



Nominal Copayments, Alternative Copayments And American Indians

AHCCCS Tribal Consultation Meeting
March 23, 2010



AHCCCS & Cost-Sharing

- Mandate from the Legislature to institute cost-sharing to the maximum extent permitted under federal law.



Nominal Cost-sharing

- Copayments are made by recipients at the point of service
- In general, limited to “nominal amounts” set by the federal government.
- Providers cannot deny services to a recipient who is unable to make the copayment.



Nominal Cost-sharing

- AHCCCS currently has nominal copayments of:
 - \$1.00 for a physician office visit, and
 - \$1.00 for non-emergency use of the emergency room.



Nominal Cost-sharing

- AHCCCS is proposing nominal copayments of:
 - \$2.30 for prescription drugs
 - \$3.40 for office visits for
 - evaluation and management
 - non-emergency surgical procedures
 - \$2.30 for office visits involving physical, occupational, or speech therapy



Alternative Cost-Sharing

- The Deficit Reduction Act allows “alternative” - higher than nominal - copayments for persons above 100% of the federal poverty level.
- Providers can deny services if recipients do not make the copayment.



Alternative Cost-Sharing

- AHCCCS is proposing alternative copayments for persons eligible for “transitional medical assistance”
- Families that were eligible for AHCCCS because they are TANF-related but who lose that eligibility due to an increase in earned income.
- They receive up to 12 more months of eligibility.



Alternative Cost-Sharing

- The proposed alternative copayments are:
 - \$2.30 for prescription drugs
 - \$4.00 for office visits for evaluation and management
 - \$3.00 for non-emergency surgical procedures
 - \$3.00 for office visits involving physical, occupational, or speech therapy



American Indians and AHCCCS Copayments

- Current Rule: American Indians enrolled in I.H.S. have no copayments
- Current Practice: American Indians have no copayments



American Indians and AHCCCS Copayments

- Recovery Act: American Indians have no copayments for services provided by I.H.S., tribal (638), urban Indian health programs, or services provided under Contract Health.



American Indians and AHCCCS Copayments

- AHCCCS 1st proposed: American Indians have no copayments
- CMS said they will not approve such an exception



American Indians and AHCCCS Copayments

- AHCCCS now proposing: no one is charged copayments for services that are reimbursed directly by the AHCCCS Administration through its fee-for-service program.
 - I.H.S./638/urban Indian health program
 - AHCCCS-registered provider to FFS members
 - AHCCCS-registered provider to MCO members when billed through Contract Health Service of an I.H.S. or a 638 facility to AHCCCS
 - Federal Emergency Services Program (Non-Qualified Aliens)
 - Assorted other cases

Copayment Scenarios for American Indian Medicaid Members

	Current Practice		Current Rule		Proposed Rule		ARRA	
	FFS	MCO	FFS	MCO	FFS	MCO	FFS	MCO
IHS/638/Urban	N	N	N	Y	N	N	N	N
CHS-Referral	N	N	N	Y	N	Y*	N	N
No CHS-Referral	N	N	N	Y	N	Y	Y	Y

FFS – Fee-for-Service Enrolled Member

MCO – Managed Care Organization Enrolled Member

*Unless the CHS-Referral is billed directly through the IHS/638 to AHCCCS.