

The logo for the Arizona Health Care Cost Containment System. The word "ARIZONA" is in a large, bold, white sans-serif font. The letter "O" is replaced by a white silhouette of a mountain range. Below "ARIZONA", the words "HEALTH CARE COST" and "CONTAINMENT SYSTEM" are stacked in a smaller, white, all-caps sans-serif font.

ARIZONA
HEALTH CARE COST
CONTAINMENT SYSTEM

**Beneficiary Advisory Council
Quarterly Meeting**

Wednesday December 10, 2025
2:00-3:30 pm

Welcome to the AHCCCS Beneficiary Advisory Council New Member Orientation

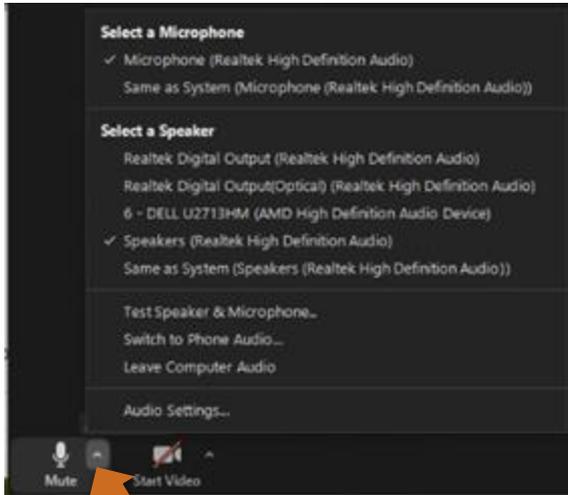
- While you are waiting test your audio.
- You were automatically muted upon entry.
- Please only join by phone or computer.
- Please use the chat feature for questions and/or comments or raise your hand.

Thank you!

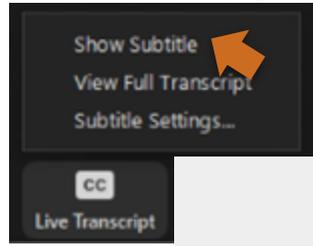
Zoom Webinar Controls

Navigating your bar on the bottom...

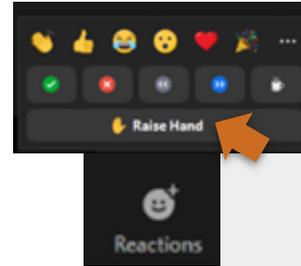
Audio Settings



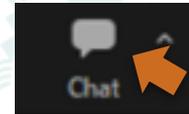
Turn on Closed Captioning



Raise Hand



Chat



KEYBOARD SHORTCUTS TO RAISE HAND

Windows: Alt+Y to raise or lower your hand

Mac: Option+Y to raise or lower your hand

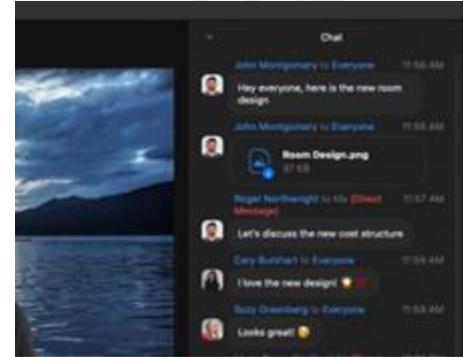
Webinar Tips



Mute your mic when you aren't speaking.



Limit background noise and distractions.



Use chat feature (or Q&A when available) to ask questions or share resources.

This Meeting Is Being Recorded

The recording shall be the sole property of AHCCCS and participation in this meeting indicates your waiver of any and all rights of publicity and privacy.

To respect the confidentiality of the participants and the content discussed, the recording will remain private.

Please disconnect from this meeting if you do not agree to these terms.

Agenda

- Welcome, Introductions, & BAC Agreements
- AHCCCS Updates
- Division of Managed Care (DMC) Updates
- Federal Relations Updates
- Open Discussion/Parking Lot Topics
- Announcements and Adjourn





Welcome, Introductions, and BAC Agreements

Introductions and Getting to Know One Another – BAC and AHCCCS

Introductions:

- Please state your name and role (if applicable)
- Please share a fun fact about where you live in Arizona
- What does the Beneficiary Advisory Council mean to you?



Draft Community Agreements and Norms

- Listen with intent and ask clarifying questions.
- Embrace curiosity and collaboration and seek to understand before being understood.
- Attend meetings, ask questions and share ideas, suggestions, identify and feedback and collaborate on identifying and developing agenda items and other materials.
- Acknowledge and respect differing views, opinions, and experiences.
- It's okay to not understand or know everything. BAC members will ask for what they need to feel good about being here, support each other, and learn together as we go.
- What happens here, stays here. What's learned here, leaves here.

Introduction to the BAC Partners

Name	Division
Virginia Rountree	Office of the Director
Desiree Greene	Division of Public Policy and Strategic Planning
Maria Alvarado	Division of Public Policy and Strategic Planning
Laura Preder	Division of Member and Provider Services
Susan Podshadley	Division of Managed Care
Marcus Johnson	Community Engagement & Regulatory Affairs



AHCCCS Updates



Marcus Johnson
Deputy Director,
Community Engagement
& Regulatory Affairs

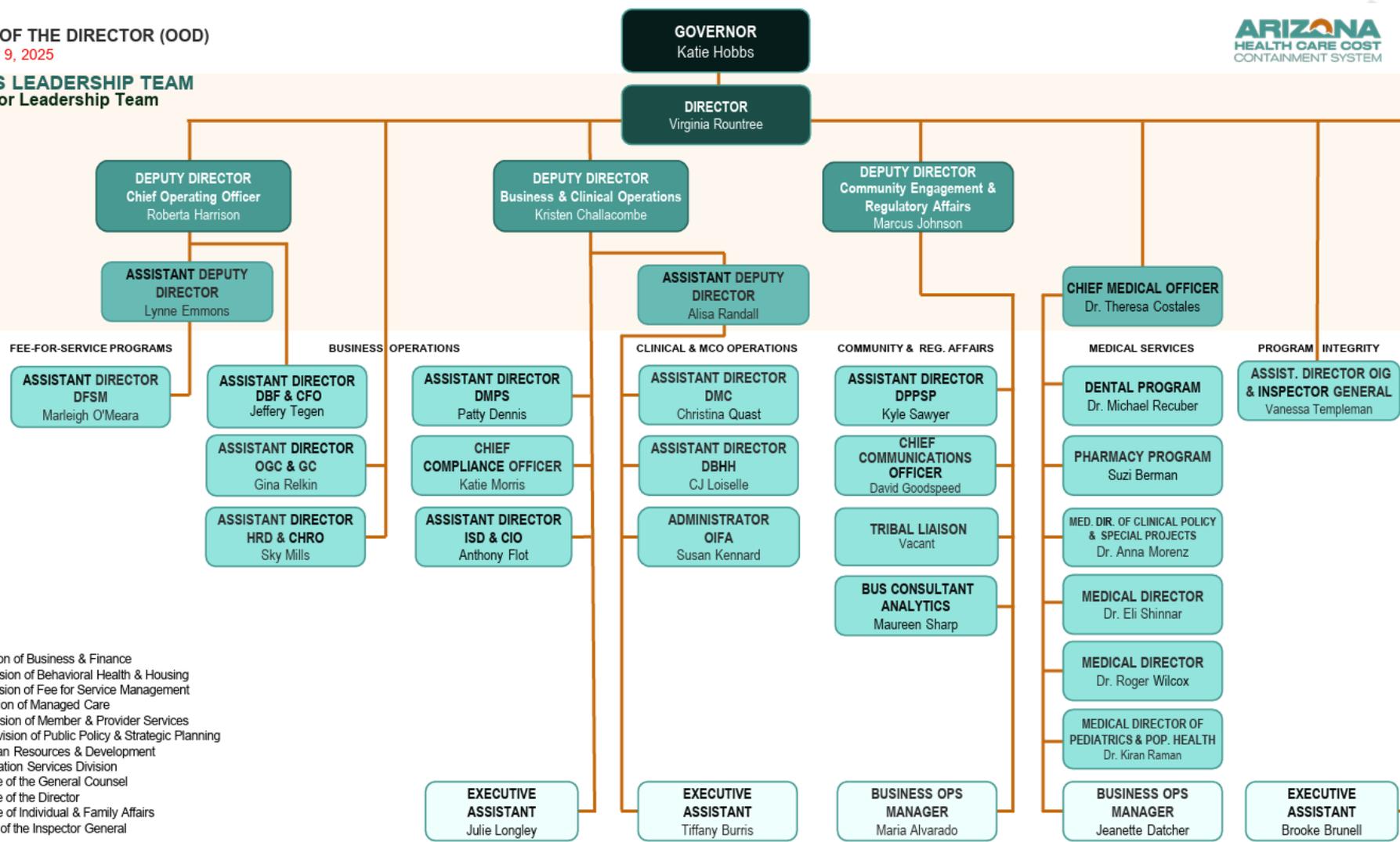
HAPPY 60th BIRTHDAY MEDICAID!



Welcoming Ginny Rountree, AHCCCS' New Director!



AHCCCS LEADERSHIP TEAM
Senior Leadership Team



(DBF) Division of Business & Finance
 (DBHH) Division of Behavioral Health & Housing
 (DFSM) Division of Fee for Service Management
 (DMC) Division of Managed Care
 (DMPS) Division of Member & Provider Services
 (DPPSP) Division of Public Policy & Strategic Planning
 (HRD) Human Resources & Development
 (ISD) Information Services Division
 (OGC) Office of the General Counsel
 (OOD) Office of the Director
 (OIFA) Office of Individual & Family Affairs
 (OIG) Office of the Inspector General

2025-2029 Strategic Plan

Access to Care

Advance Whole Person Care



Lower the Uninsured Rate



Maintain a Strong Provider Network



ARIZONA
HEALTH CARE COST
CONTAINMENT SYSTEM
2025-2029
Strategic Plan

Quality of Care

Support Preventive Care



Maintain High Member Satisfaction



Strengthen Program Integrity



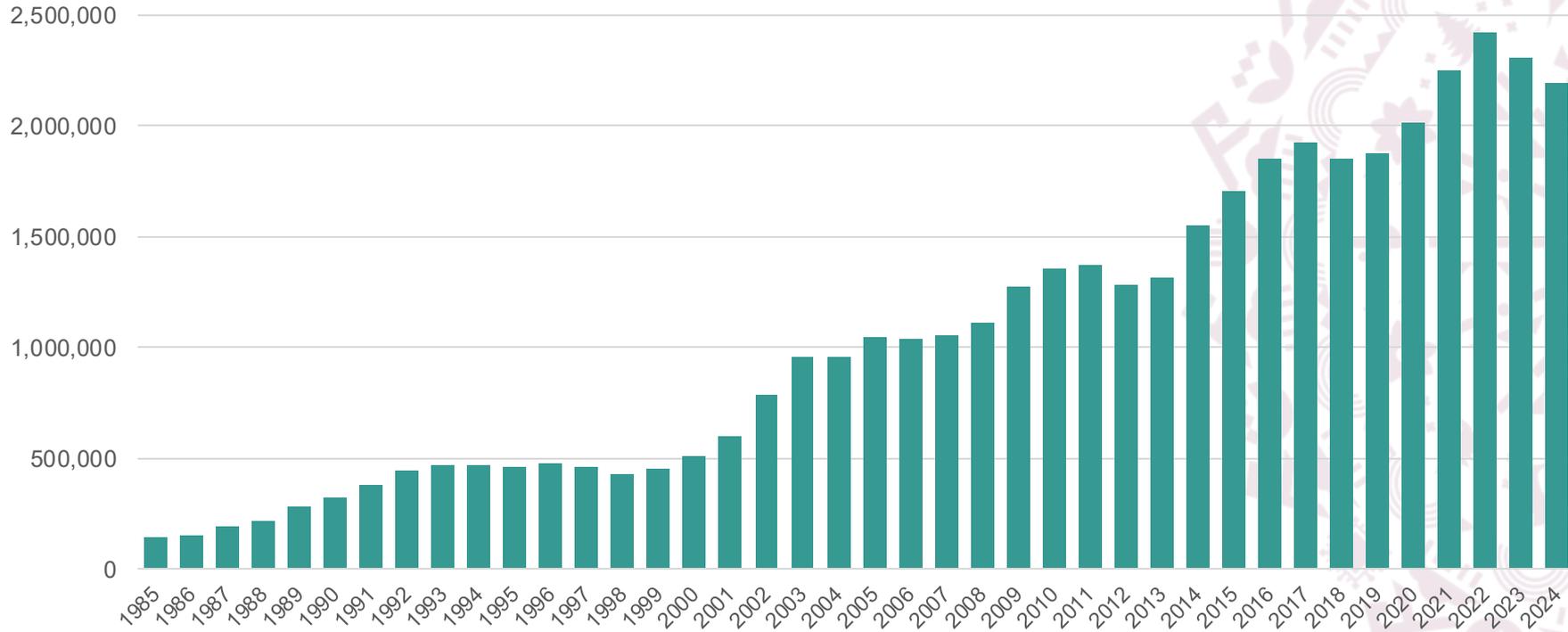
Since We Last Met...

- Traditional Healing Go Live
- Cochlear Implants and Speech Therapy Coverage Expansion
- Continued system improvements to combat fraudulent billing and member exploitation
- Two Justice Initiatives
 - Consolidated Appropriations Act (CAA): healthcare services for incarcerated youth
 - Reentry Waiver: Reimbursement for services 90 days pre-release
- Fee-for-service provider engagement

AHCCCS Population: Mar. 2020 – Dec. 2025

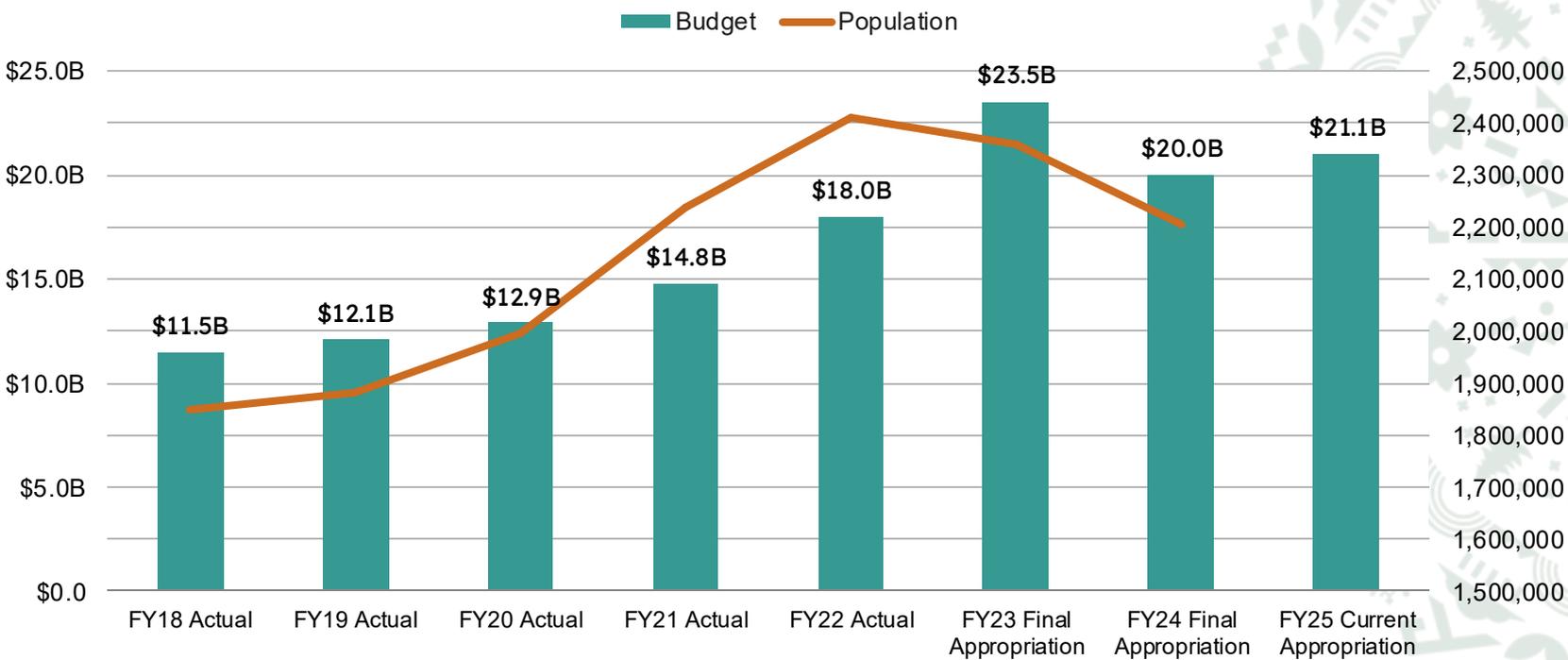


AHCCCS Population as of July 1, 1985 - 2024



State Fiscal Year 2025 Budget

AHCCCS APPROPRIATION AND ENROLLMENT



H.R. 1 – Key Implementation Dates

- Rural Health Transformation Program – 12/31/25
- Community Engagement/Work Requirements – 12/31/26
- 6-month Eligibility Redeterminations – 12/31/26
- Hospital Assessment Implications – Phase down by 2032
- Cost Sharing Changes – 10/1/28
- Administrative Costs for Implementation and Operations – 2026
Legislative Session
- **IMPORTANT:** No immediate changes to AHCCCS member coverage

H.R. 1 - Implementation Costs

- AHCCCS Budget Proposal contains information on the first year implementation costs associated with H.R.1
 - \$71.4 million total fund increase, \$18.8 million general fund increase
 - 320 additional FTEs required
- The link to the budget proposal can be found here: <https://www.azahcccs.gov/Resources/GovernmentalOversight/proposals.html>

AHCCCS Moving Forward

- 1115 Waiver Renewal
- Medicaid Enterprise System (MES) Modernization continues
 - Our mainframe MMIS is over 30 years old
 - Pre-pay and Post-payment claims review system going live in 2026
 - EVV Contractor changes effective 10/1
- Improvements in Tribal Engagement/DFSM Strategic Plan
- Reentry Waiver Implementation: 90 days Pre-Release Coverage
- 2026 Legislative Session



On the Horizon

- MES Roadmap
 - MES = Medicaid Enterprise System (30 yrs old!)
 - Pre/Post Payment review system
 - EVV Changes
- AHCCCS Waiver Renewal
- Preparing for changes stemming from H.R. 1
- Preparing for the next legislative session

Open Discussion



Division of Managed Care Updates



Christina Quast
Assistant Director
Division of Managed Care

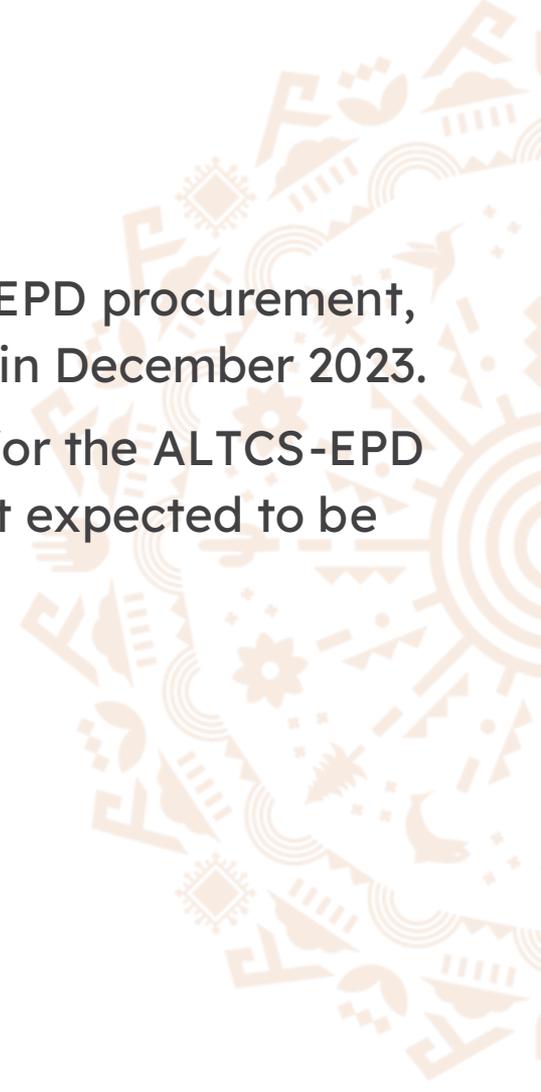
ALTCS-EPD Update

- AHCCCS has extended the existing Arizona Long Term Care System Elderly and/or Physically Disabled (ALTCS-EPD) contracts through September 30, 2026

GSA	Counties	ALTCS-EPD Health Plan
Central	Maricopa, Gila, Pinal (excluding Zip codes 85542, 85192, 85550)	UnitedHealthcare Community Plan Banner-University Family Care Mercy Care
North	Apache, Coconino, Mohave, Navajo, Yavapai	UnitedHealthcare Community Plan
South	Cochise, Graham, Greenlee, La Paz, Pima, Santa Cruz, Yuma, Zip codes 85542, 85192, 85550	Banner-University Family Care Mercy Care (Pima County only)

ALTCS-EPD Update

- AHCCCS chose to terminate the YH24-0001 ALTCS-EPD procurement, and the related contract awards which were issued in December 2023.
- AHCCCS plans to issue a new health plan proposal for the ALTCS-EPD program, with submissions for the new procurement expected to be due in the Fall of 2026.



Non-Emergency Medical Transportation (NEMT)

- AHCCCS covers medically necessary Non-Emergency Transportation under the following conditions:
 - The service for which transportation is needed is an AHCCCS covered service, and
 - The member is not able to provide, secure or pay for their own transportation, and free transportation is not available, and
 - The transportation is provided to and from the nearest appropriate AHCCCS registered provider.

Non-Emergency Medical Transportation (NEMT)

- AHCCCS contracted health plans are responsible for the provision of NEMT services for members enrolled with a managed care health plan.
- The majority of health plans contract with NEMT Brokers to provide NEMT services. NEMT Brokers in turn contract with transportation providers to provide services to members enrolled with the MCOs.
- The AHCCCS administration administers the NEMT benefit directly for its Fee-for-Service members through the AHCCCS registered NEMT providers.

Non-Emergency Medical Transportation (NEMT)

- The transportation benefit is covered in the AHCCCS Medical Policy Manual (AMPM) [Policy 310-BB](#).
- AHCCCS is committed to ensuring the availability of timely, quality health care.
- If you experience issues access health services, or if you have a concern about the quality of care, please call your AHCCCS health care plan's Member Services number.
- If your concern is not resolved at the health plan, please call AHCCCS Clinical Resolution Unit at 602-364-4558, or 1-800-867-5308.

Quality of Care

- If any AHCCCS member is experiencing a barrier to getting health care services, or have concerns about the quality of services received, you can report these concerns into AHCCCS Clinical Quality Management
 - By phone: 602.417.4885
 - By email: CQM@azahcccs.gov
 - Online by completing the form found on the AHCCCS website: <https://azahcccs.gov/ACMS/default.aspx>



AHCCCS Policies

- AHCCCS Medical Policy Manual ([AMPM](#))
- AHCCCS Contractor Operations Manual ([ACOM](#))
- Feedback on Policies Currently Under Review at AHCCCS and Submitting Public Comment on Policy Changes on the [AHCCCS website](#)

ACOM POLICY 325 - TARGETED INVESTMENTS 2.0 PROGRAM

Due: 12/9/2025 @ 05:00 PM (US/Arizona)

[Review Documents](#)

[Comment Now](#)

Type: Policies Posted for Public Comment **Status:** Open for Comment **Division:** AHCCCS **County:** Statewide

AMPM Policy 310-I - Home Health Services

Due: 12/20/2025 @ 05:00 PM (US/Arizona)

[Comment Now](#)

Type: Policies Currently Open **Status:** Open for Comment **Division:** AHCCCS **County:** N/A

Open Discussion



Federal Relations Updates



Max Seifer

Federal Relations Chief
Division of Public Policy and Strategic
Planning



Parin Kaba

AHCCCS Federal Relations Specialist
Division of Public Policy and Strategic
Planning

H.R.1 - One Big Beautiful Bill Act

- On July 4th, 2025, President Trump signed *H.R.1 - One Big Beautiful Bill Act* (OBBBA) in law.
 - The U.S. Senate approved the bill with a 51-50 vote on July 1, 2025, with Vice President JD Vance serving as the tie breaking vote.
 - The U.S. House of Representatives passed an identical version on July 3, 2025 with a final vote of 218-214.
- In addition to various tax policies, the legislation makes significant changes to the Medicaid program by imposing changes that impact eligibility standards, Medicaid financing, and impose additional administrative requirements.

H.R.1 - One Big Beautiful Bill Act

- **Community Engagement Requirements (Section 71119)**
 - **Beginning January 1, 2027**, states are required to establish work/community engagement requirements for certain individuals.
 - **Eligibility:** Work requirements apply to adults between the ages of 19-64. However, outlines a variety of exemptions.
 - **Exemptions:** Pregnant women and those entitled to postpartum medical assistance, foster and former foster youth, Native Americans/Urban Indians, Veterans with rated disabilities, medically frail, Active AUD/SUD Treatment, meet work requirements for TANF/SNAP, parents/caregivers of a dependent child 13 years of age and under or an individual with a disability, and individuals who are incarcerated or were released within the past 90 days.

H.R.1 - One Big Beautiful Bill Act

- **Community Engagement Requirements (Section 71119) Cont.**
 - **Compliance:** Individuals subject to the requirement must complete a qualifying activity for at least 80 hours per month. Activities include employment, community service, work program, > half-time enrollment in educational program, and seasonal workers above an income threshold.
 - **Verification:** States must verify at time of application for at least the preceding month (no more than three preceding months) and then ongoing at least once during ongoing eligibility window.
 - **Non-Compliance:** If an individual does not comply with these requirements, they will be found ineligible for Medicaid.

H.R.1 - One Big Beautiful Bill Act

- **Community Engagement Requirements (Section 71119) Cont.**
 - **Additional Requirements:** States are required to use an ex parte process where applicable and will be required to conduct various outreach and education to make members aware of the requirement.
 - "Ex Parte" in Medicaid refers to a process where eligibility is determined using reliable information already available to the agency.
 - **Prohibitions:** Prohibits any state from waiving this requirement through an 1115 and prohibits conflicts of interest when determining compliance.

H.R.1 - One Big Beautiful Bill Act

- **Eligibility Redeterminations (Section 71107)**
 - Beginning December 31, 2026, requires states to conduct eligibility redeterminations for expansion adults every six months (currently once every 12 months)

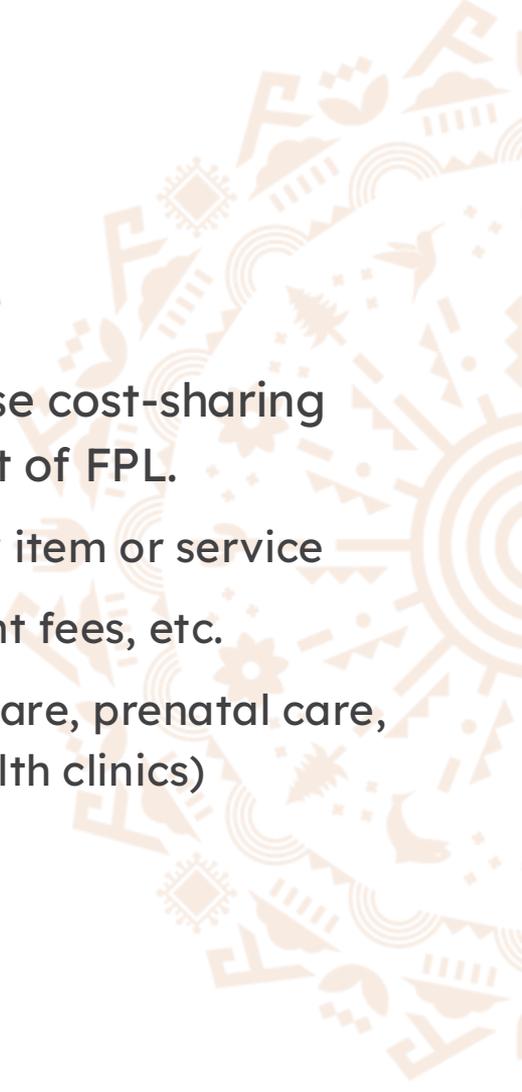


H.R.1 - One Big Beautiful Bill Act

- **Duplicate enrollment and deceased individuals (Section 71103, 71104, and 71105)**
 - Beginning January 1, 2027, states must have a process in place to regularly obtain updated address information for enrolled individuals and contractually require managed care plans to promptly transmit address information
 - Beginning October 1, 2029, Medicaid agencies must submit certain information (including SSN) to HHS
 - Beginning January 1, 2028, state Medicaid agencies must check the Death Master File (DMF) to identify if enrolled individuals or enrolled providers are deceased.

H.R.1 - One Big Beautiful Bill Act

- **Cost Sharing for Expansion Adults (Section 71120)**
 - Beginning October 1, 2028, requires states to impose cost-sharing for expansion adults with incomes over 100 percent of FPL.
 - Must be more than \$0 and cannot exceed \$35 per item or service
 - States can no longer impose premiums, enrollment fees, etc.
 - Certain services/settings are excluded (primary care, prenatal care, pediatric care, emergency care, FQHCs, rural health clinics)



H.R.1 - One Big Beautiful Bill Act

- **Provider Taxes (Section 71115)**
 - Provider taxes are state-imposed taxes that are utilized to help fund various Medicaid programs.
 - In Arizona, we use a fair portion of these funds to pay the state share of costs for the expansion populations and to increase payment rates to certain provider types.
 - The new law will reduce the maximum allowable tax from 6.0 percent to 3.5 percent of net patient revenue.
 - This decrease will be phased-down by 0.5% starting in FY 2028 and reaching 3.5% in FY 2032.
 - A more detailed analysis of this provision can be found on the AHCCCS Data Insights Webpage.

H.R.1 - One Big Beautiful Bill Act

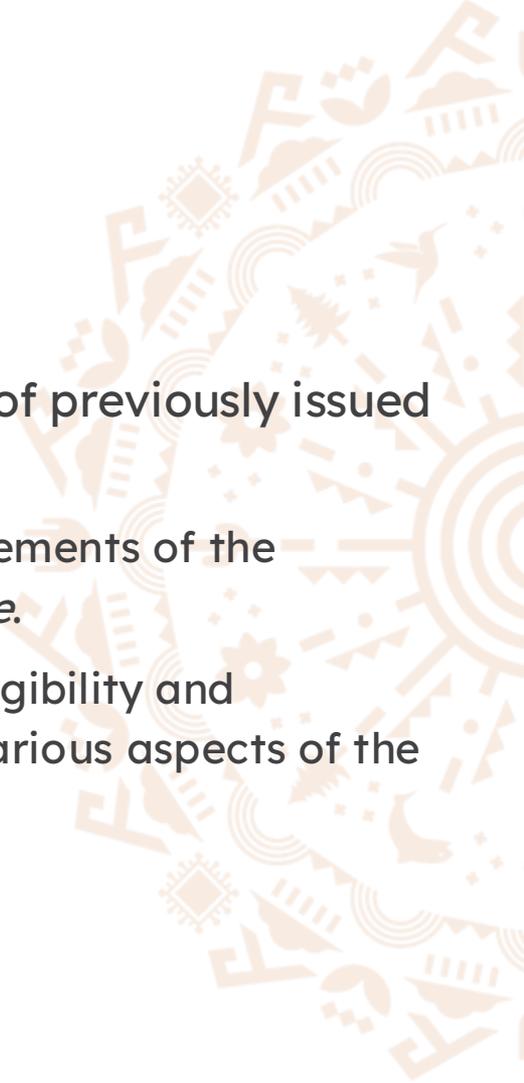
- **State Directed Payment (Section 71116)**
 - State directed payments (SDPs) are supplemental payments that many states, including Arizona, utilize to augment low Medicaid reimbursement rates for certain providers.
 - Beginning January 1, 2028, this new legislation will phase down existing SDPs by 10 percentage points each year until the total rate reaches 100% of the Medicare Payment Rate.
 - Certain SDPs may be grandfathered (certain rural hospital payments and certain SDPs that were submitted to CMS prior to 7/4/2025).

H.R.1 - One Big Beautiful Bill Act

- **Federal Payments to Prohibited Entities (Section 71113)**
 - For one year following enactment of this legislation, this provision prohibits federal payments to entities that are: 501(c)(3) entities, essential community provider engaged in family planning services, provide abortions, and meet other financial and status criteria.
- **Expansion FMAP for Emergency Medicaid (Section 71110)**
 - Beginning October 1, 2026, sets the FMAP (or federal contribution) for emergency Medicaid to the base FMAP for the state shifting additional costs to the state.
 - "FMAP" stands for Federal Medical Assistance Percentage and represents the share of cost that is paid by the federal government.

H.R.1 - One Big Beautiful Bill Act

- Rule Changes (Sections 71101, 71102, and 71111)
 - Prohibits CMS from implementing certain portions of previously issued CMS rules for the next 10 years.
 - CMS may not implement the minimum staffing elements of the *Nursing Facility Minimum Staffing Standards Rule*.
 - CMS may not implement two previously issued eligibility and enrollment final rules that set out to streamline various aspects of the eligibility and enrollment process.



What's Next?

- AHCCCS teams are in the early stages of working to understanding the exact impact each of this provisions will have on the Medicaid program in Arizona.
- AHCCCS will continue to update the [AHCCCS Insights: Data to Inform Decision-Making](#) webpage.
- It's important to note the delayed effective dates of many of these provisions. There have been no immediate changes to Arizona Medicaid eligibility, services, or rates because of this legislation.



1115 Waiver

Section 1115 of the Social Security Act

- An 1115 waiver is a tool that allows a state to test new, innovative approaches in Medicaid, and "waive" existing federal rules.
- Provides states with the flexibility to design innovative demonstration projects that promote the objectives of the Medicaid program.
 - They should improve care and lower costs.
- These waivers must be approved by the federal government and are usually temporary so the state can show whether the new approach is effective.
 - Typically approved for a five-year period and can be renewed every five years
 - Must be budget neutral: federal spending under the waiver cannot exceed what it would have been in absence of the waiver.

Current 1115 Waiver Overview

- Arizona's current 1115 Waiver was last approved for a five-year extension on October 14, 2022. This waiver is valid until September 30, 2027.
- This extension continued many longstanding AHCCCS programs including Integrated Managed Care through:
 - AHCCCS Complete Care (ACC);
 - the Arizona Long Term Care System (ALTCS);
 - the Comprehensive Health Plan (CHP) for children in foster care and;
 - Regional Behavioral Health Agreements (RBHAs) which provide integrated care for individuals with a Serious Mental Illness (SMI)

Current 1115 Waiver Overview

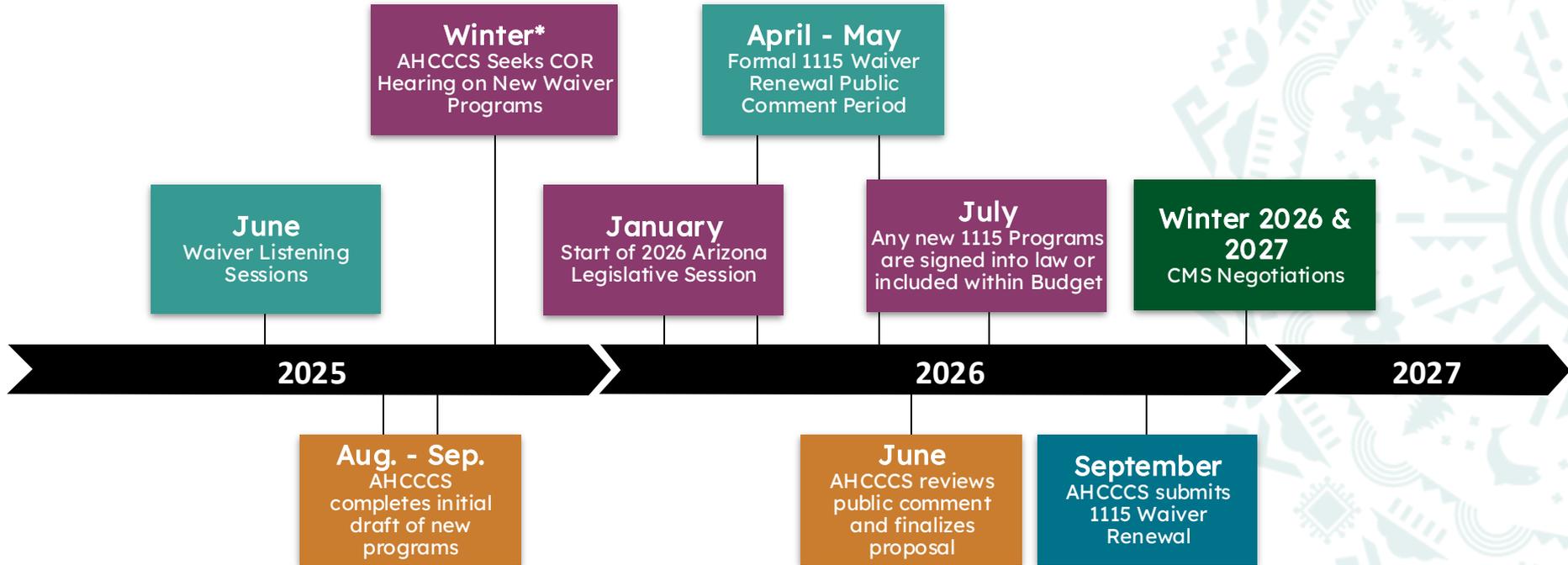
- In addition to continuing many longstanding programs, AHCCCS also received approval on a variety of new programs:
 - Targeted Investments (TI) 2.0,
 - KidsCare Eligibility Expansion,
 - Parents as Paid Caregivers,
 - Traditional Healing services, and
 - Pre-release services.
- AHCCCS is now seeking to renew its 1115 Waiver Authority and is beginning much of the exploratory work to envision what this may look like.
- These sessions are purely meant to gain information and are not a commitment from the agency on any program.



1115 Waiver Renewal

- To renew the 1115 authority, AHCCCS must submit a renewal application to CMS by September 30, 2026.
- This renewal application must include all existing programs under the waiver and could also include any new programs the state wishes to pursue.
- In May 2025, Arizona's Legislature passed **HB 2945**:
 - Institutes a new requirement for AHCCCS to first gain legislative approval prior to submitting any new 1115 Waiver Program that:
 - Expands eligibility,
 - Adds new services, or
 - Will lead to an annual increase in utilization greater than 10%.

Arizona's 1115 Waiver Renewal Timeline



Open Discussion



BAC Updates and Announcements



Desiree Greene
Project Manager
and BAC Liaison
Division of Public Policy and
Strategic Planning

AHCCCS Roles and Responsibilities

- Provide a supportive environment for all BAC members to share their experiences, ideas, and thoughts.
- Coordinate guest speakers and/or subject matter experts (SME's) for quarterly meetings.
- Co-create guidelines, frequently asked questions, and/or governance documents with BAC members.
- Collect feedback from BAC members during/after meetings and incorporate it into AHCCCS improvements.
- Share documents/materials for review, prior to quarterly meetings so members can come prepared to discuss.
- Assist with strategic alignment by connecting members to broader organizational goals and work.
- Act as point of contact for questions/comments between meetings and ensure timely responses.
- Track action items and create post-meeting summaries, when needed.
- Provide relevant metrics, reports, or analysis to inform decision making.
- Partner with BAC members on identifying agenda items/topics for quarterly meetings.
- Coordinate and participate in quarterly meetings.
- Capture notes, key decisions made and Zoom recording materials.
- Elevate suggestions and decisions made by the BAC to AHCCCS leadership and other agency teams, when needed.
- Process BAC stipend compensation forms in a timely manner.

Reminder: BAC Stipend Process

- All BAC members are eligible to receive a monetary stipend in the amount of \$80 for their participation, per quarterly meeting.
 - BAC members can choose to opt out of receiving the stipend.
- BAC members who opt in to receive the stipend, must have their I9 completed by Human Resources and Development (HRD). A stipend email was sent out to the BAC members from Josue Bell in HRD.
- BAC members will receive compensation during the next scheduled state pay period following each quarterly meeting. For reference, please consult the ADOA 2025 Payroll Calendar for specific pay dates.
Example: Meeting Date: September 24, 2025 & Pay Date: October 3, 2025

Reminder: BAC Stipend Process Cont.

- Upon conclusion of each meeting, BAC members are required complete the Advisory Council Meeting Compensation Request form and submit it for approval at communityengagement@azahcccs.gov. Once approved, it will be forwarded to Payroll for processing. To ensure timely payment, members are strongly encouraged to submit the completed forms immediately following each meeting.
- To be eligible for compensation and system entry, BAC members must submit the following documentation: I-9: Required for verification of employment eligibility and Form W-4: Must be submitted via AZ360 for tax withholding purposes. (Instructions will be sent out toward the end of the week)

Revised Compensation Form



150 N. 18th Avenue
Phoenix, AZ 85007
602.417.4000

KATIE HOBBS
GOVERNOR
VIRGINIA ROUNTREE
DIRECTOR

Advisory Council Meeting Compensation Request

The information contained herein represents work done in conjunction with my duly appointed position as a member and/or officer of the Board or one of its authorized committees. I have listed below the meetings that I prepared for and attended.

Board Member Name: EIN:
Department: Unit:
Pay Code: Expense Account:

Meeting Date(s)	Activity/Meeting Attended

Board Member Signature: Date:
Approved By: Signature: Date:



BAC Representatives for the SMAC

Name	Group	Quarterly SMAC Meeting Months
Aimee	1st	Jan and July 2026
Bonnie	1st	Jan and July 2026
Ed	2nd	April and Oct 2026
Dominique	2nd	April and Oct 2026



BAC Meeting Dates 2025-2026

- BAC meetings will take place one month prior to the SMAC meetings on the 2nd Wednesday of Dec, March, June and Sept of every year, between 2:00-2:30 pm.
- BAC meetings will be 90 minutes.

Meeting Dates/Type of Meeting	Time	Hybrid or Virtual
Sept 11, 2025 Meet and Greet	9:30-11 am	Virtual
Sept 24, 2025 First Quarterly BAC Meeting	2:00-3:30 pm	Virtual
Dec 2025 Quarterly BAC Meeting	2:00-3:30 pm	Virtual
March 2026 Quarterly BAC Meeting	2:00-3:30 pm	Virtual
June 2026 Quarterly BAC Meeting	2:00-3:30 pm	Virtual
Sept 2026 Quarterly BAC Meeting	2:00-3:30 pm	Virtual
Dec 2026 Quarterly BAC Meeting	2:00-3:30 pm	Virtual

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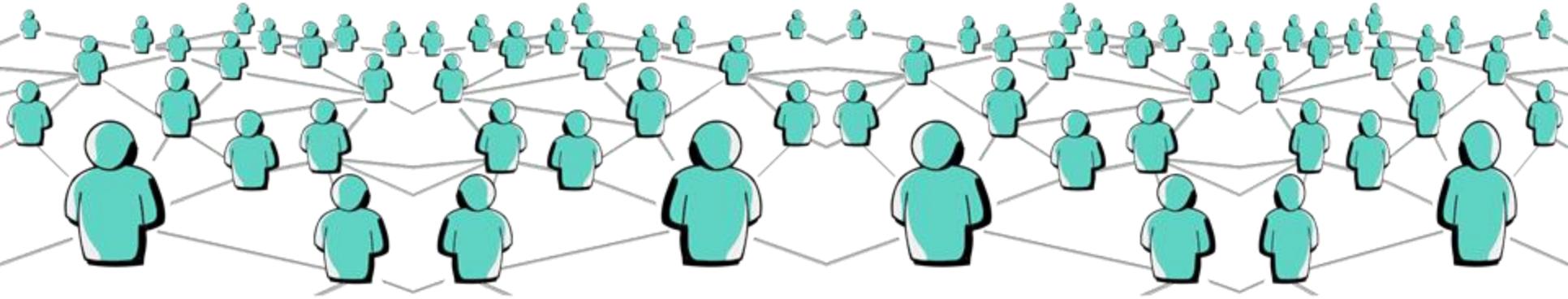
[@AHCCCSGov](https://www.instagram.com/AHCCCSGov)



[@AHCCCS](https://www.linkedin.com/company/AHCCCS)



[AHCCCSgov](https://www.youtube.com/AHCCCSgov)



Learn about AHCCCS' Medicaid Program on YouTube!

AHCCCS
Explains...

Medicaid Eligibility

AHCCCS
Explains...

ALTCS

AHCCCS
Explains...

Health-e-Arizona Plus



[Meet Arizona's Innovative Medicaid Program](#)

Other Resources - Quick Links

- AHCCCS [Waiver](#)
- AHCCCS [State Plan](#)
- AHCCCS [Grants](#)
- [About AHCCCS](#)
- [AHCCCS Acronyms](#)
- [State Medicaid Advisory Coommittee \(SMAC\)](#)
- [Communicating the BAC and MAC](#)
- [Beneficiary Advisory Council \(BAC\)](#)





Open Discussion and Parking Lot

Parking Lot for Topics/Concerns



<p>Respite, caregivers, parents as paid caregivers' issues/ concerns/ resources. Also, looking into creating a pool of hours (respite/rehab) that can be used by others when not needed by the primary family</p>			
<p>Medicaid cuts and how that will affect members and community</p>			
<p>New Medicaid work requirements, Rural Health Transformation, and other items/changes from H.R.1</p>			
<p>Non-Medical Transportation/Transportation Issues</p>			
<p>Serious Mental Illness system</p>			
<p>Intake/Assessments (they would like for those conducting these things at each meeting, to already know this information instead of asking every time, which can be traumatizing to the patient and redundant)</p>			



Thank You!