

INTRODUCTION RISK ADJUSTMENT INFORMATION

Risk adjustment of capitation payments modifies revenue to Contractors based on the health status of their covered population relative to the average health status of the population. Since the Arizona Medicaid program is 100% managed care, the risk adjustment methodology will adjust payments among Contractors and will be budget neutral to AHCCCS.

This section (Section I) provides information on risk adjustment. Section I is only relevant to the Acute Care capitation rates; CRS rates will not be risk adjusted. A description of each document provided in Section I is presented below.

CYE 09 Risk Adjustment Whitepaper

This Whitepaper documents the first year of the risk adjustment methodology that AHCCCS implemented for capitation rates effective October 1, 2008.

CYE 10 through CYE 13 Risk Adjustment Methodologies

Historical changes made to the risk adjustment methodology for the timeframe of October 1, 2009, through September 30, 2013, are provided in this document.

Proposed CYE 14 and CYE 15 Risk Adjustment Methodologies

This document presents the methodology that AHCCCS intends to use for risk adjustment for capitation rates effective October 1, 2013.

Risk Factors

Minimum and maximum risk factors used for CYE 13 capitation rates by risk group and by GSA are provided in this chart.

Diagnosis Percentages by Form Type

This report provides diagnosis percentages by Contractor and form type for the time frame used for the CYE 13 risk adjustment factors.