

NOTICE OF PUBLIC INFORMATION-PUBLIC NOTICE

1. **Name of the Agency:** Arizona Health Care Cost Containment System (AHCCCS)
2. **The topic of the public information notice:** Alternative Payment Methodology for Federally Qualified Health Centers to be effective for dates of service beginning October 1, 2018.
3. **The public information relating to the topic:**
 - a. This Notice of Public Information describes proposed changes to the AHCCCS Alternative Payment Methodology (APM) for in-state Federally Qualified Health Centers (FQHCs) other than Urban Indian Health Centers or Tribal Contract or Compact Health Centers, to be effective for dates of service on and after October 1, 2018. The AHCCCS Administration is proposing these changes to assure that payments are consistent with efficiency, economy, and quality of care and are sufficient to enlist enough providers so that care and services are available at least to the extent that such care and services are available to the general population in the geographic area. The estimated increase in FFS payments as a result of the proposed rate changes is expected to be approximately \$52,075 for the time period of October 1, 2018 through September 30, 2019. More detailed information regarding the proposed changes is given below.

- AHCCCS will establish a baseline Prospective Payment System (PPS) rate for each FQHC equal to the greater of the FQHC's federal fiscal year 2018 rate and the FQHC's federal fiscal year 2016 rate, multiplied by the inflation statistic for the Physicians' Services Index (PSI) subcomponent of the Medical Care Services component of the Consumer Price Index (CPI) published by the Bureau of Labor Statistics for the 12-month period ending March 31, 2018, provided:
 - if the PSI for the 12-month period ending March 31 is less than 0%, the PSI adjustment will be 0%, and
 - if the PSI for the 12-month period ending March 31 is greater than 5%, the PSI adjustment will be 5%.

The result of this change is expected to be an aggregate increase in FFS payments of +0.4% for the period October 1, 2018 through September 30, 2019.

- Demonstrated attainment of the Minimum Performance Standard (MPS) for one or more of the selected clinical quality measures shown in the tables below will qualify an FQHC for a Differential Adjusted Payment of 0.5%, 1.0%, or 1.5% on all FQHC visits that are payable at the PPS rate. "Demonstrated attainment" means the FQHC has submitted to AHCCCS a copy of its 2017 UDS Report containing statistics that meet or exceed the MPS for the selected measures. The result of this change is expected to be an aggregate increase in FFS payments of +0.5% for the period October 1, 2018 through September 30, 2019.

An FQHC whose patient population is greater than 20% homeless/transient or greater than 50% uninsured is eligible to receive a 0.5% DAP for attainment of each MPS in Table 1.

Table 1		
Clinical Quality Measure	MPS	DAP Value
Patients with Colorectal Cancer Screening	Increase over prior year greater than 5%	0.5%
Patients with Diabetes Hemoglobin A1c Poor Control (Diabetic Patients with HbA1c > 9%) or No Test During Year	Decrease from prior year greater than 5%	0.5%

Weight Assessment and Counseling for Nutrition and Physical Activity for Children and Adolescents	Increase over prior year greater than 5%	0.5%
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An FQHC whose patient population is less than or equal to 20% homeless/transient or less than or equal to 50% uninsured is eligible to receive a 0.5% DAP for attainment of each MPS in Table 2.

Clinical Quality Measure	MPS	DAP Value
Patients with Colorectal Cancer Screening	greater than 65%	0.5%
Patients with Diabetes Hemoglobin A1c Poor Control (Diabetic Patients with HbA1c > 9%) or No Test During Year	less than 41%	0.5%
Weight Assessment and Counseling for Nutrition and Physical Activity for Children and Adolescents	greater than 55%	0.5%

- b. Comments regarding the changes proposed in this Notice of Public Information may be submitted electronically to FFSRates@azahcccs.gov or in writing to:

Meggan Harley
 Arizona Health Care Cost Containment System
 701 E. Jefferson St. Phoenix, Arizona 85034

All comments must be received no later than 5:00 p.m. on July 27, 2018.

- c. The FQHC Fee-For-Service rates reflecting the changes to reimbursement described above can be obtained from the AHCCCS website at:
<https://www.azahcccs.gov/PlansProviders/RatesAndBilling/FFS/AHCCCSProviderRateAnalysis2016.html>
- d. Many public libraries offer access to the internet. In addition, the information can be obtained at the Offices of the AHCCCS Administration, 701 E. Jefferson, Phoenix, AZ 85034.