AHCCCS

Arizona Health Care Cost Containment System
Arizona Long Term Care System

ANNUAL HCBS REPORT
CY 2013
(10/1/12 – 09/30/13)

MARCH 2014

Prepared by
Division of Health Care Management

www.azahcccs.gov

Table of Contents

ANNUAL HCBS REPORT – CYE 2013

(10/01/2012 – 09/30/2013)

INTRODUCTION

The Arizona Health Care Cost Containment System (AHCCCS) has implemented a long-term care program through the Arizona Long Term Care System (ALTCS) and Department of Economic Security/Department of Developmental Disability (DES/DDD) that strongly supports opportunities for individuals enrolled in the ALTCS program to live in home and community based service (HCBS) settings. To that end, the percentage of members who are elderly and/or physically disabled (E/PD) residing outside of institutional settings has increased over the last eleven years from 49 percent (2001) to 86 percent (2013).

The AHCCCS Administration has accomplished this through a long term care program that promotes the values of:

- Choice
- Independence
- Self-determination
- Dignity
- Individuality

Guiding principles have also been established under the belief that every effort should be made to support the ability of individuals to reside in HCBS settings. These guiding principles are as follows (see Attachment A):

- Member-Centered Case Management
- Accessibility of Network
- Collaboration with Stakeholders
- Consistency of Services
- Most Integrated Setting

Members and families are afforded the opportunity to actively participate in the selection of services that will best meet their needs. HCBS and other applicable settings are available to an individual as long as the cost of HCBS services does not exceed the net cost of institutionalization for that member.

Arizona's Olmstead Plan, developed in 2001 has influenced the changes made to the ALTCS program over the years. The Olmstead Plan is available on the AHCCCS web page at http://azahcccs.gov/reporting/Downloads/OlmsteadPlan.pdf.

In Contract Year Ending 2013 (CYE 2013) the ALTCS and DES/DDD programs experienced another year of slow but continued growth in the percentage of E/PD program members living in HCBS settings. The percentage of members residing outside of a nursing facility increased to 86 percent, marking the fourth year in a row that the percentage has exceeded 70 percent. This growth is largely attributable to the service options and HCBS activities addressed in this report. DES/DDD is heavily focused on providing members with HCBS services. (Membership: ALTCS E/PD 28,403, DES/DDD 26, 357 as of 3/01/2014)

The information that follows details efforts and initiatives aimed at improving the quality and promoting the expansion of HCBS.

SPECIFIC HCBS ACTIVITIES

The following is a summary of specific HCBS related activities undertaken by the ALTCS Contractors and AHCCCS.

- ***Spouse as Paid Attendant Caregiver***
  AHCCCS implemented the spouse as paid caregiver service option on October 1, 2007, after receiving a waiver from the Centers for Medicare and Medicaid Services (CMS). Spouse as Paid Caregiver is an Attendant Care service option which allows a spouse, who is qualified to provide basic health care services to their husband or wife, to be compensated for providing Attendant Care services. Per the CMS waiver, ALTCS members selecting this option are limited to 40 hours per week of Attendant Care or like services (homemaker and personal care). Allowing married members this service option has assisted in reducing the challenges of ensuring an adequate caregiver workforce. This service is part of Arizona's Olmstead Plan. The Spouse as Paid Caregiver waiver information can be found on the AHCCCS website at http://azahcccs.gov/reporting/federal/waiver.aspx.

  In CYE 2013, 1225 members received paid services from their spouse. The usage of the option remains consistent/level with data reported in the previous year.

- ***Self-Directed Attendant Care (SDAC)***
  SDAC is Arizona's initiative aimed at implementing a Member-Directed Care option for ALTCS HCBS members. SDAC offers ALTCS members or their representatives the choice of directly hiring and supervising their own attendant care workers, without the use of an agency. It empowers members to have more control over their lives, leading to increased satisfaction and improved quality of life. Under SDAC, individuals have the right and the ability to make decisions about how to best have their needs met, including determining who will provide the services they need and when the services will be provided. Participating members are supported by the services of qualified fiscal agents who perform all employer payroll functions, and case managers who provide general assistance. The service option became available on September 1, 2008.

  During CYE 2010, Arizona Administrative Code (rule) was amended to allow SDAC participating members to direct certain skilled nursing services to their attendant care worker. A member can now direct their attendant care worker to perform the following skilled services:
  - Bowel care, including suppositories, enemas, manual evacuation and digital stimulation;
  - Bladder catheterizations (non-indwelling) that does not require a sterile procedure;
  - Wound care (non-sterile);
  - Glucose monitoring;
  - Glucagon as directed by the health care provider;

- Insulin, subcutaneous injection only if the member is not able to self-inject;
- Permanent gastrostomy tube feeding; and
- Additional services with the approval of the Director and the Arizona State Board of Nursing.

The SDAC policy can be found on the AHCCCS website at: http://www.azahcccs.gov/shared/Downloads/MedicalPolicyManual/Chap1300.pdf.

In CYE 2013, 323 members elected this service, a 9.5 percent increase from the previous year.

- ***Community Transition Services***
  The implementation of the Community Transition Services option was approved by the CMS in 2010. This service provides financial assistance to members to move them from an ALTCS long term care institutional setting to their own home or apartment. The option offers up to $2,000 to defray transition costs such as security and utility deposits for an apartment or home, essential furnishings or other moving expenses.

- ***Prior Period Coverage For HCBS***
  Since 2006, ALTCS Contractors have been allowed to cover HCBS services for Prior Period Coverage enrollment. This allows applicants to have HCBS services covered by the Contractor during the period between application and determination of eligibility. Such coverage allows greater flexibility in the choice of a service site. Persons awaiting discharge from hospitals now can go directly back to their own home, with coverage of those services paid for once eligibility is determined and enrollment is complete.

- **Home and Community Based Services Litigation: *Ball v. Biedess (Betlach)***
  In January 2000, a class action lawsuit Ball v. Biedess (Betlach) was filed on behalf of E/PD members enrolled in the ALTCS Program concerning the availability of critical in-home services. Critical services include Attendant Care, Personal Care, Homemaker and Respite services which provide bathing, toileting, dressing, feeding, and transferring to or from beds or wheelchairs, and assistance with other similar daily activities. In addition to other claims, Plaintiffs alleged a violation of 42 USC 1396a(a)(30)(A), the Medicaid Equal Access provision. A Settlement Order in this matter was approved by the federal District Court in October 2012. Nevertheless, this case had been in litigation for more than a decade and had been appealed to the Ninth Circuit Court of Appeals on two separate occasions. Below is a brief summary of the major events.

  In 2004 the Federal District Court concluded that AHCCCS failed to provide members with equal access and ordered that AHCCCS provide each individual who qualifies for critical services with those services without gaps in service. The following year the Federal District Court issued an Order which required AHCCCS to eliminate gaps in critical in-home services within 2 hours and mandated that ALTCS Contractors have back-up staff available. AHCCCS was also required to file monthly reports of gaps in critical services

with the Court and to implement an expedited grievance process where members could contact a hotline.

Two years later, in 2007, the Ninth Circuit Court of Appeals concluded that Congress did not intend to create a private right of action under 42 USC 1396a(a)(30)(A), reversing the District Court. In 2010, the District Court ordered AHCCCS to establish a single toll free hotline for members to report gaps and to modify all relevant contracts, forms, and policies to explicitly require that ALTCS Contractors have back-up workers available. (From October 2010 to September 2013 the hotline received less than 5 calls each month concerning gaps in services).

Mediation was subsequently explored. After several assessment conferences were scheduled by the Court of Appeals, the parties agreed to settle the litigation in principle. A fairness hearing was scheduled in early October 2012, and on October 30, 2012, the Federal District Court approved the Proposed Settlement Agreement. As part of the Settlement, AHCCCS agreed to provide Plaintiffs an additional 24 months of gap reports and 2 annual reports. If the aggregate rate of gaps for authorized services is .1% or more for two consecutive months, Plaintiffs can request a meeting with AHCCCS to address the concerns, and, if not satisfied with AHCCCS' efforts, Plaintiffs may seek judicial intervention. If there is no judicial enforcement action pending at the end of the 25th month following approval of the Settlement, Plaintiffs will dismiss the case.

AHCCCS continues to collect monthly service gap information from ALTCS Contractors, and, on average, the percent of gap hours ranges from .04% to .07%.

To continuously review the delivery of critical care services, AHCCCS requires that Contractors provide a report analyzing the previous six months' gaps in services. The Semi-Annual Report outlines trends and corrective actions regarding gaps in services, grievances related to service gaps and other reports as deemed necessary to fulfill the Settlement Agreement in the Ball v. Biedess (Betlach) case. Contractors use the analysis to drive network development and to work with providers to ensure that members receive services appropriately and timely.

- ***Arizona State Hospital Transition Workgroup***

  The ALTCS Contractors meet with staff from AHCCCS and the Arizona State Hospital on a quarterly basis. The purpose of these meetings is to discuss discharge plans for the most difficult clients currently residing as inpatients at the facility. The clients typically not only have severe behavioral problems, which necessitate specialized community placements, but also serious and chronic medical conditions. Virtually all have been admitted to the hospital on court orders. These members eventually reside in HCBS settings such as small group homes dedicated to members with like behaviors. Network enhancements and active coordination of care practices by the Contractors have resulted in timely discharges to appropriate settings and a low recidivism rate.

- ***Other***

  The ALTCS Contractors have developed numerous initiatives over the years to enhance the quality of life of HCBS members. Initiatives implemented by individual ALTCS Contractors include:
  - One Contractor has adopted assessment tools for members in nursing or assisted living facilities to determine the extent to which they are ready to move to a home based setting. The tool uses strategic planning techniques to identify member strengths, weaknesses, opportunities and risks that impact their ability to move into a home-based setting. The assessment surveys local housing options, informal and formal supports, the provider network, members' status and their goals to evaluate the potential of members to return to a home or community based setting.
  - One Contractor has adopted a "nobody's perfect" program. The program assists individuals in qualifying for programs that benefit them and their desire for productive independent living and financial success. For members it means living knowing they are as perfect as they can be.
  - One Contractor has adopted a "Member Empowerment" or "**me***" program. The program is a member-centered approach to care reinforced with the Contractor's staff and members. For members it means focusing on their goals and making their life better, happier and healthier. For the Contractor's employees, **me*** is about what employees can do to help members meet these goals, which can include moving members to a less restrictive environment. The Contractor has integrated other supports into this program, such as an assessment measuring progress towards each member's goals, and a statewide resource that identifies community resources to assist members to meet their goals.

- ***Consumer Success Stories***

  AHCCCS and the ALTCS program continue to identify cases where the philosophy of serving people in the least-restrictive setting makes a difference in member lives. Recent examples include:
  - One Contractor shared a story about a member who was completely bed bound. The member required a stretcher for transportation in order to go out for medical appointments. The member has Rheumatoid Arthritis and due to the illness, was unable to walk because a total hip and knee replacement was needed. In 2009 the member had the surgeries and spent a month in rehab and learned how to sit for the first time in 3 years. The member continued to progress medically and shared a dream with the Case Manager to attend school and learn English. The Case Manager coordinated help and resources and was able to assist the member in enrolling at Arizona Western College in 2013. The member can walk a quarter of a mile with assistance of his quad cane and uses community transportation to get to/from school. The member has accomplished so much, not only did the member learn how to walk, but has learned how to speak and understand English.
  - One Contractor shared a story about a member who moved from an assisted living home to their own home after a brief stay in a nursing facility. Prior to the assisted living home's closure, the member's case manager worked to find another assisted living facility, however, due to the member's level of need, no appropriate facility could be found and the member was placed in a nursing facility. The member's

mother previously had been resistant to having the member live with her. The case manager was able to educate them about the available HCBS services for ALTCS members who reside at home. The member was discharged from the nursing facility, moved into her mother's home, and now receives assistance from a paid caregiver. The member's quality of life has improved and her mother is satisfied with the services being provided.

- Another Contractor assisted a member who was vent dependent, resided in a nursing facility and was dependent upon staff to complete most of his activities of daily living. Eventually, the member was weaned off the ventilator and only needed minimal assistance with daily living activities. When the case manager discussed the option of returning to his own home, the member was reluctant. He expressed fear over not having a nurse just a call away. The case manager provided more information to the member and together they agreed upon what services would be needed to ensure his success. For the first couple of weeks after discharge the member needed extra support to ensure a smooth transition. Then the hours would gradually be reduced. The member was discharged home, services were provided as scheduled and the member expressed surprise and pleasure at how well he is doing at home.

OTHER HCBS ACTIVITIES

The following is a summary of other activities that touch on broader long-term care issues but do include HCBS as a component. Some of these activities involve collaborative efforts with other Arizona state agencies, while others are exclusive to AHCCCS and its Contractors.

- ***Network Development Plans***

  AHCCCS requires that ALTCS Contractors develop an adequate network and submit Network Development and Management Plans (Plans) to demonstrate that their networks meet the needs of ALTCS members. These Plans identify the current status of the network at all levels (institutional, HCBS, acute, alternative residential, etc.) and project future needs based upon membership growth and changes in member profiles/service needs.

  The Plan requires the Contractor to develop information on the following:
  - Evaluation of the previous year's Plan
  - Current status of network
    - ✓ how members access the system
    - ✓ relationship between the various levels of the networks
  - Current network gaps
  - Immediate short term interventions when a gap occurs
  - Interventions to fill network gaps, and barriers to those interventions
  - Outcome measures/evaluation of interventions
  - Ongoing activities for network development
  - Coordination between Contractor departments and outside organizations, including member/provider councils
  - Specialty populations
  - Membership growth/changes

Additionally, AHCCCS requires its Contractors to develop and demonstrate the implementation of pro-active strategies to reduce the percentage of members in Alternative Residential Settings once it is determined that 20 percent or more of a Contractor's HCBS membership resides in such settings.

AHCCCS evaluated the Plans that were submitted for CYE 2014 and have approved the methods for analyzing the network and identifying and addressing network gaps.

- ***Long Term Care Case Management***

  Each ALTCS-enrolled member receives case management services provided by a qualified case manager. ALTCS case managers utilize a person-centered approach and maximize member/family self-determination while promoting the values of dignity, independence, individuality, privacy and choice.

  Case managers conduct regular home visits with HCBS members to ensure quality services are being provided without gaps; to provide member specific education to the member and their family; and to introduce alternative models of care delivery when appropriate. Throughout the past year, case managers educated ALTCS members and their families on the Member Directed Service Option called Agency with Choice. Many members have elected to participate in Agency with Choice and are now in control of selecting their caregivers and scheduling services.

  In addition to assessing the quality of services and limiting gaps, case managers assess the continued suitability and cost effectiveness of the member's in-home services. HCBS placement is the goal for ALTCS members as long as cost effectiveness standards and the member's medical, functional, social and behavioral health needs can be met in that setting. The case manager regularly assesses the cost of the services and compares them to the estimated cost of institutionalized care. Placement in the setting is considered cost effective if the cost of HCBS services for a specific member does not exceed 100 percent of the net cost of institutional care for that member.

- ***Agency with Choice***

  On January 1, 2013, AHCCCS implemented and instituted a new member-direct option, the Agency with Choice member-directed option. The option is available to ALTCS members who reside in their own home. A member or the member's Individual Representative (IR) may choose to participate in the Agency with Choice option. Under the option, the provider agency and the member/IR enter into a formal partnership agreement. The provider agency serves as the legal employer of the Direct Care Worker and the member/IR serves as the day-to-day managing employer. Agency with Choice presents an opportunity for members interested in directing their own care who would also like the support offered by a provider agency. For provider agencies, the new option affords them an opportunity to support members in directing their own care.

  During CYE 2012, AHCCCS worked in collaboration with a Development and Implementation Council comprised of ALTCS members, providers, community stakeholders and contractors. The Council's primary function was to provide input on

programmatic changes AHCCCS needed to make in order to implement the new Agency with Choice member-directed option, including policy and form changes.

In CYE 2013, the primary focus was on supporting contractors to educate members/IRs about all the available service model options including member-directed options. In CYE 2014, AHCCCS will prioritize activities to monitor the progress and quality of the initiative in collaboration with the stakeholders and Contractors. The following are examples of monitoring activities that will be undertaken.

- Develop and implement a case manager refresher training to ensure case managers are able to support members/IRs to make informed choices about electing member-directed options. Additionally, developing tools to educate case managers on how to assess whether or not the member/IR is fulfilling their respective roles and responsibilities and whether or not additional support is required.

- Develop and implement a provider assessment tool that helps providers and Contractors assess whether or not a provider agency is fulfilling its respective roles and responsibilities and whether or not additional technical assistance is required.

The Agency with Choice policy can be found on the AHCCCS website at: http://www.azahcccs.gov/shared/Downloads/MedicalPolicyManual/Chap1300.pdf.

In CYE 2013, 1,945 members elected this service option.

- ***Direct Care Workforce Development***

  Significant activities continue regarding the growing challenges related to ensuring the establishment an adequate direct care (caregiver) workforce. The foundation for current activities began in March of 2004 when former Governor Napolitano formed the Citizens' Workgroup on the Long Term Care Workforce. The purpose of the Workgroup was to study the issue of the direct care workforce and provide recommendations regarding potential strategies to improve the workforce.

  In an effort to address the recommendations outlined in a report issued by the Workgroup in April 2005, AHCCCS, the Department of Economic Security and the Department of Health Services funded and created a Direct Care Workforce Specialist position in 2007 to provide coordination for direct care workforce initiatives, including recruitment and retention, training, and raising the qualifications of direct care professionals in Arizona. Since 2007, the Workforce Specialist has coordinated the activity of the Direct Care Workforce Committee (DCWC), which has established training and competency standards for all in-home caregivers (housekeeping, personal care and attendant care).

  Beginning October 1, 2012, AHCCCS formally incorporated the competency standards, training curriculum and testing protocol into its service specifications for attendant care, personal care and housekeeping. All in-home care givers are now required to pass

standardized examinations based upon the competency standards established by the Committee in order to provide care to ALTCS members in their homes.
In CYE 2013, AHCCCS and Contractors initiated audits of the Approved Direct Care Worker Training and Testing Programs to ensure the programs were in compliance with AHCCCS standards pertaining to the training and testing of Direct Care Workers. Additionally, AHCCCS developed and implemented an online database to serve as a tool to support the portability or transferability of Direct Care Worker testing records from one employer to another employer. The online database also serves a secondary purpose to assist in monitoring compliance with the AHCCCS Direct Care Worker training and testing initiative.

Detailed information on the direct care workforce initiatives can be found at the following link: www.azahcccs.gov/dcw.

- ***ALTCS Advisory Council***
  In CYE13, AHCCCS transitioned the Agency with Choice, Development and Implementation Council (noted above) into the ALTCS Advisory Council. The Council is comprised of ALTCS members, providers, community stakeholders and contractors. The Council meets on a monthly basis to support AHCCCS in identifying new priorities and program innovations. Additionally, the Council will serve a role in program monitoring and oversight.

- ***Performance Measures***

AHCCCS reports Performance Measures specific to the ALTCS elderly and/or physically disabled (E/PD) population. These measures include members in home and community-based settings. The Performance Measures are as follows:

Initiation of Home and Community Based Services: The intent of this study is to measure the health care services that primarily allow members at risk of institutionalization to remain in their homes or the community. The performance measure examines how quickly a member received HCBS services after their enrollment in the ALTCS program. The most recent report for this performance measure was completed in October 2013.

The data showed that 96.3 percent of new members received HCBS services within 30 days of enrollment, a non-statistically significant decrease over the previous rate of 97.3 percent. Rates by Contractor ranged from 93.3 percent to 100 percent. All three Contractors exceeded the minimum performance standard (92 percent) and one achieved the AHCCCS goal (98 percent).

INITIATION OF HOME AND COMMUNITY BASED SERVICES
WITHIN 30 DAYS OF ENROLLMENT, BY CONTRACTOR
Measurement Period: Oct. 1, 2011, through Sept. 30, 2012

Contractor	n	Number who Received Service Within 30 Days	Percent who Received Service Within 30 Days	Relative Percent Change	Statistical Significance
Bridgeway Health Solutions	**90**	**84**	**93.3%**	**-1.6%**	**P=.648**
	98	93	94.9%		
Evercare Select	**164**	**157**	**95.7%**	**0.6%**	**P=.865**
	41	39	95.1%		
Mercy Care Plan	**98**	**98**	**100.0%**	**0.0%**	**N/A**
	118	118	100.0%		
TOTAL	**352**	**339**	**96.3%**	**-1.0%**	**P=.507**
	257	250	97.3%		

EPSDT Participation:
AHCCCS utilized the methodology developed by the Centers for Medicare and Medicaid Services (CMS) for the Form 416 Report on participation in Early and Periodic Screening, Diagnostic and Treatment (EPSDT) services among members younger than 21 years of age during the contract year. This measurement includes HCBS members. For the measurement period of CYE 2012, the overall rate of EPSDT visits among members enrolled with ALTCS Contractors was 47.5 percent, compared with 50.1 percent in the previous year.

CYE 12 was the first measurement year with a limited number of ALTCS Elderly/Physically Disabled (E/PD) contractors. Historically, ALTCS contractors (with the exception of DDD) had small numbers of children and adolescents (30 members or less) so rates fluctuated widely from year to year. Going forward, year-to-year measurements should be much more meaningful and performance is expected to be more consistent as there are larger EPSDT populations enrolled with E/PD contractors due to the most recent Request for Proposal which limited contractors from eight to three.

Contractor	Total who Should Receive at least 1 Screening	Number with at least 1 Screening	Percent with at least 1 Screening	Relative Percent Change	Statistical Significance
Bridgeway Health Solutions	64	28	43.8%	-15.3%	0.475
	29	15	51.7%		
UnitedHealthcare Community Plan (formerly Evercare Select)	91	21	23.1%	61.5%	0.242
	42	6	14.3%		
Mercy Care Plan	312	102	32.7%	-25.5%	**0.005**
	282	124	43.9%		
DES/DDD	12405	5968	48.1%	-4.6%	**<0.001**
	11893	5990	50.4%		
TOTAL	12872	6119	47.5%	-5.1%	**<0.001**
	12246	6135	50.1%		

* Shaded rows represent data from previous measurement period (CYE 2011)

In addition to EPSDT Participation, AHCCCS also utilizes the Form 416 report to generate Dental Participation rates, based on members' receipt of preventive dental care. CYE 12 is the first year that this measure was formally calculated. Baseline data for this performance measure is shown below:

EPSDT Dental Participation	
Bridgeway	10.9%
Mercy Care Plan	9.8%
UnitedHealthcare Community Plan LTC (formerly Evercare Select)	34.9%
DDD	37.0%
TOTAL:	36.6%

AHCCCS has established contractual Minimum Performance Standards (MPS) for these measures. For any of the measures for which ALTCS Contractors did not meet the MPS, AHCCCS requires Corrective Action Plans (CAPs). AHCCCS will approve and monitor implementation of the CAPs. AHCCCS also continues to monitor Contractor quality-improvement activities related to these measures through submission of annual Quality Assessment/Performance Improvement Plans and Evaluation reports. AHCCCS provides ongoing technical assistance to Contractors to help them improve rates.

- **Performance Improvement Projects:**

In addition to performance measures, AHCCCS also implements performance improvement projects (PIPs) to drive member health outcomes and boost contractor performance on selected state and national health care priorities. HCBS members are included in the PIPs reported below.

Reduction of Hospital Readmissions: This PIP includes HCBS members as well as those in nursing facilities and is designed to decrease the rate of inpatient readmissions within 30 days of a previous discharge, leading to improved quality of life, promotion patient-centered care, and reduction of unnecessary health care utilization and costs. Contractors were provided with baseline rates, based on the measurement period of CYE 2011. During CYE 2012, Contractors developed and implemented interventions in order to reduce the rate of readmissions. The baseline aggregate rate of readmissions for ALTCS members was 22.6 percent.

Readmission Reduction Baseline Rates	
Bridgeway	19.1%
Evercare	17.5%
Mercy Care Plan	26.8%
DDD	15.4%
TOTAL:	**22.6%**

The first re-measurement of performance will be conducted in mid-2014 for the measurement period of CYE 2013. These results will be analyzed and compared to the baseline measurement, as well as by race/ethnicity. The data will be provided to Contractors to assist them in implementing and monitoring the effectiveness of interventions. A second remeasurement in 2015 will be conducted for the CYE 2014 measurement period. If contractors showed improvement in the first remeasurement and maintained their success in the second remeasurement, the PIP will be concluded.

Advance Directives: This PIP included HCBS members as well as those in nursing facilities, and was designed to increase the use of advance directives and ensure medical record documentation of these directives. During CYE 2011, The PIP began in CYE 2007 with an overall baseline rate of 36.8 percent.
The second re-measurement was conducted in mid-2011 for the measurement period of CYE 2010. The overall rate of advance directives documented in members' medical

records increased from 36.8 percent to 64.7 percent ($p < .001$). All but one Contractor sustained improvement from baseline to the second re-measurement; the other Contractor showed a statistically significant decrease.

Results for this and the baseline measurement were analyzed by placement (HCBS compared with nursing facility), as well as by race\ethnicity and gender. Performance data was provided to Contractors to assist them in implementing and monitoring the effectiveness of interventions. This PIP is concluded for the Contractors who sustained improvement and another re-measurement was conducted in 2012 for DDD who showed a statistically significant decrease in documentation rates.

Members enrolled with DES/DDD saw an initial increase from 5.7 percent (CYE 2007 measurement period) to 10.2 percent (CYE 2009 measurement period) followed by a decrease to 7.1 percent (CYE 2010 measurement period) and to 4.2 percent (per DDD internal audit for calendar year 2012). As a result of further research indicating unique barriers for this particular population in utilizing advanced directives, AHCCCS will close this PIP for DDD in order to take a more meaningful approach on this subject matter whiling implementing other PIPs on different topics.

HCBS GROWTH AND PLACEMENT TABLES AND GRAPHS

The following pages contain tables and graphs that show the growth of the ALTCS E/PD population over several time periods. These tables and graphs are accompanied by a description.

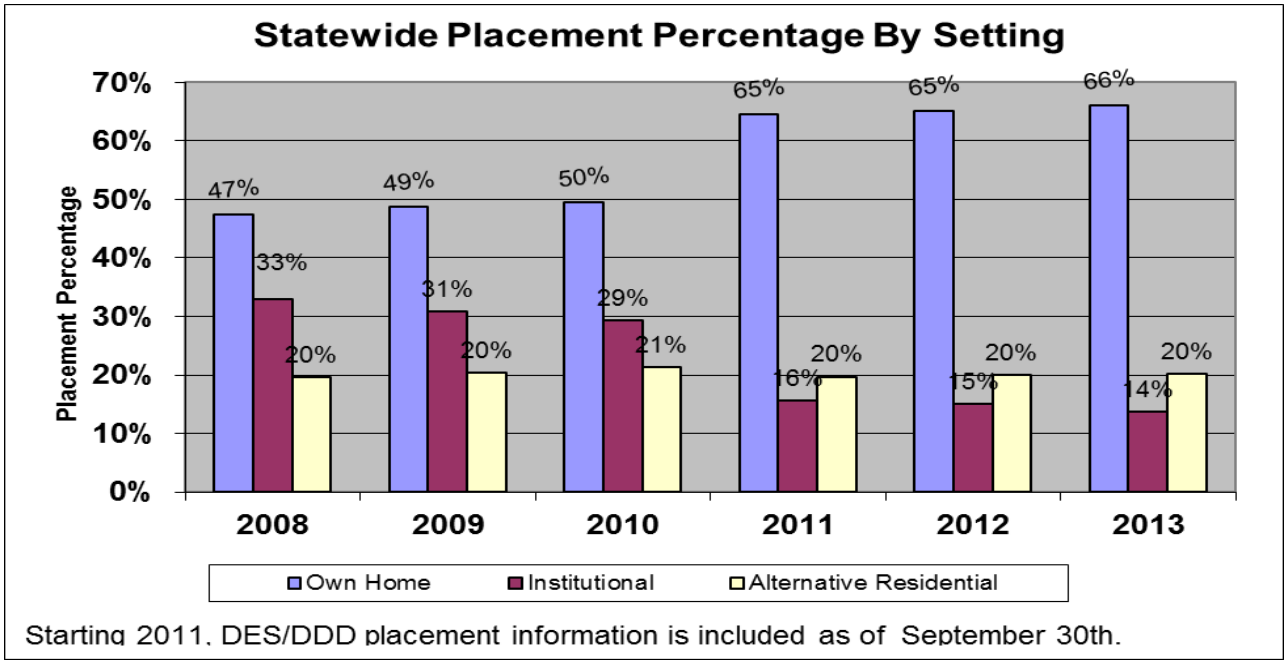
- Table 1 and Graph 1 — E/PD and DES/DDD Program Statewide Placement and Percentage by Setting (September 2008- CYE September 2013)
- Graph 2 — Percentage of Growth by Setting (September 2008-September 2013)
- Graph 3a — HCBS Placement Percentages by Contractor (Contractors Operating from CYE 2007 to 2011)
- Graph 3b — HCBS Placement Percentages by Contractor (Contractors Operating from CYE 2008 to 2013)
- Table 2 and Graph 4 — ALTCS E/PD and DES/DDD Placement By Age Group (as of September 30, 2013)
- Table 3 — E/PD and DES/DDD Placement by Contractor (As of September 30, 2013)

Please note that, in September 2007, AHCCCS changed its reporting period to an October to September year.

Statewide Placement and Percentage by Setting

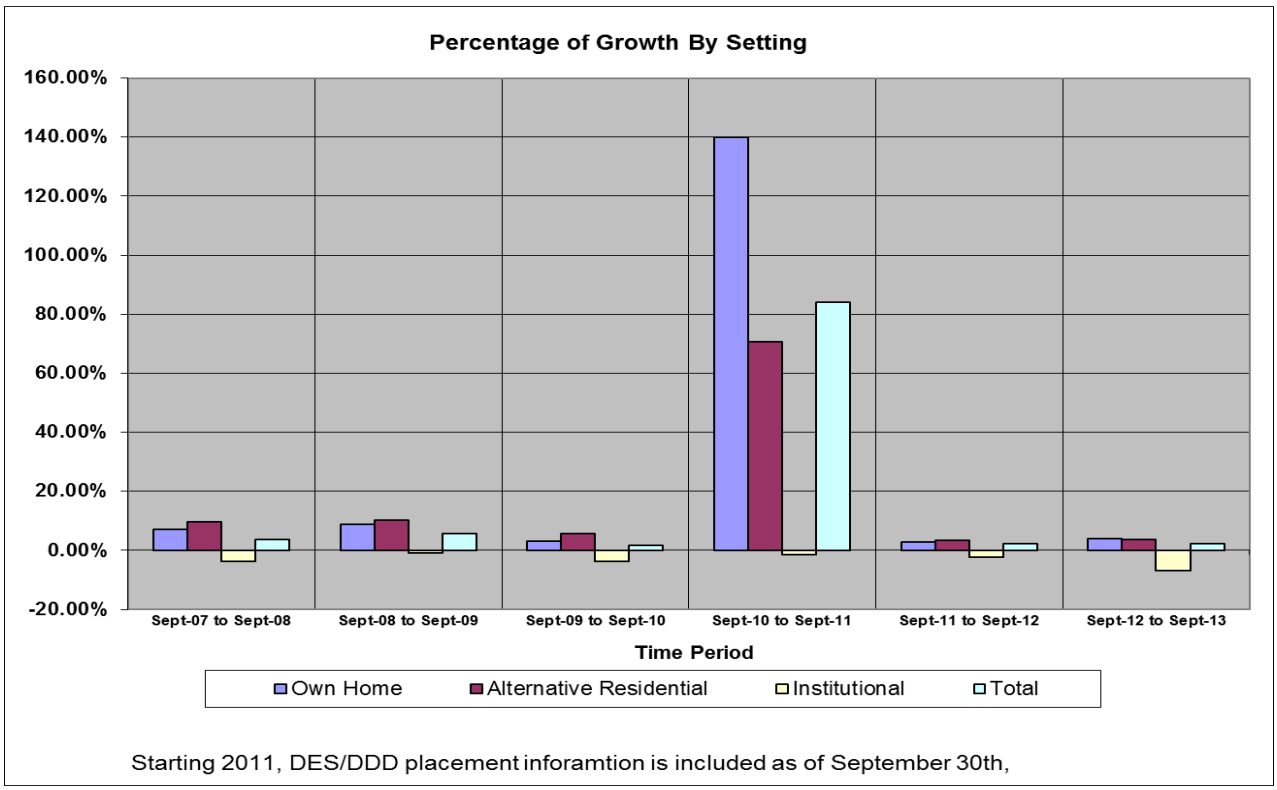
Table 1 and Graph 1 show the growth of the ALTCS E/PD and DES/DDD population from September 2008 through September 2013. Graph 1 shows the distribution of members between members placed in their own home, in alternative residential and in institutional settings. Since September, 2011, members living in their own home increased from 65% to 66%. At the same time, the proportion of members residing in alternative residential settings remains the same. This continues the shift in placement for E/PD and DES/DDD members towards more community-based placements. Since 2008 the proportion of members residing in their own homes increased from 47% to 66%, while the proportion of the members residing in institutions declined from 33% to 14%.

Table 1	**E/PD Program Statewide Placement Percentage by Setting (September, 2008 to CYE September, 2013)**					
	Sep-08	**Sep-09**	**Sep-10**	**Sep-11**	**Sep-12**	**Sep-13**
Own Home	47%	49%	50%	65%	65%	66%
Alternative Residential	20%	20%	21%	20%	20%	20%
Institutional	33%	31%	29%	16%	15%	14%
Total	100%	100%	100%	100.00%	100%	100%



Percentage of Growth by Setting

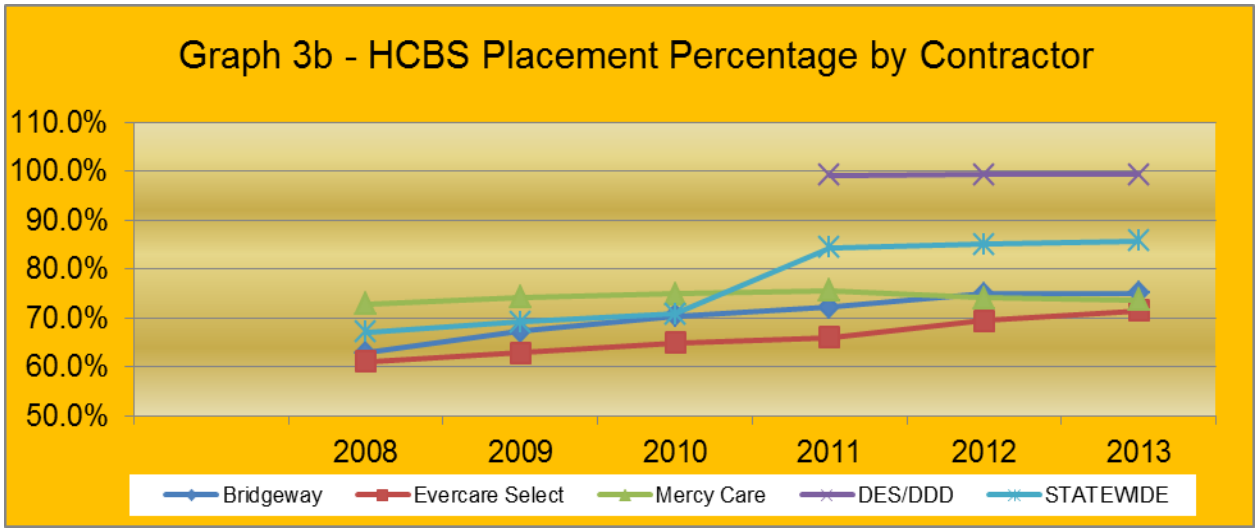
Graph 2 takes the information from Table 1 and shows the percentage of growth that each type of setting has experienced since September 2008. Members placed in their own home and in alternative residential settings experienced growth, while institutional (nursing facility) settings experienced a decline.



HCBS Placement Percentage by Contractor

Graphs 3a and 3b show the HCBS placement growth by Contractor. In CYE 2011, four AHCCCS Contractors ceased providing services for AHCCCS members. Graph 3a shows the HCBS placement percentage for these Contractors. Graph 3b shows the percentages for Contractors continuing to provide HCBS services, as well as a statewide summary of all Contractors operating during these years.

All Contractors have experienced a general upward trend in HCBS placement during the term of their contracts.



ALTCS E/PD and DES/DDD Placement by Age Group

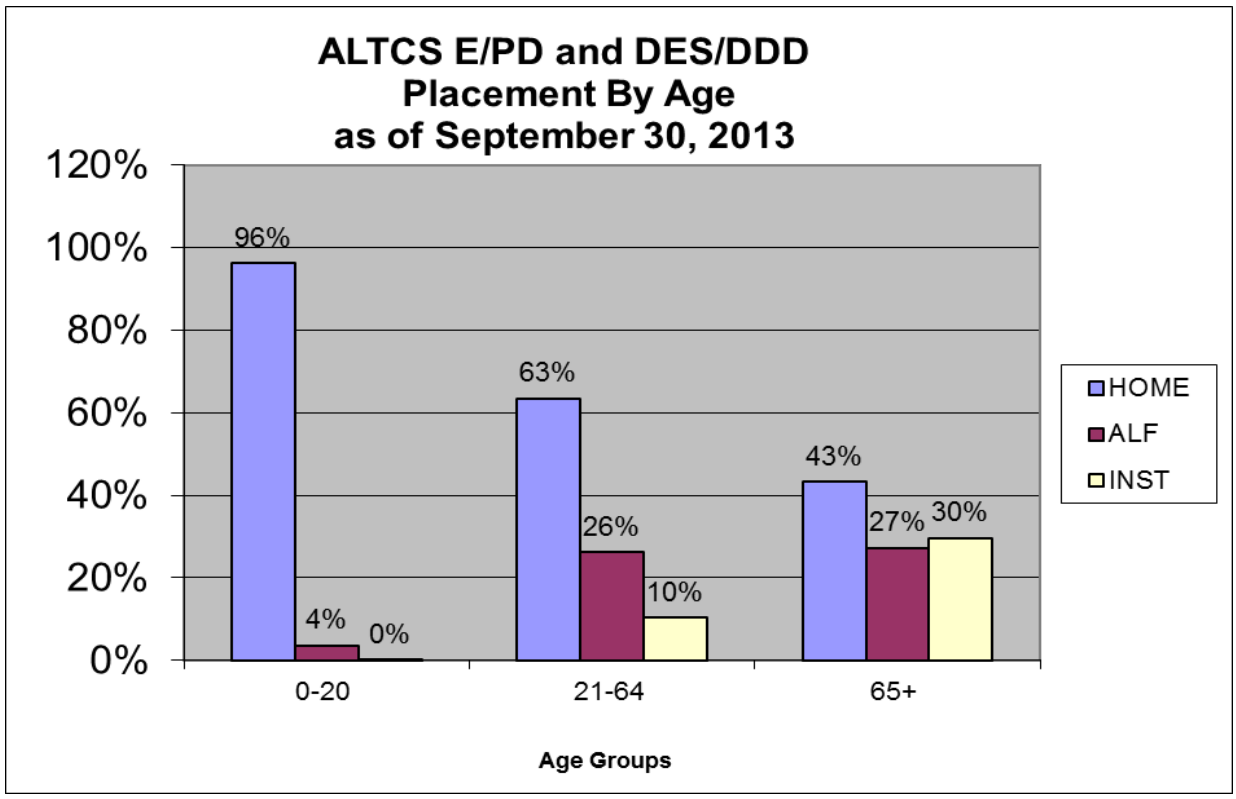
Table 2 and Graph 4 present information detailing member placements based on three age groupings (0 - 20, 21 - 64 and 65 plus). As expected, members in the 65 year and older age group compose the highest proportion residing in institutional settings (30%). The 0 – 20 year age group has the lowest proportion of members residing in institutional settings (0%). Only 10% of members 21 – 64 years of age reside in institutional settings.

Table 2 – ALTCS E/PD and DES/DDD Placement by Age Group (as of September 30, 2013)

Does not include Not Placed and Acute Members

	0-20	21-64	65+	TOTAL
HOME	13,618	10,643	7,590	31,851
ALF	520	4,405	4,791	9,716
INST	20	1,733	5,196	6,949
TOTAL	14,158	16,781	17,577	48,516

	0-20	21-64	65+	TOTAL
HOME	96%	63%	43%	66%
ALF	4%	26%	27%	22%
INST	0%	10%	30%	14%
TOTAL	100%	100%	100%	100%


ALTCS E/PD and DES/DDD
Placement By Age
as of September 30, 2013
120%
100%
80%
60%
40%
20%
0%
96%
4%
0%
63%
26%
10%
43%
27%
30%
0-20
21-64
65+
Age Groups
HOME
ALF
INST

E/PD and DES/DDD Placement by Contractor (as of September 30, 2013)

Table 3 shows the number of members in each placement setting by Contractor.

	HCBS									
Program Contractor	**Own Home**	**AFC**	**ALC**	**Behavioral Health**	**ALH**	**Total HCBS**	**Nursing Facility**	**Acute**	**Not Placed**	**COMBINED TOTAL**
Bridgeway Health Solutions	2,529	7	848	62	940	4,386	1,465	53	25	5,929
Evercare Select	4,085	38	910	51	749	5,833	2,329	83	63	8,308
Mercy Care Plan	6,074	132	1,348	85	667	8,306	2,976	200	339	11,828
DES/DDD	19,163	3	4	0	3,872	23,042	179	2,811	38	26,070
Total E/PD Population	31,851	180	3,110	198	6,228	41,567	6,949	3,147	465	52,128

Attachment A: ALTCS Guiding Principles

The Arizona Health Care Cost Containment System's Arizona Long Term Care System program has adopted the following five principles:

- *Member-Centered Case Management*
  The member is the primary focus of the ALTCS program. The member, and family/significant others, as appropriate, are active participants in the planning for and the evaluation of services provided to them. Services are mutually selected to assist the member in attaining his/her goal(s) for achieving or maintaining their highest level of self-sufficiency. Information and education about the ALTCS program, their choices of options and mix of services should be accurate and readily available to them.

- *Consistency of Services*
  Service systems are developed to ensure a member can rely on services being provided as agreed to by the member and the Contractor.

- *Accessibility of Network*
  Access to services is maximized when they are developed to meet the needs of the members. Service provider restrictions, limitations or assignment criteria are clearly identified to the member and family/significant others. Service networks are developed by the Contractors to meet members' needs which are not limited to normal business hours.

- *Most Integrated Setting*
  Members are to be maintained in the least restrictive setting. To that end, members are afforded choice in remaining in their own home or choosing an alternative residential setting versus entering into an institution.

- *Collaboration With Stakeholders*
  The appropriate mix of services will continue to change. Resources should be aligned with identified member needs and preferences. Efforts are made to include members/families, service providers and related community resources, to assess and review the change of the service spectrum. Changes to the service system are planned, implemented and evaluated for continuous improvement.