if applicable) and Health Plan Allowed minus Other Insurance Payment