

## 324 – TARGETED INVESTMENTS PROGRAM

EFFECTIVE DATES: 10/01/16, 10/01/18, 10/01/21

APPROVAL DATES: 07/20/17, 05/30/18, 01/13/22

### I. PURPOSE

This Policy applies to ACC and RBHA Contractors. Contractors will direct payments to primary care, behavioral health, and hospital providers that are participating in the Targeted Investments (TI) Program. The TI Program is AHCCCS' strategy to provide financial incentives to participating AHCCCS providers to develop systems for integrated care. Through the TI Program, the Contractor shall make specific payments to certain Medicaid providers pursuant to 42 CFR 438.6(c), with such payments incorporated into actuarially sound capitation rates. These payments are intended to incentivize providers to improve performance and increase physical and behavioral health care integration and coordination for individuals with behavioral health needs.

### II. DEFINITIONS

Definitions are located on the AHCCCS website at: [AHCCCS Contract and Policy Dictionary](#).

### III. POLICY

#### A. PROGRAM DESCRIPTION

The TI Program aims to:

1. Reduce fragmentation that occurs between physical and behavioral health care in care management and care transitions.
2. Increase efficiencies in service delivery for members with Behavioral Health (BH) needs.
3. Improve health outcomes for the targeted populations.

Eligible TI Providers include:

- a. An AHCCCS Provider Type 02 (Hospital) or 71 (Psychiatric Hospital),
- b. Outpatient Behavioral Health Clinic Type 77,
- c. Integrated Clinic (IC),
- d. Primary Care Organizations,
- e. Provider Types 08 (M.D.) and 31 (D.O.), with Specialty Codes 050 (Family Practice), 055 (General Practice), 060 (Internal Medicine), or 150 (Pediatrician), and 19 (Registered Nurse Practitioner), and
- f. FQHCs (Type C2) participating in the Criminal Justice System Area of Concentration.

**B. TARGETED INVESTMENTS PROJECTS**

The TI Program requires participating providers to complete specific projects in order to receive incentive payments. The projects include:

1. Ambulatory Project
  - a. Primary Care Providers (PCP) serving adults and/or children with BH needs,
  - b. BH providers serving adults and/or children with BH needs,
  - c. Integrated Clinics serving adults and/or children with BH needs (Participating through the Primary Care Application, BH Application, or both), and
  - d. Primary Care and/or BH providers serving adults who are reentering the community following incarceration.
  
2. Hospital Project – Adults discharged from hospitals and psychiatric hospitals with a principal behavioral health diagnosis and/or designated by AHCCCS as an individual determined to have a Serious Mental Illness (SMI).

**C. TARGETED INVESTMENTS PAYMENTS**

1. AHCCCS Responsibilities:
  - a. AHCCCS shall compute a directed payment on an annual basis for each of the six TI years which correspond to Contract Years Ending (CYE) 2017 through 2022. These directed payments will occur after the completion of each contract year,
  - b. The directed payment shall be in the form of a single, lump-sum payment to each Contractor which includes the total funding needed to make TI payments to providers,
  - c. AHCCCS shall set a minimum payment threshold for a particular provider by Contractor. When the minimum threshold per provider by Contractor is met, funding will be included in the directed payment,
  - d. Administrative funding will be added to each annual lump-sum payment as follows:
    - i. Acute Care and Children’s Rehabilitative Services (CRS) Contractors (through CYE 2018) and ACC Contractors (beginning CYE 2019), years one through six: \$10,000,
    - ii. RBHAs:
      - a) Year one: \$25,000,
      - b) Year two: \$15,000,
      - c) Years three through six: \$10,000.
  - e. Other adjustments associated with these lump-sum payments are as follows:
    - i. Premium Tax: funding included,
    - ii. Health Insurance Provider Fee (HIPF): funding included for the fee and associated taxes as applicable, refer to ACOM Policy 320,
    - iii. HIPF is applicable for calendar years 2016, 2018, and 2020; there was a moratorium for calendar years 2017 and 2019. After CYE 2020, HIPF was ended.
    - iv. Risk Contingency is not included in the directed payment.

2. Contractor Responsibilities:

- a. The Contractor shall make TI payments at least on an annual basis to participating providers in the amounts by payee as prescribed by AHCCCS. Provider payments will be based on requirements that vary over the six years of the TI Program, which runs from October 1, 2016, through September 30, 2022,
- b. Each provider payment shall be accompanied by a clear written explanation that the payment is for the TI Program. The Contractor may determine the method used to communicate this written explanation,
- c. The Contractor shall make TI payments to providers within 30 days of receipt of payment detail from AHCCCS, and
- d. The Contractor shall notify AHCCCS, Division of Health Care Management (DHCM) Financial Consultant, when payments are completed, including the amount of each payment by provider.

**IV. OTHER GENERAL INFORMATION**

Comprehensive guidelines regarding the AHCCCS Targeted Investments Program are available on the AHCCCS Website.