AHCCCS
Arizona Health Care Cost Containment System

Douglas A. Ducey, Governor
Thomas J. Betlach, Director

September 1, 2016

The Honorable Douglas A. Ducey
Governor
State of Arizona
Capitol Tower
1700 West Washington
Phoenix, Arizona 85007

SUBJECT: Fiscal Year 2018 Budget Request

Dear Governor Ducey:

I am submitting the Fiscal Year (FY) 2018 Budget Request for the Arizona Health Care Cost Containment System (AHCCCS). The budget reflects our ongoing commitment to cost effective, quality health care for our 1.8 million members, while limiting costs to the state. It includes the continuation of numerous initiatives and reforms to the Medicaid program, including implementation of your Administrative Simplification initiative, which transitioned the Arizona Department of Health Services' (ADHS) Division of Behavioral Health Services (DBHS) and the programs it manages to AHCCCS, effective July 1, 2016.Your AHCCCS CARE initiative, which will promote member health engagement through a modernized and transformed Medicaid program, is not included in this budget as negotiations are underway with the Centers for Medicare and Medicaid Services (CMS).

As shown in the table below, the request represents an increase of $71.8 million in state General Fund (GF) monies and an increase of $156.1 million in Other Appropriated Funds for a net appropriated funds increase of $227.9 million above FY 2017. The Other Appropriated Funds include an increase of $113.7 million in CHIP Funding related to the reopening of KidsCare and a $42.4 million increase in Prescription Drug Rebate Funding. Of the $1.582 billion Total Fund increase, 4.5% is GF, 20.7% is other sources of State Match, and 74.8% is Federal Funds.

Fund	FY 2017 Approp/Est	FY 2018 Request	Change
Total General Fund	$1,750,941,400	$1,822,754,000	$71,812,600
Other Appropriated Funds	$215,012,700	$371,148,400	$156,135,700
Other Non-Appropriated	$1,041,018,600	$1,460,782,700	$419,764,100
Federal Funds	$9,194,568,600	$10,129,020,600	$934,452,000
Total Fund	**$12,201,541,300**	**$13,783,705,700**	**$1,582,164,400**

Overall, the AHCCCS FY 2018 Total Fund Request, including only AHCCCS appropriations, is $12.338 billion. This represents a $958.5 million increase over the FY 2017 Total Fund appropriation of $11.380 billion, primarily due to caseload and rate increases.

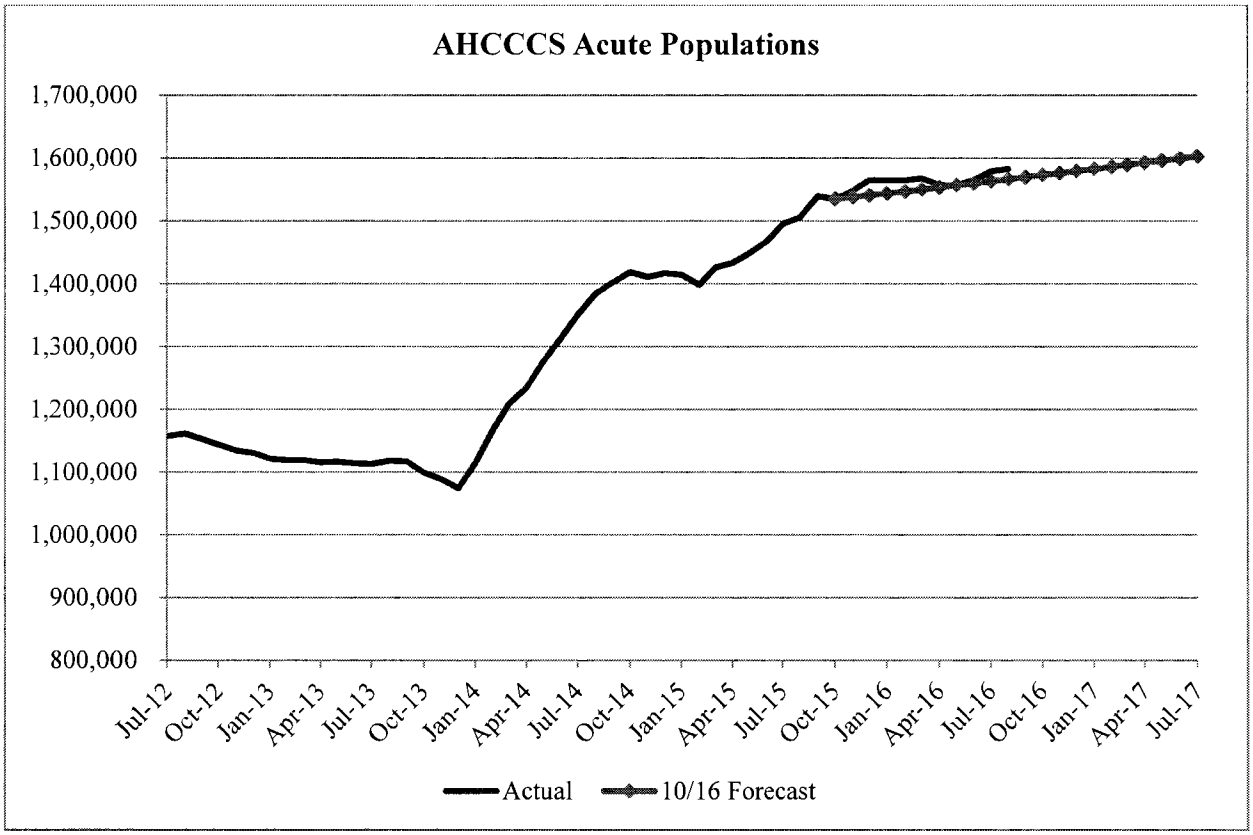
The Agency has identified twenty-four (24) decision packages for your consideration. Seven (7) of the decision packages are caseload, rate, or new mandate-driven Title XIX increases. Of the remaining decision packages, one (1) is a policy proposal to restore a limited benefit; one (1) is a new delivery system payment program; one (1) adjusts prescription drug rebate funding; seven (7) adjust payments to hospitals and nursing facilities; five (5) are administrative increases; and two (2) involve changes to non-appropriated funds only.

Numerous programmatic changes continue to impact the AHCCCS populations. For example, AHCCCS has fully implemented the Modified Adjusted Growth Income (MAGI) standard as well as other federally-required eligibility policy changes. This has resulted in an increased number of individuals enrolled in the program, as well as movement between eligibility categories. In addition, integration efforts for the Seriously Mentally Ill (SMI) and Children's Rehabilitative Services (CRS) populations have shifted members from existing eligibility groups into integrated populations. The population forecasts for FY 2018 continue to reflect the complexity of these changes.

AHCCCS enrollment for FY 2016 was very close to forecast. For the period June 2015 to August 2016, AHCCCS forecasted growth of 120,000 members across all programs, an increase of 7.9%. Actual growth for that period was 136,000 members, an increase of 9.0%, and a difference of only 16,000 individuals. Growth in the Proposition 204 Expansion State Adult (ESA) and the Newly Eligible Adult (NEA) programs was the main driver of this variance, adding 47,000 members, versus the forecast of 31,000 members.

The charts below demonstrate the caseload trends and cumulative growth in the AHCCCS Acute programs as compared to the original forecast from the AHCCCS FY 2017 budget submittal.

The growth rates built into the population forecasts in this budget submittal reflect the assumption that overall growth will continue in early FY 2017, followed by a leveling off to normal population growth for most populations throughout all of FY 2018, but assuming slightly higher growth in adult restoration and expansion categories.



The following are some key items I would like to bring to your attention:

Proposition 204 Expansion State Adults (Adults 0-106% FPL, previously AHCCCS Care "Childless Adults")

- The Expansion State Adult (ESA) population within the Proposition 204 program covers adults up to 106% FPL, equivalent to an annual income of $12,600 for a single adult.

- This program has been the most significantly impacted by Medicaid restoration. During the enrollment freeze, approved by CMS on July 1, 2011, enrollment in this population declined by 156,722 members from 224,492 on June 1, 2011, to 67,770 on December 1, 2013. The freeze was lifted in January 2014 and, as of August 2016, enrollment is now 303,104 members, an increase of 235,334.

- Based on the continued growth this program has experienced, AHCCCS projects June over June growth rates for this population of 5.4% FY 2017 and 5.1% in FY 2018.

- Arizona receives a higher Federal Medical Assistance Percentage (FMAP) for childless adults known as the Expansion State FMAP, which is calculated as a function of both the

regular FMAP and the Newly Eligible Adults FMAP (see Table A below). The regular FMAP for FFY 2018 and forward is estimated.

Table A. Transition FMAP for ESA

Period	FMAP
Jul 16 - Sep 16	90.68%
Oct 16 - Dec 16	90.77%
Jan 17 - Sep 17	89.85%
Oct 17 - Dec 17	89.91%
Jan 18 - Dec 18	91.55%
Jan 19 - Dec 19	93.00%
Jan 20 - Permanent	90.00%

Newly Eligible Adults (106-138% FPL)

- Effective January 2014, the Newly Eligible Adults (NEA) program was established by Laws 2013, First Special Session, Chapter 10. It covers adults not eligible for other AHCCCS programs and with household incomes less than 138% FPL, equivalent to an annual income of $16,394 for a single adult. As of June 2016, NEA enrollment was 79,895.

- AHCCCS believes that program growth has phased in over a longer period and the presentation rate is higher than originally forecasted. Monthly increases of 465 members are projected through the remainder of FY 2017 and all of FY 2018 to reflect sustained growth for the program, resulting in June over June growth of 6.4% in FY 2017 and 6.6% in FY 2018.

- Previously 100% federally funded, the match rate for this program decreases to 95% in CY 2017, 94% in CY 2018, 93% in CY 2019, and 90% in CY 2020 (see Table B below).

Table B. Newly Eligible FMAP for NEA

Period	FMAP
CY 2016	100.00%
CY 2017	95.00%
CY 2018	94.00%
CY 2019	93.00%
CY 2020	90.00%

Hospital Assessment Fund

- Beginning in FY 2014, the Hospital Assessment Fund has been utilized to fund the restoration of the Proposition 204 population, per Laws 2013, First Special Session, Chapter 10, Section 5. It is also the primary source of state match for the NEA program, beginning CY 2017. Hospital Assessment funding is used to supplement other funding provided by the Proposition 204 Protection Account and the Arizona Tobacco Litigation Settlement Fund.

- Due to increases in the ESA and NEA populations and changes in the FMAPs for both groups, AHCCCS projects Hospital Assessment funding of $262.6 million will be required in FY 2017, an increase of $10.3 million over the FY 2017 appropriation. A carry-forward fund balance of $15.8 million from FY 2016 is estimated to be available to help offset current year collections.

- In FY 2018, revenues for the Arizona Tobacco Litigation Settlement Fund are projected to decline by $21 million from the elimination of the Strategic Contribution Fund component of the Master Settlement Agreement (MSA) funding. This funding shortfall generates a corresponding increase to the Hospital Assessment of $21 million.

- Due to continued increases in the ESA and NEA populations, decreases in the NEA FMAP, and the MSA funding shortfall identified above, AHCCCS projects Hospital Assessment funding of $312.0 million will be required in FY 2018, an increase of $59.7 million over the FY 2017. Any carry-forward fund balances will be used to help offset FY 2018 collections and limit increases, however, it is expected that an increase to hospital assessment collections in FY 2018 will also be required.

ACA Newly Eligible Children (M-CHIP)

- Beginning January 1, 2014, the Child Expansion (M-CHIP) population is included as part of the Traditional Acute Care program. It covers children age 6-19 with household incomes from 100% to 138% FPL. As of June 2016, membership was 74,334.

- This population is funded from Arizona's Title XXI Children's Health Insurance Program (CHIP) allotment, subject to availability of funds. The ACA increased the CHIP match rate by 23 percentage points, to an effective rate of 100%, through September 30, 2019. Effective September 1, 2016, Arizona has reopened the KidsCare program, which has allotment priority over M-CHIP. However, based on preliminary guidance from CMS, AHCCCS believes that Arizona will receive sufficient CHIP funds in future years to cover both populations.

Children's Health Insurance Program (CHIP)

- On March 15, 2010, CMS approved an enrollment freeze and cap for KidsCare with an effective date of January 1, 2010. On July 22, 2016, CMS approved a State Plan

Amendment (SPA) to remove the enrollment cap on the program, per Laws 2013, Second Regular Session, Chapter 112. Coverage for new enrollees is effective September 1, 2016.

- AHCCCS has provided a financial analysis to CMS in support of the SPA that estimates KidsCare member growth and associated costs. The population forecast is based on household income and health insurance coverage data from the U.S. Census Bureau's 2014 Annual Social and Economic Supplement (ASEC) of the Current Population Survey (CPS). AHCCCS estimates that 43,155 children in Arizona could be eligible for KidsCare and assumes a presentation rate of 80% with a 9-month phase-in for enrollment. It is estimated that 34,512 members will be enrolled in KidsCare as of June 2017.

- The reopening of KidsCare requires $74.2 million CHIP Funds in FY 2017 and $111.7 million CHIP Funds in FY 2018, both representing significant increases over the FY 2017 appropriation of $2.0 million for services. AHCCCS has also requested CHIP Funds of $214.9 million for FFY 2016 and $349.6 million for FFY 2017 from CMS, in order to fund both M-CHIP and KidsCare. Assuming reauthorization of CHIP and no other changes to federal law, these programs do not require state match until October 2019.

Other Populations Member Month Growth

- The Traditional Acute Base TANF/1931 and SOBRA populations decreased by 1.9% from June 2015 to June 2016, compared to an increase of 8.6% in the same period of the previous year. This included a decrease of 39.6% in the Base TANF population, offset by an increase of 23.7% in SOBRA Children. Children previously categorized as TANF/1931 because they had eligible parents or caretaker relatives are shifting from TANF/1931 Base and TANF/1931 Proposition 204 into the SOBRA Children Category, in accordance with CMS guidance that eligibility should be determined for each individual and not just for the family.

- The Proposition 204 TANF/1931 population increased by 34.6% from June 2015 to June 2016, compared to a decrease of 12.8% in the same period of the previous year. The change reflects the shift of 70,000 members from Base TANF/1931 to Proposition 204 TANF/1931 in October 2015 and the continued realignment of adults across the Base, Proposition 204, ESA, and NEA programs. It also includes net decreases from the movement of children out of Proposition 204 and into SOBRA Children.

- The Supplemental Security Income (SSI) populations (Traditional and Proposition 204 combined) declined by 4.5% from June 2015 to June 2016. This change was associated with members shifting into SMI Integrated programs – SMI Integration was implemented for Maricopa County in April 2014 and state-wide in October 2015. The combined SSI populations are anticipated to increase by 2.5% from June 2016 to June 2017.

- The Arizona Long Term Care System (ALTCS) Elderly and Physically Disabled (EPD) population grew 0.92% in FY 2016 (June over June member month growth). With an increasing Arizona elderly population, AHCCCS is forecasting ALTCS to grow at a rate of 1.23% in FY 2017 and 1.22% in FY 2018.

Capitation Rates

- For Contract Year Ending (CYE) 2017, the Acute Care capitation rates are estimated to increase by 3.12%. Primary drivers of the rate change include:
  - Medical Trend – adjustments to account for utilization of Federally Qualified Health Centers (FQHCs) and Rural Health Centers (RHCs) and other cost factors account for 1.33 percentage points of the increase.
  - Hepatitis C – Anticipated increases in utilization of costly prescription drugs to treat Hepatitis C account for 1.19 percentage points of the increase.
  - Fee-for-Service Rates – Changes related to access-to-care requirements and legislative mandates account for 0.26 percentage points of the increase.
  - Value Based Purchasing – Rate differentials account for 0.13 percentage points of the increase and help to ensure access to care.
  - High Acuity Pediatric Adjustor – Accounts for 0.11 percentage points of the increase.
  - Other Adjustments – Account for 0.10 percentage points of the increase.

- For CYE 2017, the ALTCS EPD capitation rates are estimated to increase by 3.84%. Primary drivers of the rate change include:
  - Medical Trend – Adjustments to account for utilization of services and Home and Community Based Services (HCBS) mix account for 1.98 percentage points of the increase.
  - HCBS Provider Rate Increase of 2.0% – Accounts for 0.73 percentage points of the increase.
  - Nursing Facility Fee Schedule Rate Increase of 1.0% – Accounts for 0.49 percentage points of the increase.
  - Value Based Purchasing – Rate differentials account for 0.34 percentage points of the increase and help to ensure access to care.
  - Restoration of Adult Preventive Dental Services – Benefit restoration limited to $1,000 annually accounts for 0.20 percentage points of the increase.
  - Other Adjustments – Account for 0.10 percentage points of the increase.

- Other notable capitation rate increases utilized in this budget submittal include:
  - 2.9% for the Children's Rehabilitative Services (CRS) program.
  - 0.76% for the ALTCS Developmental Disabilities (DD) program.
  - 0.8% for the Comprehensive Medical and Dental Program (CMDP) program.
  - 1.9% for the Behavioral Health Services programs.

- For CYE 2018, AHCCCS is estimating a 3.0% increase for all programs in order to comply with federal actuarial soundness requirements. AHCCCS actuaries develop rates

based on expected costs and utilization trends. In addition, AHCCCS is required to conduct an access to care analysis of its rates to ensure that sufficient providers are willing to serve AHCCCS members.

- There is significant overlap in the direct care HCBS workforce that serves members enrolled in the ALTCS EPD and DD programs. It is important to understand the potential access to care issues that may result when rates between the two programs diverge too significantly. Therefore, when policymakers increase rates for ALTCS DD HCBS providers, AHCCCS needs to provide a corresponding increase for ALTCS EPD HCBS providers in order maintain access to care for EPD members. AHCCCS respectfully requests that any CYE 2018 rate increases be aligned across the two programs. For context, the estimated cost of a 1.0% EPD HCBS provider rate increase is $4.2 million Total Fund ($1.3 million State Match, including $687,000 GF and $613,000 County Funds).

- As a result of budget constraints and rate reductions, rates for most AHCCCS providers continue to be significantly below where they were six years ago. Table C illustrates how the 2016 rates for select providers compared to 2009.

Table C. Provider Rate Comparison

Provider Type	Rate Change 2009-2016
Hospital Inpatient	(16-20)%
Hospital Outpatient	-8.7%
Nursing Facility (EPD)	2.3%
Behavioral Health Outpatient	-4.6%
Physician	-13.2%
Ambulance	29.5%
NEMT	-11.3%
Ambulatory Surgery Center	5.6%
Dental	-12.5%
FQHC	37.0%

Federal law requires that AHCCCS provide "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 under the plans at least to the extent that such care and services are available to the general population." On an annual basis, AHCCCS evaluates member access to care to ensure it meets this requirement. In looking forward to the coming years, AHCCCS remains concerned about its provider network. If provider rates are reduced below their current levels, the remaining provider network may not be sufficient to meet this federal requirement. In addition, AHCCCS expects it may need to make incremental, upward adjustments in critical areas to ensure continued access to care.

Negative impacts to provider networks would jeopardize the system of managed care that AHCCCS has leveraged to deliver high quality, cost effective services to its members.

Medicare Part B Premium Rate Increase

- AHCCCS pays Medicare premiums for dual eligible members enrolled in the Traditional, Proposition 204, and ALTCS EPD programs. The 2016 Annual Report of the Boards of Trustees of the Federal Hospital Insurance and Federal Supplementary Medical Insurance Trust Funds has recommended an increase to Medicare Part B premiums of 22.33% effective January 1, 2017. Therefore, AHCCCS has assumed that Medicare Part B premiums increase by 22.33% in CY 2017 and by 5.11% increase in CY 2018. In CY 2016, an increase of 51.86% was similarly recommended, but the Balanced Budget Act of 2015 reduced the effective increase to 16.11%. As a change from baseline estimates, the anticipated CY 2017 increase generates an increased cost of $25.4 million Total Fund ($7 million State Match) in FY 2017 and $53.5 million Total Fund ($14.9 million State Match) in FY 2018.

Prescription Drug Rebates

The ACA made payments under the Medicaid Drug Rebate program available to state Medicaid programs for drugs purchased through Medicaid Managed Care Organizations (MCOs). These rebates are shared between the states and the federal government. AHCCCS is projecting total fund collections of $583.9 million and $588.6 million in FY 2017 and FY 2018, respectively. The beginning state fund balance in FY17 of $52.8 million is projected to grow to $63.1 million by the end of FY17. In FY18, AHCCCS proposes to use $42.2 million of the available balance to offset an equivalent amount of General Fund expenditures on a one-time basis. This would leave a FY18 ending balance of $31.5 million (See Table D below). Due to fluctuations in amounts and timing of collections, AHCCCS recommends preserving a carry-forward balance for this fund in order to ensure adequate cash flow.

Table D. Prescription Drug Rebate Fund – State Fund Balance

FY16 Fund Balance	$52,817,900
FY17 Collections (Est.)	124,025,200
FY17 Spend Plan (Approp.)	113,778,900
FY17 Ending Balance	$63,064,200
FY17 Fund Balance (Est.)	63,064,200
FY18 Collections (Est.)	124,675,800
FY18 Spend Plan (Proposed)	156,207,900
FY18 Ending Balance	$31,532,100

Hospital Reimbursement Programs

- Laws 2013, First Special Session, Chapter 10 granted AHCCCS the authority to use monies from political subdivisions to draw federal matching dollars to continue the Safety Net Care Pool SNCP) for Phoenix Children's Hospital (PCH). AHCCCS' current 1115 Waiver authorizes SNCP funding for PCH through December 31, 2016 with a maximum annual amount of $110 million. AHCCCS and PCH intend to request federal approval for additional funding in future years, with a phase-down each year. Based on this phase-down model, AHCCCS requests FY18 funding of $75 million Total Fund, a decrease of $62 million from the FY17 appropriation. No General Fund monies are required for these payments. Current language in the feed bill allows AHCCCS to increase the appropriation for these payments if funding from political subdivisions is available and federal matching funds are approved by CMS. AHCCCS requests that this language be continued in FY 2018.

- The ACA mandated reductions to the Disproportionate Share Hospital (DSH) allotments beginning in FFY 2014. However, the Protecting Access to Medicare Act delayed the DSH reductions until FFY 2017 and the Medicare Access and CHIP Reauthorization Act again delayed the reductions until FFY 2018. Under current law, the FFY 2018 aggregate national reduction will be $2.0 billion on a base of $12.1 billion, or a 16.5% decrease. Therefore, AHCCCS projects that its total available DSH allotment will be $111.7 million in FFY 2017 and will be reduced by 16.5% or $18.5 million in FFY 2018.

    - Appropriated DSH amounts of $4.2 million Total Fund ($0 GF) for Maricopa Integrated Health Systems (MIHS) and $884,800 Total Fund ($272,000 GF) for Private Hospitals are anticipated to remain constant. The GF portion of the private hospital appropriation is reduced by $2,600 to $269,600 due to change in FMAP for FFY 2018.

    - Based on the anticipated reduction to the DSH allotment, AHCCCS does not believe that federal funding will be available to fund the Pool 5 Locally Funded hospital payments in FY 2018, resulting in a decrease of $19.9 million Total Fund, including $13.8 million federal share. AHCCCS requests the current language in the feed bill that allows AHCCCS to increase this appropriation if additional funding is available be continued in FY 2018.

    - Laws 2016, Second Regular Session, Chapter 122, Section 18 includes $113.8 million Total Fund ($35.0 million State Match provided by Certified Public Expenditure) for MIHS. Due to the reduction in DSH allotment, AHCCCS estimates the maximum amount available for MIHS in FY 2018 will be $102.9 million Total Fund ($30.1 million State Match). This change reduces the federal match available for deposit in the General Fund from $74.6 million in FY 2017 to $68.6 million in FY 2018.

- While this budget request includes the payment assumptions outlined above, the allocation of federal DSH allotment funding is a policy decision.

- The national DSH allotment will continue to be reduced by an additional $1 billion each year until FFY 2024, at which point a cumulative reduction of $8 billion will be in effect for FFY 2024 and FFY 2025. CMS has not yet provided guidance on the methodology that will be used in determining state specific reductions, but AHCCCS is estimating that Arizona will experience proportional reductions.

- Laws 2006, Chapter 331, Section 8 and Laws 2007, Chapter 263, Section 9 required AHCCCS to expand the Graduate Medical Education (GME) program, which uses voluntary contributions from local political subdivisions as State Match to make payments to hospitals. Since the availability of these local funds, Arizona has seen significant increases in both GME funding (an increase from $33 million in 2007 to an estimated $266 million in 2016) and total Arizona GME resident slots (from 1,262 in 2007 to 1,806 in 2016). In FY 2018, AHCCCS proposes to increase the GME appropriation by $102.7 million Total Fund ($31.7 million State Match) over the FY 2017 appropriation. Increases to GME payments are anticipated as a result of a rule change which modifies the method of allocating funds for indirect GME costs to permit payments that will cover a greater portion of the costs reported by GME programs. AHCCCS requests the current language in the feed bill that allows AHCCCS to increase this appropriation if additional funding is available be continued in FY 2018.

ACA Health Insurer Fee

- The ACA includes a $8.0 billion health insurer fee (HIF) on the health insurance industry beginning in 2014, indexed to the rate of premium growth each year. In order to maintain actuarially soundness, Medicaid managed care capitation rates are increased to offset the tax liability from the fee. In FY 2017, AHCCCS projects a cost of $103.1 million Total Fund ($25.7 million GF) for the CY 2016 fee year. The Consolidated Appropriations Act of 2016 instituted a moratorium on the HIF for the CY 2017 fee year. Therefore, AHCCCS is estimating one-time cost savings of $126.8 million ($30.3 million GF) to occur in FY 2018. In FY 2019, AHCCCS projects a cost of $130.5 million Total Fund ($31.4 million GF) from the HIF, which will be back in effect on an ongoing basis.

Benefit Restoration

- In response to the significant fiscal challenges facing the State during the Great Recession, AHCCCS implemented several changes to the adult benefit package in 2010 and 2011. The benefits eliminated or limited were all considered optional services under federal law and only impacted adults 21 years and older. These changes include elimination of: most dental care, podiatrist services, insulin pumps, percussive vests, bone-anchored hearing aids, cochlear implants, orthotics, specific transplants, and well

exams. Limitations were placed on physical therapy days, hospital inpatient days, and respite care hours.

- Most of these benefits have been restored through legislative action, including: insulin pups, specified transplants, well exams, orthotics, podiatrist services, and ALTCS preventive dental.

- In FY 2018, AHCCCS respectfully requests the reinstatement of emergency dental services for adults in the Acute, ALTCS EPD, and ALTCS DD programs. As a result of lack of access to emergency dental services, the AHCCCS adult population is at risk for experiencing negative health outcomes caused by tooth decay and dental infections, which generate additional costs and risks to the member. This budget proposes reinstatement of the benefit that was eliminated September 30, 2010 at an estimated per member per month cost of $1.90, to be implemented October 1, 2017. The estimated FY 2018 cost for the Acute and ALTCS EPD population is $14.5 million Total Fund ($1.5 million GF). The Arizona Department of Economic Security's (ADES) ALTCS DD cost impact is $216,500 Total Fund ($66,000 GF).

Delivery System Reform Incentive Payments

- In July 2016, AHCCCS submitted a Delivery System Reform Incentive Payment (DSRIP) application to the Centers for Medicare and Medicaid Services (CMS) to request funding for focused, time-limited projects aimed at building necessary infrastructure to improve multi-agency, multi-provider care delivery for the following populations:
    - Children with behavioral health needs, including children with or at risk for Autism Spectrum Disorder (ASD), and children engaged in the child welfare system.
    - Adults with behavioral health needs.
    - Individuals transitioning from incarceration who are AHCCCS-eligible.

- These projects will improve care coordination and care management for AHCCCS members by providing infrastructure investments and incentives for providers to collaborate in the development of shared clinical and administrative protocols. They will enable patient care management across provider systems and networks, specifically integrating and linking the provision of physical health and behavioral health services.

- CMS will provide federal Medicaid Title XIX funds to support DSRIP and state matching funds will be provided by Intergovernmental Transfers (IGTs) and Designated State Health Programs (DSHPs) and expended from the DSRIP Fund established by Laws 2016, Second Regular Session, Chapter 122.

- AHCCCS proposes funding of $336.0 million Total Fund ($102.6 million DSRIP Fund) in FY 2018. The DSRIP Fund and associated federal expenditures are continuously appropriated. There is no General Fund impact from this initiative.

Behavioral Health Services

- Effective July 1, 2016 the ADHS's DBHS and the programs it managed formally transitioned to AHCCCS, in accordance with Laws 2015, First Regular Session, Chapters 19 and 195 as part of the Administrative Simplification initiative.

- This request reflects the realignment of funding for integrated capitation payments between Acute and Behavioral Health appropriation line items. In FY 2016, when the physical health and behavioral health portions of capitation were separately appropriated to ADHS and AHCCCS, respectively, integrated capitation payments were manually split between the agencies. In FY 2017, funding for all integrated payments has been appropriated to AHCCCS and will be paid from single appropriations. Payments to Regional Behavioral Health Authorities (RBHAs) for SMI Integrated care will be made from the Behavioral Health appropriations and payments to Acute Managed Care Organizations (MCOs) for General Mental Health and Substance Abuse (GMH/SA) dual eligibles will be made from the Acute appropriations.

- In FY 2018, AHCCCS requests the separate Behavioral Health appropriations for Traditional, CMDP, Proposition 204, and NEA be consolidated into the corresponding Traditional, Proposition 204, and NEA acute line items. As AHCCCS moves forward with program integration and enhanced coordination of physical and behavioral health services it is important to have a single, consolidated appropriation for each population in order to make payments to different contractors for different categories of service from a single funding source. This Administrative Simplification provides operational flexibility for AHCCCS to make integrated payments with integrated funding and allows AHCCCS to fulfill the goals of the Administrative Simplification initiative by reducing the need for line item transfers between discrete line items. The change is consistent with the consolidation of capitation, reinsurance, fee-for-service, and Medicare premium line items into the Traditional and Proposition 204 line items in FY 2012. This change is also consistent with the appropriation for the fully integrated ALTCS EPD program, which includes funding for both physical health and behavioral health services. AHCCCS understands the importance of continuing to report discrete expenditures for behavioral health and SMI integrated contractors, in order to demonstrate that it maintains its commitment to and focus on behavioral health services for its members, regardless of the program or contractor providing those services. AHCCCS will provide this separate reporting, which will more accurately reflect the level of behavioral health services for all populations, but requests a single appropriation for all costs associated with each population.

Other Issues

- Laws 2012, Second Regular Session, Chapter 213 amended Title 36, Chapter 29 by adding Article 6, establishing an assessment on nursing facilities within the state beginning October 1, 2012. Laws 2015, First Regular Session, Chapter 39 continued the

assessment through September 30, 2023. In accordance with requests from nursing facility stakeholders, AHCCCS has proposed an updated rule to increase the assessment amounts effective January 1, 2017. High volume providers would increase from $1.40 to $1.80 per day, and all other non-exempt providers would increase from $10.50 to $15.63. Half of this increase impacts the FY 2017 rebase and the fully annualized impact will be realized in FY 2018, requiring an increase of $36.1 million Total Fund ($10.8 million State Match) over the FY 2017 appropriation. AHCCCS requests the footnote language allowing AHCCCS to increase the appropriation for payments in excess of the published appropriation be continued in FY 2018.

- AHCCCS has five critical administration issues for your consideration:

    - Prescription Drug Review Initiative – Your leadership in creating the Arizona Substance Abuse Task Force has established a coalition of experts focused on combatting the growing epidemic of opioid addiction in Arizona, which ranks sixth in the nation for opioid abuse. AHCCCS is uniquely positioned to respond to these issues by utilizing enhanced data analytics to identify opportunities for member interventions through health plans and providers and coordinating between medical management and quality of care activities overseen by the Chief Medical Officer (CMO) and the Office of Inspector General (OIG) to address cases of waste, fraud, and abuse. AHCCCS proposes to implement a multi-disciplinary, agency-wide Prescription Drug Review Initiative to further these goals and requests administrative resources of $441,600 Total Fund ($220,900 GF) for five dedicated positions to support the effort.

    - Arizona Department of Administration (ADOA) Data Center – Under its Interagency Services Agreement (ISA) with ADOA, AHCCCS is charged for its usage of mainframe computing services. In the past years, usage has significantly increased due to enrollment growth, more users, and additional programs. AHCCCS requests $10.0 million Total Fund ($3.3 million GF) to address the FY 2018 ADOA Data Center structure shortfall, which has operated at a deficit since FY 2003.

    - Administrative Base Modification – When administrative funding was transferred to AHCCCS from ADHS/DBHS, funding for Proposition 204 Behavioral Health Administration was established as a separate appropriation and not combined into the existing AHCCCS Proposition 204 Administration line item. AHCCCS does not allocate administrative costs to Behavioral Health, as distinguished from other services, and so requests that $5.8 million Total Fund ($1.8 million GF) be transferred into the existing Proposition 204 administrative line item and the Behavioral Health line item be eliminated as a base modification with no impact to any fund.

    - ADES Federal Authority Shortfall – AHCCCS has an ISA with ADES to conduct Medicaid and CHIP eligibility determinations on its behalf with funding provided

by the DES Eligibility and DES Proposition 204 Eligibility line items in the AHCCCS budget. In FY 2018, on behalf of ADES, AHCCCS requests authority increases of $40 million Federal Medicaid Authority and $4 million CHIP Fund to address a structural authority shortfall and the reopening of KidsCare, which will generate CHIP administrative costs. There is no state funding impact associated with this request.

- Indian Advisory Council (IAC) – In order to fulfill its statutory duties, the IAC requests an additional $104,400 Total Fund ($52,200 GF) to provide funding that will assist in meeting strategic objectives and improving health care outcomes for Arizona Tribal members.

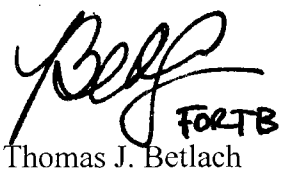
- AHCCCS assumes the regular FMAP will increase from 69.24% in FFY 2017 to 69.53% in FFY 2018 based on the projection published by the Federal Funds Information for States (FFIS) in Issue Brief 16-24 (March 25, 2016).

Waiver Update

- Since the inception of the AHCCCS program, Arizona has operated under a comprehensive 1115 waiver that provides significant programmatic flexibility. The current waiver is set to expire on September 30, 2016 and AHCCCS is in the process of negotiating approval from CMS for a new waiver extension. In its application to CMS, AHCCCS has proposed your vision for a modernized and transformative Medicaid program, called AHCCCS Choice, Accountability, Responsibility, Engagement (CARE). AHCCCS looks forward to greater flexibility to increase the engagement of members, make Medicaid a temporary option, and promote quality care at affordable prices.

AHCCCS will re-evaluate this budget submittal and may refine it based on additional expenditure data, caseload trends, CMS decisions, or legal judgments.

Sincerely,



Thomas J. Betlach
Director

State of Arizona Budget Request

State Agency

Arizona Health Care Cost Containment System

A.R.S. Citation: **36-2901**

Governor DUCEY:

This and the accompanying budget schedules, statements and explanatory information constitute the operating budget request for this agency for Fiscal Year 2018.

To the best of my knowledge all statements and explanations contained in the estimates submitted are true and correct.

Agency Head: **Thomas Betlach**

Title: **Agency Director**

For TB

(signature)

Phone: **(602) 417-4168**

Appropriated Funds	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total Budget
Total Amount Requested:	1,965,954.1	227,948.3	2,193,902.4
General Fund	1,750,941.4	71,812.6	1,822,754.0
Tobacco Tax and Health Care Fund	72,998.2	0.0	72,998.2
Tobacco Products Tax Fund	18,747.2	0.0	18,747.2
Substance Abuse Services Fund	2,250.2	0.0	2,250.2
Children's Health Insurance Program Fund	3,674.9	113,706.7	117,381.6
Budget Neutrality Compliance Fund	3,563.3	0.0	3,563.3
Prescription Drug Rebate Fund	113,778.9	42,429.0	156,207.9

Non-Appropriated Funds	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total Budget
Total Amount Planned:	10,235,587.2	1,354,216.1	11,589,803.3
Proposition 204 Protection Account (TPTF) Fund	37,521.0	0.0	37,521.0
Tobacco Tax and Health Care Fund	700.0	0.0	700.0
Federal Grant Fund	53,717.4	0.0	53,717.4
AHCCCS Fund	7,429,147.6	689,338.7	8,118,486.3
Delivery System Reform Incentive Payment Fund	0.0	102,616.7	102,616.7
Long Term Care System Fund	1,711,703.6	245,113.3	1,956,816.9
AHCCCS Intergovernmental Service Fund	7,920.3	0.0	7,920.3
Employee Recognition Fund	1.8	0.0	1.8
Arizona Tobacco Litigation Settlement Fund	100,000.0	(21,000.0)	79,000.0
Trauma and Emergency Services Fund	23,027.4	0.0	23,027.4
IGA and ISA Fund	575,040.0	90,341.1	665,381.1
Prescription Drug Rebate Fund	(261,174.4)	134,737.5	(126,436.9)
Seriously Mentally Ill Housing Trust Fund	2,000.0	0.0	2,000.0
Nursing Facility Provider Assessment Fund	22,216.7	36,061.4	58,278.1
Hospital Assessment	252,329.1	59,661.2	311,990.3
AHCCCS - 3rd Party Collection Fund	1,240.0	0.0	1,240.0
County Funds Fund	280,196.7	17,346.2	297,542.9

Prepared By: **Matthew Isiogu**

Email Address: **matthew.isiogu@azahcccs.gov**

Date Prepared: **Thursday, September 01, 2016**

Acronyms

Acronym	Description
A.A.C.	Arizona Administrative Code
A.R.S.	Arizona Revised Statutes
ABD	Aged, Blind, or Disabled
AC	AHCCCS Care
ACE	AHCCCS Customer Eligibility
ACIA	Arizona Commission on Indian Affairs
AD	Assistant Director
ADDPC	Arizona Developmental Disabilities Planning Council
ADES	Arizona Department of Economic Security
ADHS	Arizona Department of Health Services
ADOA	Arizona Department of Administration
ADOADC	Arizona Department of Administration Data Center
ADOC	Arizona Department of Corrections
ADOE	Arizona Department of Education
ADOR	Arizona Department of Revenue
ADOT	Arizona Department of Transportation
ADPS	Arizona Department of Public Safety
AF	AHCCCS Fund
AFCU	AHCCCS Fraud Control Unit
AFDC	Aid to Families with Dependent Children
AFIS	Arizona Financial Information System
AG	Attorney General
AHCCCS	Arizona Health Care Cost Containment System
AHP	Advocates for Human Potential, Inc.
AI	American Indian
AIHP	American Indian Health Plan
AIPO	Arizona Immunization Program Office
ALOS	Average Length of Stay
ALTCS	Arizona Long Term Care System
AMPM	AHCCCS Medical Policy Manual
AN	Alaska Native
APR-DRG	All Patient Refined Diagnosis-Related Group
ARIMA	Autoregressive Integrated Moving Average model
ARIMA	Autoregressive Integrated Moving Average
ARRA	American Recovery and Reinvestment Act of 2009
ART	AHCCCS Recognition Team
ASH	Arizona State Hospital
ASIIS	Arizona State Immunization Information System
ASR	Appropriations Status Report
ATLS	Arizona Tobacco Litigation Settlement
ATP-C	Arizona Training Program at Coolidge
AZNET	Arizona Network
AzSPC	Arizona Suicide Prevention Coalition
AZTECS	Arizona Technical Eligibility Computer System
BBA	Balanced Budget Act of 1997
BCC	Breast and Cervical Cancer
BCCTP	Breast and Cervical Cancer Treatment Program
BH	Behavioral Health
BIA	Bueaur of Indian Affairs
BIPA	Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000
BNCF	Budget Neutrality Compliance Fund

Acronyms

Acronym	Description
BON	Board of Nursing
BRB	Budget Reconciliation Bill
BUDDIES	Budget Development Information Exchange System
CAH	Critical Access Hospital
CAN	Certified Nursing Assistant
CATS	Client Assessment and Tracking System
CBO	Congressional Budget Office
CFR	Code of Federal Regulations
CHIP	Children's Health Insurance Program
CHIPRA	Children's Health Insurance Program Reauthorization Act of 2009
CM	Case Management
CMDP	Comprehensive Medical and Dental Program
CMHS	Center for Mental Health Services
CMP	Civil Monetary Penalty
CMS	Centers for Medicare and Medicaid Services
CNOM	Costs Not Otherwise Matchable
COLA	Cost of Living Adjustment
COP	City of Phoenix
CPE	Certified Public Expenditure
CPI	Consumer Price Index
CPI-U	Consumer Price Index for Urban Consumers
CPS	Current Population Survey
CPSAWG	Communities Preventing Substance Abuse Group
CRS	Children's Rehabilitative Services
CSA	County Service Area
CY	Calendar Year
CYE	Contract Year Ending
DASIS	Drug and Alcohol Services Information System
DBF	Division of Business and Finance
DBHS	Division of Behavioral Health Services
DD	Developmentally Disabled
DDD	Division of Developmental Disabilities
DDSA	Disability Determination Services Administration
DEFRA	Deficit Reduction Act of 1984
DFSM	Division of Fee-for-Service Management
DHCM	Division of Health Care Management
DHHS	Department of Health and Human Services
DOB	Date of Birth
DOD	Date of Death
DOI	Date of Ineligibility
DOL	Department of Labor
DOP	Date of Payment
DOS	Date of Service
DRA	Deficit Reduction Act of 2005
DSC	Direct Service Claims
DSH	Disproportionate Share Hospital
D-SNP	Dual Eligible Special Needs Plan
EHR	Electronic Health Record
EHSA	Emergency Health Services Account
EOB	Explanation of Benefits
EOY	End of Year

Acronyms

Acronym	Description
EPD	Elderly and Physically Disabled Program
EPS	Office of Employment and Population Statistics
EPSDT	Early and Periodic Screening, Diagnostic, and Treatment Program
EQRO	External Quality Review Organization
ERC	Employee Recognition Committee
ERE	Employee Related Expenditures
ESA	Expansion State Adults
ESI	Employee Sponsored Insurance
ESP	Emergency Services Program
ESRD	End State Renal Disease
FAA	Family Assistance Administration
FBI	Federal Bureau of Investigation
FBR	Federal Benefit Rate
FDA	Food and Drug Administration
FEHBA	Federal Employees Health Benefit Act of 1959
FESP	Federal Emergency Services Program
FF	Federal Fund
FFIS	Federal Funds Information for States
FFM	Federally Facilitated Marketplace
FFP	Federal Financial Participation
FFS	Fee-for-Service
FFY	Federal Fiscal Year
FICA	Federal Insurance Contributions Act of 1935
FID	Fraud Investigation Database
FMAP	Federal Medical Assistance Percentage
FPL	Federal Poverty Level
FPS	Family Planning Services
FQHC	Federally Qualified Health Center
FTE	Full Time Equivalent
FTW	Freedom to Work
FY	Fiscal Year, used to mean State Fiscal Year unless otherwise noted
GAO	General Accounting Office
GAZ	Greater Arizona
GDP	Gross Domestic Product
GF	General Fund
GME	Graduate Medical Education
GMH	General Mental Health
GSA	Geographic Service Area
HAPA	Hawaii-Arizona PMMIS Alliance
HC	Human Resource Cener
HCBH	High Cost Behavioral Health
HCBS	Home and Community Based Services
HCFA	Health Care Financing Administration (now know as CMS)
HEAplus	Health-e-Arizona Plus
HHS	Health and Human Services
HIB	Hospital Insurance Benefit
HIF	Health Insurer Fee
HIFA	Health Insurance Flexibility and Accountability Initiative
HIPAA	Health Insurance Portability and Accountability Act of 1996
HIT	Health Information Technology
HIX	Health Insurance Exchange

Acronyms

Acronym	Description
HMO	Health Maintenance Organization
HPE	Hospital Presumptive Eligibility
HPM	Health Programs Manager
HRD	Human Resources and Development
IAC	Indian Advisory Council
IBNR	Incurred But Not Reported
ICD-10	International Classification of Disease, 10th Edition
ICF/ID	Intermediate Care Facility for Individuals with Intellectual Disabilities
IDEA	Individuals with Disabilities Education Act of 1990
IGA	Intergovernmental Agreement
IGT	Inter-governmental Transfer
IHCIA	Indian Health Care Improvement Act of 1976
IHS	Indian Health Service
IMD	Institution for Mental Diseases
IP	Inpatient
ISA	Interagency Service Agreement
ISD	Information Services Division
IT	Information Technology
IV-A	Title IV-A of the Social Security Act (TANF)
IV-D	Title IV-D of the Social Security Act (Child/Medical Support and Establishment of Paternity)
IV-E	Title IV-E of the Social Security Act (Foster Care/Adoption Subsidy)
JLBC	Joint Legislative Budget Committee
J-o-J	June over June
KC	KidsCare
LAN	Local Area Network
LARC	Local Alcoholism Reception Center
LEA	Local Education Agency
LIHEAP	Low Income Home Energy Assistance Program
LIUR	Low-Income Utilization Rate
LOC	Level of Care
LOS	Length of Stay
LPR	Lawful Permanent Residenti
LTC	Long Term Care
LTCSF	Long-Term Care System Fund
LWOP	Leave Without Pay
MA	Medicare Advantage
MAC	Medicaid Administrative Claiming
MAGI	Modified Adjusted Gross Income
MAO	Medical Assistance Only
MCCA	Medicare Catastrophic Care Act of 1988
MCO	Managed Care Organization
MCP	Mercy Care Plan
MED	Medical Expense Deduction
MIG	Medicaid Infrastructure Grant
MIHS	Maricopa Integrated Health System
MIPS	Medicaid in the Public Schools
MIS	Medicaid Information System
MM	Member Months
MMA	Medicare Prescription Drug, Improvement, and Modernization Act of 2003
MMIC	Mercy Maricopa Integrated Care
MN	Medically Needy

Acronyms

Acronym	Description
MNA	Medically Needy Account
MOE	Maintenance of Effort
MSA	Master Settlement Agreement
MSIS	Medicaid Statistical Information System
MUR	Medicaid Utilization Rate
NA	Native American
NAV	Net Assessed Value
NEA	Newly Eligible Adult
NEC	Newly Eligible Children
NEMT	Non-emergency Medical Transportation
NF	Nursing Facility
NFA	Nursing Facility Assessment
NHE	National Health Expenditure data
NHE	National Health Expenditure
OBRA	Omnibus Budget Reconciliation Act of 1993
OEPS	Office of Employment and Population Statistics
OIG	Office of Inspector General
OLS	Operating Lump Sum
OOD	Office of the Director
OOE	Other Operating Expenditures
OP	Outpatient
OSPB	Governor's Office of Strategic Planning and Budgeting
P&O	Professional and Outside Services
PA	Prior Authorization
PARIS	Public Assistance Reporting Information System
PAS	Preadmission Screening
PASARR	Preadmission Screening and Annual Resident Review
PASRR	Preadmission Screening and Resident Review
PATH	Projects for Assistance in Transition from Homelessness
PCH	Phoenix Children's Hospital
PCP	Primary Care Physician
PDR	Prescription Drug Rebate
PHI	Protected Health Information
PHS	Public Health Services
PL	Public Law
PMMIS	Prepaid Medical Management Information System
PP	Prior Period
PPACA	Patient Protection and Affordable Care Act of 2010
PPC	Prior Period Coverage
PPS	Prospective Payment System
PQC	Prior Quarter Coverage
PS	Personal Services
QA	Quality Assurance
QC	Quality Control
QI	Qualified Individual
QMB	Qualified Medicare Beneficiary
RBHA	Regional Behavioral Health Authority
RFI	Request for Information
RFP	Request for Proposal
RHC	Rural Health Center
RHR	Rural Hospital Reimbursement

Acronyms

Acronym	Description
RI	Reinsurance
SA	Substance Abuse
SAMHSA	Substance Abuse and Mental Health Services Administration
SAPT	Substance Abuse Prevention and Treatment Block Grant
SASF	Substance Abuse Services Fund
SBS	School Based Services
SCHIP	State Children's Health Insurance Program
SED	Seriously Emotionally Disturbed
SFY	State Fiscal Year
SIM	State Innovation Model
SLI	Special Line Item
SLMB	Specified Low-Income Medicare Beneficiary
SM	State Match
SMI	Seriously Mentally Ill
SMIB	Supplemental Medical Insurance Benefit
SMM	State Medicaid Manual
SNAP	Supplemental Nutrition Assistance Program
SNCP	Safety Net Care Pool
SNF	Skilled Nursing Facility
SOBRA	Sixth Omnibus Budget Reconciliation Act of 1986
SOC	Share of Cost
SPA	State Plan Amendment
SPE	Strategic Prevention Enhancement Grant
SSA	Social Security Act of 1935 or Social Security Administration
SSD	Social Security Disability
SSDI	Social Security Disability Insurance
SSI	Supplemental Security Income
SSIw	Supplemental Security Income with Medicare
SSIwo	Supplemental Security Income without Medicare
STC	Special Terms and Conditions (of Waiver)
TA/SO	TANF/SOBRA
TANF	Temporary Assistance for Needy Families
TBI	Traumatic Brain Injury
TED	Treatment Episode Data (quarterly)
TEFT	Testing Experience and Functional Tools
TF	Total Fund
TIPS	Technical Interface Protocol Solutions
TLSF	Tobacco Litigation Settlement Fund
TMA	Transitional Medical Assistance
TMC	Temporar Medical Coverage
TPC	Third Party Coverage
TPL	Third Party Liability
TPP	Third Party Payer
TPTF	Tobacco Products Tax Fund
TRBHA	Tribal Regional Behavioral Health Authority
TTHCF	Tobacco Tax and Health Care Fund - Medically Needy Account
TTW	Ticket to Work (also know as Freedom to Work)
TWWIIA	Ticket to Work Incentives Improvement Act of 1999
UI	Unemployment Insurance
VA	U.S. Department of Veterans Affairs
WIIN	Work Incentive Information Network

Acronyms

Acronym	Description
WWHP	Well Women Healthcheck Program
YATI	Young Adult Transitional Insurance
Y-o-Y	Year over Year

Arizona Health Care Cost Containment System

Agency Administration and Management

AHCCCS
Arizona Health Care Cost Containment System

Arizona Governor
Douglas A. Ducey

DIRECTOR
Thomas J. Betlach

Office of Inspector General
Sharon Ormsby

DEPUTY DIRECTOR
Beth Kohler

Business & Finance
Jeff Tegen

Business Intelligence & Analytics
Craig Srsen

Health Care Management
Finance, Rate Development and Data
Shelli Silver

Heathcare Management Operations
Ginny Rountree

Information Services
Dan Lippert (Acting)

Member Services
Penny Ellis

Administrative Legal Services
Matthew Devlin

Fee for Service Management
Elizabeth Carpio

HIT Coordinator
Lorie Mayer

Healthcare Advocacy and Advancement
Paul Galdys

Human Resources & Development
Roxanne Robles

Intergovernmental Relations
Monica Coury

Continuous Improvement
Gloria Diaz

Project Management / Payment Modernization
Michal Rudnick
George Jacobson
Kari Price
Jim Wang

CHIEF MEDICAL OFFICER
Dr. Sara Salek

Clinical Services
Medical Director, Roger Willcox
Dental Director, Michael Recuber
Physician Program Consultant, Mark Carroll
Pharmacy Services, Suzanne Berman

Clinical Project Manager
Lauren Prole

Effective Date: 5/31/16

AHCCCS
Arizona Health Care Cost Containment System

AHCCCS MISSION, VISION AND CORE VALUES

MISSION STATEMENT:
Reaching across Arizona to provide comprehensive, quality health care to those in need.

VISION STATEMENT:
Shaping tomorrow's managed health care… from today's experience, quality and innovation.

CORE VALUES:

- Passion, Good Health is a fundamental need of everyone. This belief drives us, inspires us and energizes our work.
- Community, Health Care is fundamentally local. We consult and work with, are culturally sensitive to and respond to the unique needs of each community we serve.
- Quality, Quality begins as a personal commitment to continual and rigorous improvement, self-examination, and change based on proper data and quality improvement practices.
- Respect, Each person with who we interact deserves our respect. We value ideas for changes and we learn from others.
- Accountability, We are personally responsible for our actions and understand the trust our government has placed on us. We plan and forecast as accurately as possible. Solid performance standards measure the integrity of our work. We tell the truth and keep our promises.
- Innovations, embrace change, but accept that not all innovation works as planned. We learn from experience.
- Teamwork, Our mission requires good communication among interdependent areas inside and outside the agency. Internally, we team up within across divisions. Externally, we partner with different customers as appropriate.
- Leadership, We lead primarily in tow ways: by setting the standards by which other programs can be judged, and by developing and nurturing our own future leaders.

AHCCCS (HCA)
A.R.S. CITATION(s): 36-2901

AGENCY DESCRIPTION

AGENCY DESCRIPTION:

The Arizona Health Care Cost Containment System (AHCCCS) program is a partnership that includes the State of Arizona, its counties, the Federal Government, program contractors and health plans in the private sector, and AHCCCS members. At the state level, the program is administered by the Arizona Health Care Cost Containment System Administration. The Administration's basic responsibility is to plan, develop, implement and administer an indigent health care program based on competitively bid prepaid capitated contracts and designed to provide quality health care while containing costs. The Administration's main responsibilities are quality assurance of medical care, provider and plan oversight, procurement of contract providers and program operations. The major medical programs are acute care, including the State Children's Health Insurance Program (CHIP), behavioral health services and long term care. Federal funding through Title's XIX and Title XXI (CHIP) of the Social Security Act is provided to AHCCCS through the Centers for Medicare & Medicaid Services, which is under the Department of Health and Human Services.

HCA - AHCCCS
1000 - General Fund

REVENUE SCHEDULE
FUND DEPOSITS
Justification

Purpose of the fund:

This fund was created pursuant to A.R.S. 36-2913(C)(4). It is to be used for monies drawn against appropriations made by this state for the costs of operating the Arizona Health Care Cost Containment System or the Arizona Long Term Care System. Monies shall be drawn against appropriations and transferred from the fund from which they were appropriated on an as needed basis or as specified by law.

Source of FY 2016 Revenues:

In FY 2016 there were revenues of $7.2 million related to prior year reimbursements and reversions. A.R.S. § 35-142.01(B) requires that AHCCCS deposit recoveries from reconciliations and civil monetary penalties into the General Fund. In addition, an Indirect Cost Transfer of $100.3 million was received during FY 2016.

Methodology used to develop projections:

Revenues were projected for prior year reimbursements and indirect cost transfers. The amounts are based on the FY 2012 - FY 2016 average.

Revenue Schedule

Agency: HCA Arizona Health Care Cost Containment System

Fund: 1000 General Fund

AFIS Code	Category of Receipt and Description	FY 2016	FY 2017	FY 2018
4381	SALE OF CAPITAL ASSETS	8.4	0.0	0.0
4821	PRIOR YEAR REIMBURSEMENT - REFUNDS	7,157.9	3,862.8	3,862.8
4824	CREDIT CARD INCENTIVE REVENUE - PRIOR YR	0.6	0.0	0.0
4825	CREDIT CARD INCENTIVE REV - CURRENT YR	1.0	0.0	0.0
4902	INDIRECT COST TRANSFERS IN	100.3	100.3	100.3
	Fund Total:	7,268.2	3,963.1	3,963.1

HCA - AHCCCS
1303 - Tobacco Products Tax Fund - Proposition 204 Protection Account

REVENUE SCHEDULE
FUND DEPOSITS
Justification

Purpose of the fund:

The Proposition 204 Protection Account was established pursuant to A.R.S. 36-778 and is administered by AHCCCS administration. Account funds are used to implement and fund programs and services required as a result of the expanded definition of an eligible person prescribed in section 36-2901.1 (Proposition 204).

Source of FY 2016 Revenues:

The Proposition 204 Protection account is an account which received revenues from Luxury Taxes deposited in the Tobacco Products Tax Fund and interest income.

Methodology used to develop projections:

The Luxury Tax projections for FY 2017 and FY 2018 are based on the FY 2017 appropriated amount. No interest is expected in future years since the funds are being spent as soon as they are available.

Revenue Schedule

Agency: HCA Arizona Health Care Cost Containment System

Fund: 1303 Proposition 204 Protection Account (TPTF) Fund

AFIS Code	Category of Receipt and Description	FY 2016	FY 2017	FY 2018
4191	LUXURY TAX	40,132.0	37,521.0	37,521.0
4631	TREASURERS INTEREST INCOME	1.9	0.0	0.0
	Fund Total:	40,133.8	37,521.0	37,521.0

HCA - AHCCCS
1303 - Tobacco Products Tax Fund - Proposition 204 Protection Account

SOURCES AND USES
Justification

The disbursements of this fund are used for Proposition 204 state match.

Revenues are expended as soon as they are received, therefore, no fund balance should exist in this fund.

The FY16 ending balance was a result of timing of collections and funding adjustments. This funding will utilized as an FY16 administrative adjustment.

Sources and Uses of Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 1303 Proposition 204 Protection Account (TPTF) Fund

Cash Flow Summary	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Balance Forward from Prior Year	3,352.3	0.0	0.0
Revenue (From Revenue Schedule)	40,133.8	37,521.0	37,521.0
Total Available	43,486.1	37,521.0	37,521.0
Total Appropriated Disbursements	1,993.2	0.0	0.0
Total Non-Appropriated Disbursements	41,492.9	37,521.0	37,521.0
Balance Forward to Next Year	0.0	0.0	0.0

HCA - AHCCCS
1306 - Tobacco Tax and Health Care Fund - Medically Needy Account

REVENUE SCHEDULE
FUND DEPOSITS
Justification

Purpose of the fund:

The Tobacco Tax and Health Care fund was established pursuant to A.R.S. 36-771 and consists of all revenues deposited in the fund pursuant to sections 42-3252 and 42-3302 and interest earned on those monies. The fund shall be administered pursuant to the provisions of and for the purposes prescribed by Title 36, Chapter 6, Article B.

Source of FY 2016 Revenues:

The Administration receives funds from two different revenue sources for this fund. The largest portion of the revenues deposited into this fund came from Luxury Tax. A small amount of revenue for this fund came from interest earnings on the fund balance.

Methodology used to develop projections:

The Luxury Tax projections for FY 2017 and FY 2018 are based on the FY 2017 appropriated amounts. Interest income based on previous years experience.

Revenue Schedule

Agency: HCA Arizona Health Care Cost Containment System

Fund: 1306 Tobacco Tax and Health Care Fund

AFIS Code	Category of Receipt and Description	FY 2016	FY 2017	FY 2018
4191	LUXURY TAX	73,755.2	73,698.2	73,698.2
4631	TREASURERS INTEREST INCOME	1.9	1.9	1.9
	Fund Total:	73,757.0	73,700.1	73,700.1

HCA - AHCCCS
1306 - Tobacco Tax and Health Care Fund - Medically Needy Account

SOURCES AND USES
Justification

The disbursements of fund 1306 represent state match dollars for the Traditional Medicaid Services program as well Traditional Behavioral Health Services as outlined in the JLBC Appropriations Report.

This fund is also used for Option 1 and 2 transplants in accordance with A.R.S. 36-2907.10, A.R.S. 36-2907.11, and A.R.S. 36-2907.12.

The SFY16 ending balance is carried forward and is grown slightly due to interest income to cover potential shortfalls in tobacco revenues.

The amounts identified as State match for Title XIX Behavioral Health is shown as a transfer out in FY16 and then as an expenditure in FY17 when the Behavioral Health appropriations are transferred to AHCCCS as part of the Governor's Administrative Simplification plan.

Sources and Uses of Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 1306 Tobacco Tax and Health Care Fund

Cash Flow Summary	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Balance Forward from Prior Year	6,346.2	902.4	904.3
Revenue (From Revenue Schedule)	73,757.0	73,700.1	73,700.1
Total Available	80,103.2	74,602.5	74,604.4
Total Appropriated Disbursements	34,498.5	72,998.2	72,998.2
Total Non-Appropriated Disbursements	44,702.3	700.0	700.0
Balance Forward to Next Year	902.4	904.3	906.2

HCA - AHCCCS
1310 - Tobacco Products Tax Fund - Emergency Health Services

REVENUE SCHEDULE
FUND DEPOSITS
Justification

Purpose of the fund:

The Emergency Health Services Account was established pursuant to A.R.S. 36-776 and is administered by the AHCCCS Administration. Funds are used for the Proposition 204 State Match. Monies in the account are subject to legislative appropriation.

Source of FY 2016 Revenues:

The Emergency Health Services fund receives revenues from Luxury Taxes deposited in the Tobacco Products Tax Fund.

Methodology used to develop projections:

The Luxury Tax projections for FY 2017 and FY 2018 are based on the FY 2017 appropriated amount. No interest is expected in future years since the funds are being spent as soon as they are available.

Revenue Schedule

Agency: HCA Arizona Health Care Cost Containment System

Fund: 1310 Tobacco Products Tax Fund

AFIS Code	Category of Receipt and Description	FY 2016	FY 2017	FY 2018
4191	LUXURY TAX	19,110.5	18,747.2	18,747.2
4631	TREASURERS INTEREST INCOME	0.5	0.0	0.0
	Fund Total:	19,110.9	18,747.2	18,747.2

HCA - AHCCCS
1310 - Tobacco Products Tax Fund - Emergency Health Services

SOURCES AND USES
Justification

The disbursements of this fund are for Proposition 204 state match.

Revenues are expended as soon as they are received, therefore, no fund balance should exist in this fund.

Sources and Uses of Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 1310 Tobacco Products Tax Fund

Cash Flow Summary	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Balance Forward from Prior Year	0.0	0.0	0.0
Revenue (From Revenue Schedule)	19,110.9	18,747.2	18,747.2
Total Available	19,110.9	18,747.2	18,747.2
Total Appropriated Disbursements	19,110.9	18,747.2	18,747.2
Total Non-Appropriated Disbursements	0.0	0.0	0.0
Balance Forward to Next Year	0.0	0.0	0.0

Appropriated Expenditure

Expenditure Categories	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Personal Services	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0
Prof. And Outside Services	0.0	0.0	0.0
Travel - In State	0.0	0.0	0.0
Travel - Out of State	0.0	0.0	0.0
Food	0.0	0.0	0.0
Aid to Organizations and Individuals	18,162.2	18,747.2	18,747.2
Other Operating Expenses	0.0	0.0	0.0
Equipment	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0
Transfers	0.0	0.0	0.0
Expenditure Categories Total:	18,162.2	18,747.2	18,747.2
Non-Lapsing Authority from Prior Years	0.0	0.0	0.0
Administrative Adjustments	948.7	0.0	0.0
Capital Projects (Land, Buildings,Improvements)	0.0	0.0	0.0
Appropriated 27th Pay Roll	0.0	0.0	0.0
Legislative Fund Transfers	0.0	0.0	0.0
Appropriated Expenditure Total:	19,110.9	18,747.2	18,747.2
Apppropriated FTE:	0.0	0.0	0.0

Fund Justification

Justification: See Attached Justification

Fund Description

Source:	See attached justification
Use:	See attached justification
OSPB:	This fund receives tobacco tax revenues authorized by Proposition 303 and the monies are dedicated to Arizona Health Care Cost Containment System for costs related to Proposition 204 and emergency services.

HCA - AHCCCS
2000 - Federal Grant

REVENUE SCHEDULE
FUND DEPOSITS
Justification

Purpose of the fund:

This fund was established by a grant of Federal Funds in Fiscal Year 2002. The purpose of the fund is to administer the Federal Grants and non-appropriated federal operating funds

Source of FY 2016 Revenues:

The revenues in FY 2016 are from federal grants to provide match against non-appropriated state expenditures or to fund specific federally funded projects.

Methodology used to develop projections:

The projected revenues for FY 2017 and FY 2018 include funds for the DHS Arizona State Immunization Information System Registry, Mental Health Block Grant, Substance Abuse Prevention and Treatment Block Grant, and Projects for Assistance in Transition from Homelessness grant.

Revenue Schedule

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2000 Federal Grant Fund

AFIS Code	Category of Receipt and Description	FY 2016	FY 2017	FY 2018
4211	FEDERAL GRANTS	982.6	53,696.5	53,717.4
4699	MISCELLANEOUS RECEIPTS	239.5	0.0	0.0
	Fund Total:	1,222.1	53,696.5	53,717.4

HCA - AHCCCS
2000 - Federal Grant

SOURCES AND USES
Justification

Expenditures in this fund are primarily for specific federally funded projects.

FY16 expenditures includes a small amount for the Arizona State Immunization Information System (ASIIS) pass-through and miscellaneous Federal grants

Projected expenditures for FY 2017 and FY 2018 include the DHS Arizona State Immunization Information System Registry, Mental Health Block Grant, Substance Abuse Prevention and Treatment Block Grant, and Projects for Assistance in Transition from Homelessness grant.

Any fund balance is a result of timing differences between the federal draw and payment.

Sources and Uses of Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2000 Federal Grant Fund

Cash Flow Summary	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Balance Forward from Prior Year	0.0	20.9	0.0
Revenue (From Revenue Schedule)	1,222.1	53,696.5	53,717.4
Total Available	1,222.1	53,717.4	53,717.4
Total Appropriated Disbursements	0.0	0.0	0.0
Total Non-Appropriated Disbursements	1,201.2	53,717.4	53,717.4
Balance Forward to Next Year	20.9	0.0	0.0

Non-Appropriated Expenditure

Expenditure Categories	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Personal Services	195.4	406.8	406.8
Employee Related Expenses	52.3	149.7	149.7
Prof. And Outside Services	860.3	1,351.7	1,351.7
Travel - In State	2.0	0.2	0.2
Travel - Out of State	4.9	0.5	0.5
Food	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	51,617.8	51,617.8
Other Operating Expenses	1.2	103.8	103.8
Equipment	0.0	1.9	1.9
Capital Outlay	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0
Transfers	85.1	85.0	85.0
Expenditure Categories Total:	1,201.2	53,717.4	53,717.4
Cap Transfer due to Fund Balance	0.0	0.0	0.0
Prior Commitments or Obligated Expenditures	0.0	0.0	0.0
Non Appropriated 27th Pay Roll	0.0	0.0	0.0
Non-Appropriated Expenditure Total:	1,201.2	53,717.4	53,717.4
Non-Appppropriated FTE:	0.0	0.0	0.0

Fund Justification

Justification: See Attached Justification

Fund Description

Source: See attached justification

Use: See attached justification

OSPB: This fund was established by a grant of Federal Funds in FY 2001. The purpose of the fund is to administer the Federal grants and non-appropriated federal operating funds.

HCA - AHCCCS
2120 - AHCCCS Fund

REVENUE SCHEDULE
FUND DEPOSITS
Justification

Purpose of the fund:

The AHCCCS Fund was established pursuant to A.R.S. 36-2913. The fund is to be used to pay administrative and program costs associated with the operation of the AHCCCS system.

Source of FY 2016 Revenues:

This fund received revenue from several different sources. The largest portion of revenues collected in this fund came from Federal funds for the Administration (including Pass-through administration for DES, DHS, and OAH), Acute, Proposition 204, and Newly Eligible Adults. In addition to the Federal funds, in FY 2016, this fund received revenues in the form of State and Local grants, which came from the Counties for the Acute Care program.

In addition to the above, this fund received miscellaneous revenues from prior year reimbursements, miscellaneous receipts, revenue from sale of assets, and operating transfers. The institutional care revenue represents premium collections from members for the Freedom to Work program.

Methodology used to develop projections:

The AHCCCS Fund Federal Grant projections for FY 2017 and FY 2018 represent the Acute Federal Funds amount, plus the appropriated Admin Federal Funds amount, plus the Department of Health Services Federal Title XIX Funds amount, and the Prop 204 Federal Funds amount as well as other federal pass-throughs. For FY 2017 and FY 2018, the county revenues are shown in the County Fund 9691.

Revenue Schedule

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2120 AHCCCS Fund

AFIS Code	Category of Receipt and Description	FY 2016	FY 2017	FY 2018
4211	FEDERAL GRANTS	6,908,884.0	7,398,528.6	8,117,508.4
4231	STATE AND LOCAL GOVT GRANTS - OPERATING	49,856.8	0.0	0.0
4333	INSTITUTIONAL CARE	51.8	55.5	60.9
4339	OTHER FEES AND CHARGES FOR SERVICES	623.0	667.2	732.0
4381	SALE OF CAPITAL ASSETS	15.5	16.6	18.2
4645	CREDIT CARD DISCOUNT FEES PAID	0.1	0.1	0.1
4699	MISCELLANEOUS RECEIPTS	78.8	84.4	92.6
4902	INDIRECT COST TRANSFERS IN	595.2	637.3	699.3
	Fund Total:	6,960,105.2	7,399,989.7	8,119,111.5

HCA - AHCCCS
2120 - AHCCCS Fund

SOURCES AND USES
Justification

Expenditures from this fund include Federal funds for the Administration (including Pass-through administration for DES, DHS, and OAH), Acute, Proposition 204, and Newly Eligible Adults. Federal pass-through for the School Based Services program also flows through the AHCCCS Fund. In FY 2016, the expenditures include the County portion of the Acute Care program, in FY 2017 and FY 2018 these are shown as County funds.

Any fund balance is a result of timing due to the federal fund draw process and payment lags and AFIS posting.

Sources and Uses of Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2120 AHCCCS Fund

Cash Flow Summary	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Balance Forward from Prior Year	7,260.0	29,157.9	0.0
Revenue (From Revenue Schedule)	6,960,105.2	7,399,989.7	8,119,111.5
Total Available	6,967,365.2	7,429,147.6	8,119,111.5
Total Appropriated Disbursements	127,577.8	0.0	0.0
Total Non-Appropriated Disbursements	6,810,629.5	7,429,147.6	8,119,111.5
Balance Forward to Next Year	29,157.9	0.0	0.0

Appropriated Expenditure

Expenditure Categories	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Personal Services	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0
Prof. And Outside Services	0.0	0.0	0.0
Travel - In State	0.0	0.0	0.0
Travel - Out of State	0.0	0.0	0.0
Food	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	0.0	0.0
Other Operating Expenses	0.0	0.0	0.0
Equipment	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0
Transfers	0.0	0.0	0.0
Expenditure Categories Total:	0.0	0.0	0.0
Non-Lapsing Authority from Prior Years	0.0	0.0	0.0
Administrative Adjustments	127,577.8	0.0	0.0
Capital Projects (Land, Buildings,Improvements)	0.0	0.0	0.0
Appropriated 27th Pay Roll	0.0	0.0	0.0
Legislative Fund Transfers	0.0	0.0	0.0
Appropriated Expenditure Total:	127,577.8	0.0	0.0
Apppropriated FTE:	0.0	0.0	0.0

Non-Appropriated Expenditure

Expenditure Categories	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Personal Services	26,282.4	34,011.9	34,178.4
Employee Related Expenses	11,177.1	14,234.9	14,300.4
Prof. And Outside Services	10,544.0	13,670.0	13,675.0
Travel - In State	46.9	59.3	61.9
Travel - Out of State	14.2	24.5	26.9
Food	0.0	0.0	0.0
Aid to Organizations and Individuals	6,583,365.7	7,302,914.0	7,941,702.2
Other Operating Expenses	29,843.8	24,121.6	31,506.2
Equipment	733.4	81.8	(545.6)
Capital Outlay	0.0	0.0	(6.6)
Debt Service	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0
Transfers	148,622.0	40,029.6	84,212.7
Expenditure Categories Total:	6,810,629.5	7,429,147.6	8,119,111.5
Cap Transfer due to Fund Balance	0.0	0.0	0.0
Prior Commitments or Obligated Expenditures	0.0	0.0	0.0
Non Appropriated 27th Pay Roll	0.0	0.0	0.0
Non-Appropriated Expenditure Total:	6,810,629.5	7,429,147.6	8,119,111.5
Non-Apppropriated FTE:	0.0	0.0	3.0

All dollars are presented in thousands (not FTE).

Sources and Uses of Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund Justification

Justification: See Attached Justification

Fund Description

Source:	See attached justification
Use:	See attached justification
OSPB:	The fund consists of federal match for Title XIX programs. In the actual year, funds also include the county portion of state match.

HCA - AHCCCS
2130 - Delivery System Reform Incentive Payment Fund

REVENUE SCHEDULE
FUND DEPOSITS
Justification

Purpose of the fund:

The DSRIP Fund was established pursuant to Laws 2016, Chapter 122 (HB2704). The fund includes federal funding claimed via certified public expenditure (CPE) for Designated State Health Programs (DSHPs) and funds provided by Intergovernmental Transfers (IGT).

Source of FY 2016 Revenues:

No revenues were received in FY 2016. The fund was established in FY 2017.

Methodology used to develop projections:

The Federal Grant revenue reflects anticipated Federal Medicaid Title XIX funding that is claimed via CPE for DSHPs. The State and Local Government revenue reflects anticipated IGT funding.

Revenue Schedule

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2130 Delivery System Reform Incentive Payment Fund

AFIS Code	Category of Receipt and Description	FY 2016	FY 2017	FY 2018
4211	FEDERAL GRANTS	0.0	0.0	88,627.8
4236	STATE AND LOCAL GOVERNMENT - OTHER	0.0	0.0	13,988.9
	Fund Total:	0.0	0.0	102,616.7

All dollars are presented in thousands (not FTE).

HCA - AHCCCS
2130 - Delivery System Reform Incentive Payment Fund

SOURCES AND USES
Justification

The DSRIP Fund was established pursuant to Laws 2016, Chapter 122 (HB2704). The fund includes federal funding claimed via certified public expenditure (CPE) for Designated State Health Programs (DSHPs) and funds provided by Intergovernmental Transfers (IGT).

No revenues were received in FY 2016. The fund was established in FY 2017.

The Federal Grant revenue reflects anticipated Federal Medicaid Title XIX funding that is claimed via CPE for DSHPs. The State and Local Government revenue reflects anticipated IGT funding.

Sources and Uses of Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2130 Delivery System Reform Incentive Payment Fund

Cash Flow Summary	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Balance Forward from Prior Year	0.0	0.0	0.0
Revenue (From Revenue Schedule)	0.0	0.0	102,616.7
Total Available	0.0	0.0	102,616.7
Total Appropriated Disbursements	0.0	0.0	0.0
Total Non-Appropriated Disbursements	0.0	0.0	102,616.7
Balance Forward to Next Year	0.0	0.0	0.0

Non-Appropriated Expenditure

Expenditure Categories	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Personal Services	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0
Prof. And Outside Services	0.0	0.0	0.0
Travel - In State	0.0	0.0	0.0
Travel - Out of State	0.0	0.0	0.0
Food	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	0.0	102,616.7
Other Operating Expenses	0.0	0.0	0.0
Equipment	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0
Transfers	0.0	0.0	0.0
Expenditure Categories Total:	0.0	0.0	102,616.7
Cap Transfer due to Fund Balance	0.0	0.0	0.0
Prior Commitments or Obligated Expenditures	0.0	0.0	0.0
Non Appropriated 27th Pay Roll	0.0	0.0	0.0
Non-Appropriated Expenditure Total:	0.0	0.0	102,616.7
Non-Appppropriated FTE:	0.0	0.0	0.0

Fund Justification

Justification:

Fund Description

Source:

Use:

OSPB:

HCA - AHCCCS
2223 - AZ Long Term Care System

REVENUE SCHEDULE
FUND DEPOSITS
Justification

Purpose of the fund:

The AZ Long Term Care System fund was created pursuant to A.R.S. 36-2913. It consists of the Federal and County share of the ALTCS program and the DES Long-Term Care program.

Source of FY 2016 Revenues:

This fund receives revenue from several different sources. The Federal Fund amounts represent the Federal share of the ALTCS program and the DES Long Term Care Program. Transaction privilege tax revenue is the County portion of the ALTCS program. Revenue is also received in the form of interest earned on the average balance in the fund for the fiscal year.

Methodology used to develop projections:

The ALTCS Fund Federal Grant projections for FY 2017 and FY 2018 are the Long-Term Care Federal Fund amount plus the Department of Economic Security (DES) Arizona Long Term Care System fund amount. For FY 2017 and FY 2018, the county revenues are shown in the County Fund 8691.

Revenue Schedule

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2223 Long Term Care System Fund

AFIS Code	Category of Receipt and Description	FY 2016	FY 2017	FY 2018
4111	TRANSACTION PRIVILEGE TAX	249,296.7	0.0	0.0
4211	FEDERAL GRANTS	1,667,967.3	1,676,068.5	1,956,816.9
4631	TREASURERS INTEREST INCOME	0.1	0.0	0.0
	Fund Total:	1,917,264.1	1,676,068.5	1,956,816.9

All dollars are presented in thousands (not FTE).

HCA - AHCCCS
2223 - AZ Long Term Care System

SOURCES AND USES
Justification

Expenditures from this fund represent the Federal Share of the ALTCS and DES Long Term Care Programs. In FY 2016, it includes the county portion of the ALTCS program. In FY 2017 and FY 2018 the county share of the program is included in the County Fund 9691.

Any fund balance is a result of timing due to the federal fund draw process and payment lags.

Sources and Uses of Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2223 Long Term Care System Fund

Cash Flow Summary	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Balance Forward from Prior Year	31,756.9	35,635.1	0.0
Revenue (From Revenue Schedule)	1,917,264.1	1,676,068.5	1,956,816.9
Total Available	1,949,021.0	1,711,703.6	1,956,816.9
Total Appropriated Disbursements	42,046.5	0.0	0.0
Total Non-Appropriated Disbursements	1,871,339.4	1,711,703.6	1,956,816.9
Balance Forward to Next Year	35,635.1	0.0	0.0

Appropriated Expenditure

Expenditure Categories	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Personal Services	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0
Prof. And Outside Services	0.0	0.0	0.0
Travel - In State	0.0	0.0	0.0
Travel - Out of State	0.0	0.0	0.0
Food	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	0.0	0.0
Other Operating Expenses	0.0	0.0	0.0
Equipment	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0
Transfers	0.0	0.0	0.0
Expenditure Categories Total:	0.0	0.0	0.0
Non-Lapsing Authority from Prior Years	0.0	0.0	0.0
Administrative Adjustments	42,046.5	0.0	0.0
Capital Projects (Land, Buildings,Improvements)	0.0	0.0	0.0
Appropriated 27th Pay Roll	0.0	0.0	0.0
Legislative Fund Transfers	0.0	0.0	0.0
Appropriated Expenditure Total:	42,046.5	0.0	0.0
Apppropriated FTE:	0.0	0.0	0.0

Non-Appropriated Expenditure

Expenditure Categories	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Personal Services	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0
Prof. And Outside Services	0.0	0.0	0.0
Travel - In State	0.0	0.0	0.0
Travel - Out of State	0.0	0.0	0.0
Food	0.0	0.0	0.0
Aid to Organizations and Individuals	1,871,327.2	1,711,703.6	1,956,816.9
Other Operating Expenses	0.0	0.0	0.0
Equipment	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0
Transfers	12.2	0.0	0.0
Expenditure Categories Total:	1,871,339.4	1,711,703.6	1,956,816.9
Cap Transfer due to Fund Balance	0.0	0.0	0.0
Prior Commitments or Obligated Expenditures	0.0	0.0	0.0
Non Appropriated 27th Pay Roll	0.0	0.0	0.0
Non-Appropriated Expenditure Total:	1,871,339.4	1,711,703.6	1,956,816.9
Non-Appppropriated FTE:	0.0	0.0	0.0

Sources and Uses of Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund Justification

Justification: See Attached Justification

Fund Description

Source:	See attached justification
Use:	See attached justification
OSPB:	In the actual year it contains statutorily-prescribed county contributions for the provision of long-term care services to AHCCCS eligible populations. In all years, the fund includes federal share for ALTCS and DES long-term care programs.

HCA - AHCCCS
2227 - Substance Abuse Services Fund

REVENUE SCHEDULE
FUND DEPOSITS
Justification

Purpose of the fund:

This fund is used to provide alcohols and other drug screening, education or treatment for persons court-ordered to attend and who do not have the financial ability to pay for the services, to contract for preventative or rehabilitative and substance abuse services, and to provide priority for treatment services to pregnant substance abusers.

Source of FY 2016 Revenues:

The fund receives 23.6% of monies collected from Medical Services Enhancement Fund which is a 13% penalty levied on criminal offenses, motor vehicle civil violations and game and fish violations. The fund was with ADHS in FY16.

Methodology used to develop projections:

This fund is not active in AHCCCS until FY17. The projected revenues are set equal to the projected expenditures, plus an estimated FY16 ending fund balance to be transferred from ADHS..

Revenue Schedule

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2227 Substance Abuse Services Fund

AFIS Code	Category of Receipt and Description	FY 2016	FY 2017	FY 2018
4511	COURT ASSESSMENTS	0.0	2,250.2	2,250.2
4901	OPERATING TRANSFERS IN	0.0	2,945.4	0.0
	Fund Total:	0.0	5,195.6	2,250.2

HCA - AHCCCS
2227 - Substance Abuse Services Fund

SOURCES AND USES
Justification

This fund is used to provide alcohols and other drug screening, education or treatment for persons court-ordered to attend and who do not have the financial ability to pay for the services, to contract for preventative or rehabilitative and substance abuse services, and to provide priority for treatment services to pregnant substance abusers.

This fund transfers to AHCCCS in FY17 as part of the Governor's Administrative Simplification plan.

Sources and Uses of Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2227 Substance Abuse Services Fund

Cash Flow Summary	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Balance Forward from Prior Year	0.0	0.0	2,945.4
Revenue (From Revenue Schedule)	0.0	5,195.6	2,250.2
Total Available	0.0	5,195.6	5,195.6
Total Appropriated Disbursements	0.0	2,250.2	2,250.2
Total Non-Appropriated Disbursements	0.0	0.0	0.0
Balance Forward to Next Year	0.0	2,945.4	2,945.4

Appropriated Expenditure

Expenditure Categories	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Personal Services	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0
Prof. And Outside Services	0.0	0.0	0.0
Travel - In State	0.0	0.0	0.0
Travel - Out of State	0.0	0.0	0.0
Food	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	2,250.2	2,250.2
Other Operating Expenses	0.0	0.0	0.0
Equipment	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0
Transfers	0.0	0.0	0.0
Expenditure Categories Total:	0.0	2,250.2	2,250.2
Non-Lapsing Authority from Prior Years	0.0	0.0	0.0
Administrative Adjustments	0.0	0.0	0.0
Capital Projects (Land, Buildings,Improvements)	0.0	0.0	0.0
Appropriated 27th Pay Roll	0.0	0.0	0.0
Legislative Fund Transfers	0.0	0.0	0.0
Appropriated Expenditure Total:	0.0	2,250.2	2,250.2
Apppropriated FTE:	0.0	0.0	0.0

Fund Justification

Justification:

Fund Description

Source:

Use:

OSPB:

HCA - AHCCCS
2409 - Children's Health Insurance Program

REVENUE SCHEDULE
FUND DEPOSITS
Justification

Purpose of the fund:

The Children's Health Insurance Program (CHIP) fund was established pursuant to A.R.S. 36-2995 and is used to pay the administrative and program costs associated with the operation of the CHIP program.

Source of FY 2016 Revenues:

The CHIP Federal Grants revenue for FY16 represents the Federal portion of the CHIP Services and CHIP Administration appropriations. Institutional Care revenue represents the premiums received from CHIP members.

Methodology used to develop projections:

The Federal Grants projections for FY 2017 and FY 2018 represent the Federal portion of the CHIP Services and CHIP Administration.

The Institutional Care revenue represents member premium collection estimates for FY 2017 and FY 2018.

Credit Card discount fees based on percentage of premiums collected.

Revenue Schedule

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2409 Children's Health Insurance Program Fund

AFIS Code	Category of Receipt and Description	FY 2016	FY 2017	FY 2018
4211	FEDERAL GRANTS	2,663.6	1,720.8	102,951.1
4333	INSTITUTIONAL CARE	305.2	197.2	14,486.3
4645	CREDIT CARD DISCOUNT FEES PAID	(1.2)	(0.8)	(55.8)
	Fund Total:	2,967.6	1,917.2	117,381.6

HCA - AHCCCS
2409 - Children's Health Insurance Program

SOURCES AND USES
Justification

The expenditures in this fund represent the Federal share and premiums share of the CHIP Services, CHIP Administration, and KidsCare II programs.

Any Fund balance is due to timing between the collection of monthly premiums and payments as well as the timing of federal draws.

The FY 2016 ending funding balance of $1.8 million is carried forward in FY 2017, however, in any given month, the fund balance may vary depending on timing.

Sources and Uses of Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2409 Children's Health Insurance Program Fund

Cash Flow Summary	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Balance Forward from Prior Year	1,615.2	1,757.7	0.0
Revenue (From Revenue Schedule)	2,967.6	1,917.2	117,381.6
Total Available	4,582.8	3,674.9	117,381.6
Total Appropriated Disbursements	2,825.1	3,674.9	117,381.6
Total Non-Appropriated Disbursements	0.0	0.0	0.0
Balance Forward to Next Year	1,757.7	0.0	0.0

Appropriated Expenditure

Expenditure Categories	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Personal Services	254.2	918.2	918.2
Employee Related Expenses	109.8	362.2	362.2
Prof. And Outside Services	0.2	183.5	183.5
Travel - In State	0.0	0.5	0.5
Travel - Out of State	0.0	0.9	0.9
Food	0.0	0.0	0.0
Aid to Organizations and Individuals	2,025.5	1,955.0	111,661.7
Other Operating Expenses	24.5	251.2	251.2
Equipment	0.1	3.4	3.4
Capital Outlay	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0
Transfers	9.8	0.0	4,000.0
Expenditure Categories Total:	2,424.1	3,674.9	117,381.6
Non-Lapsing Authority from Prior Years	0.0	0.0	0.0
Administrative Adjustments	401.0	0.0	0.0
Capital Projects (Land, Buildings,Improvements)	0.0	0.0	0.0
Appropriated 27th Pay Roll	0.0	0.0	0.0
Legislative Fund Transfers	0.0	0.0	0.0
Appropriated Expenditure Total:	2,825.1	3,674.9	117,381.6
Apppropriated FTE:	0.0	0.0	0.0

Fund Justification

Justification: See Attached Justification

Fund Description

Source:	See attached justification
Use:	See attached justification
OSPB:	Consists of Federal Title XXI funds and member premiums, which are used to provide health coverage for children eligible for the KidsCare program administered by AHCCCS, and related administrative costs.

HCA - AHCCCS
2438 - AHCCCS Intergovernmental Service Fund

REVENUE SCHEDULE
FUND DEPOSITS
Justification

Purpose of the fund:

The AHCCCS Intergovernmental Service Fund was created pursuant to A.R.S. 36-2927. In September 1999, AHCCCS entered into an agreement with the State of Hawaii to develop and manage its Medicaid Information System. In return AHCCCS is compensated for associated direct and indirect costs.

Source of FY 2016 Revenues:

Revenues from State and Local Government - Other represent monies received from Hawaii as reimbursement for direct and indirect costs associated with the development and management of its Medicaid Information System.

Methodology used to develop projections:

The Hawaii Intergovernmental Service Fund revenue projections for FY 2017 and FY 2018 represent the estimated State of Hawaii costs associated with Information Technology services provided by AHCCCS for the implementation, operation and maintenance of the PMMIS system for Hawaii.

Interest income is estimated based on prior year experience

Revenue Schedule

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2438 AHCCCS Intergovernmental Service Fund

AFIS Code	Category of Receipt and Description	FY 2016	FY 2017	FY 2018
4236	STATE AND LOCAL GOVERNMENT - OTHER	5,998.0	7,500.0	7,500.0
4631	TREASURERS INTEREST INCOME	8.6	8.6	8.6
4902	INDIRECT COST TRANSFERS IN	294.5	294.5	294.5
	Fund Total:	6,301.1	7,803.1	7,803.1

HCA - AHCCCS
2438 - AHCCCS Intergovernmental Service Fund

SOURCES AND USES
Justification

Expenditures from this fund represent purchases made by AHCCCS on behalf of the State of Hawaii for the development and management of the PMMIS system.

The fund balance consists of about two to three months of Hawaii operating expenditures on hand in the fund and indirect cost savings which AHCCCS uses for IT related projects.

Sources and Uses of Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2438 AHCCCS Intergovernmental Service Fund

Cash Flow Summary	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Balance Forward from Prior Year	2,853.7	1,189.8	1,072.6
Revenue (From Revenue Schedule)	6,301.1	7,803.1	7,803.1
Total Available	9,154.8	8,992.9	8,875.7
Total Appropriated Disbursements	0.0	0.0	0.0
Total Non-Appropriated Disbursements	7,965.0	7,920.3	7,920.3
Balance Forward to Next Year	1,189.8	1,072.6	955.4

Non-Appropriated Expenditure

Expenditure Categories	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Personal Services	3,073.9	2,424.0	2,424.0
Employee Related Expenses	1,144.6	879.0	879.0
Prof. And Outside Services	0.8	0.0	0.0
Travel - In State	0.0	0.0	0.0
Travel - Out of State	0.0	0.0	0.0
Food	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	0.0	0.0
Other Operating Expenses	2,739.3	3,627.3	3,627.3
Equipment	16.4	0.0	0.0
Capital Outlay	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0
Transfers	990.0	990.0	990.0
Expenditure Categories Total:	7,965.0	7,920.3	7,920.3
Cap Transfer due to Fund Balance	0.0	0.0	0.0
Prior Commitments or Obligated Expenditures	0.0	0.0	0.0
Non Appropriated 27th Pay Roll	0.0	0.0	0.0
Non-Appropriated Expenditure Total:	7,965.0	7,920.3	7,920.3
Non-Apppropriated FTE:	0.0	0.0	0.0

Fund Justification

Justification: See Attached Justification

Fund Description

Source:	See attached justification
Use:	See attached justification
OSPB:	The fund is used to pay all costs, including staff positions, incurred in the administration of a Medicaid information system for the State of Hawaii. Revenues are from billings to the Hawaii Medicaid program (this fund is also referred to as the "HAPA Fund").

HCA - AHCCCS
2449 - Employee Recognition Fund

REVENUE SCHEDULE
FUND DEPOSITS
Justification

Purpose of the fund:

This fund was created pursuant to A.R.S. 36-2903 (C) (16) for the purpose of raising funds and accepting private donations to fund the AHCCCS Employee Recognition Program. Proceeds are used to promote employee recognition in the form of awards, mentoring and a variety of other activities aimed at building morale and improving the quality of work life at AHCCCS.

Source of FY 2016 Revenues:

The revenues received in this fund come from private donations from employees and other entities and fund raising activities coordinated through the AHCCCS Recognition Team (ART).

Methodology used to develop projections:

Projections for this fund are based on historical information and current trends. Information is also obtained from the Recognition Team regarding their projections for fund raising activities for the fiscal year.

Revenue Schedule

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2449 Employee Recognition Fund

AFIS Code	Category of Receipt and Description	FY 2016	FY 2017	FY 2018
4699	MISCELLANEOUS RECEIPTS	2.5	2.0	2.0
	Fund Total:	2.5	2.0	2.0

HCA - AHCCCS
2449 - Employee Recognition Fund

SOURCES AND USES
Justification

Expenditures in this fund are to promote employee recognition in the form of awards, mentoring and a variety of other activities aimed at building morale and improving the quality of work life at AHCCCS.

Sources and Uses of Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2449 Employee Recognition Fund

Cash Flow Summary	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Balance Forward from Prior Year	2.0	2.7	2.9
Revenue (From Revenue Schedule)	2.5	2.0	2.0
Total Available	4.5	4.7	4.9
Total Appropriated Disbursements	0.0	0.0	0.0
Total Non-Appropriated Disbursements	1.8	1.8	1.8
Balance Forward to Next Year	2.7	2.9	3.1

Non-Appropriated Expenditure

Expenditure Categories	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Personal Services	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0
Prof. And Outside Services	0.0	0.0	0.0
Travel - In State	0.0	0.0	0.0
Travel - Out of State	0.0	0.0	0.0
Food	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	0.0	0.0
Other Operating Expenses	1.8	1.8	1.8
Equipment	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0
Transfers	0.0	0.0	0.0
Expenditure Categories Total:	1.8	1.8	1.8
Cap Transfer due to Fund Balance	0.0	0.0	0.0
Prior Commitments or Obligated Expenditures	0.0	0.0	0.0
Non Appropriated 27th Pay Roll	0.0	0.0	0.0
Non-Appropriated Expenditure Total:	1.8	1.8	1.8
Non-Apppropriated FTE:	0.0	0.0	0.0

Fund Justification

Justification:

Fund Description

Source:

Use:

OSPB:

HCA - AHCCCS
2468 - Arizona Tobacco Litigation Settlement Fund

REVENUE SCHEDULE
FUND DEPOSITS
Justification

Purpose of the fund:

The Arizona Tobacco Litigation Settlement Fund is a nonlapsing fund created pursuant to A.R.S. 36-2901.02. It consists of all monies that Arizona receives pursuant to the tobacco litigation master settlement agreement entered into on November 23, 1998 plus interest earned on these funds. On November 7, 2000, voters approved Proposition 204, which expands eligibility for the AHCCCS programs for individuals who have annual incomes of less than 100% of Federal Poverty Level, and to provide funding for 6 public health programs, if monies are available.

Source of FY 2016 Revenues:

Revenues in this fund consist of monies from the National Tobacco Settlement for Prop 204 services.

Methodology used to develop projections:

The Tobacco Settlement projections for FY 2017 are based on the FY 2017 Appropriation. For FY 2018, the amount is reduced by $21,000,000 assoicated with the elimination of the strategic contribution fund payment component of the MSA funding. The Strategic Contribution Fund payments started 4/15/2008 and run through 4/15/2017. This additional payment is from tobacco companies that joined the MSA after the original agreement.

Revenue Schedule

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2468 Arizona Tobacco Litigation Settlement Fund

AFIS Code	Category of Receipt and Description	FY 2016	FY 2017	FY 2018
4699	MISCELLANEOUS RECEIPTS	98,906.9	100,000.0	79,000.0
	Fund Total:	98,906.9	100,000.0	79,000.0

HCA - AHCCCS
2468 - Arizona Tobacco Litigation Settlement Fund

SOURCES AND USES
Justification

Expenditures from this fund are for Proposition 204 State Match for AHCCCS Medical Services.

Sources and Uses of Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2468 Arizona Tobacco Litigation Settlement Fund

Cash Flow Summary	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Balance Forward from Prior Year	0.0	0.0	0.0
Revenue (From Revenue Schedule)	98,906.9	100,000.0	79,000.0
Total Available	98,906.9	100,000.0	79,000.0
Total Appropriated Disbursements	0.0	0.0	0.0
Total Non-Appropriated Disbursements	98,906.9	100,000.0	79,000.0
Balance Forward to Next Year	0.0	0.0	0.0

Non-Appropriated Expenditure

Expenditure Categories	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Personal Services	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0
Prof. And Outside Services	0.0	0.0	0.0
Travel - In State	0.0	0.0	0.0
Travel - Out of State	0.0	0.0	0.0
Food	0.0	0.0	0.0
Aid to Organizations and Individuals	98,906.9	100,000.0	79,000.0
Other Operating Expenses	0.0	0.0	0.0
Equipment	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0
Transfers	0.0	0.0	0.0
Expenditure Categories Total:	98,906.9	100,000.0	79,000.0
Cap Transfer due to Fund Balance	0.0	0.0	0.0
Prior Commitments or Obligated Expenditures	0.0	0.0	0.0
Non Appropriated 27th Pay Roll	0.0	0.0	0.0
Non-Appropriated Expenditure Total:	98,906.9	100,000.0	79,000.0
Non-Apppropriated FTE:	0.0	0.0	0.0

Fund Justification

Justification: See Attached Justification

Fund Description

Source:	See attached Justification
Use:	See attached justification
OSPB:	Revenues in the fund are from payments received by the State for the Master Settlement Agreement between tobacco companies and the states entered into on November 23, 1998, along with interest on those funds. The funds are used as part of the State match for the Proposition 204 AHCCCS expansion, approved by the voters on November 7, 2000.

HCA - AHCCCS
2478 - Budget Neutrality Compliance Fund

REVENUE SCHEDULE
FUND DEPOSITS
Justification

Purpose of the fund:

The Budget Neutrality Compliance Fund was created pursuant to A.R.S. 36-2928 and consists of third party liability recoveries pursuant to section 36-2913, county contributions deposited pursuant to section 11-292, subsection P and section 11-300, subsection D and appropriations.

Source of FY 2016 Revenues:

For FY 2016, revenues in this fund consisted of county contributions deposited pursuant to section 11-292.

Methodology used to develop projections:

Revenues are projected based on the FY 2017 appropriation.

Revenue Schedule

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2478 Budget Neutrality Compliance Fund

AFIS Code	Category of Receipt and Description		FY 2016	FY 2017	FY 2018
4231	STATE AND LOCAL GOVT GRANTS - OPERATING		3,482.9	3,563.3	3,563.3
		Fund Total:	3,482.9	3,563.3	3,563.3

HCA - AHCCCS
2478 - Budget Neutrality Compliance Fund

SOURCES AND USES
Justification

This fund is a pass through appropriation to DES to support Proposition 204 administrative eligibility functions.

The FY17 appropriation for this portion of the fund is $3,563,300

The ending balance consisting primarily of interest is carried forward each year. Due to timing the final quarterly distribution for FY16 will be made as an administrative adjusment.

Sources and Uses of Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2478 Budget Neutrality Compliance Fund

Cash Flow Summary	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Balance Forward from Prior Year	855.6	870.7	0.0
Revenue (From Revenue Schedule)	3,482.9	3,563.3	3,563.3
Total Available	4,338.5	4,434.0	3,563.3
Total Appropriated Disbursements	3,467.8	4,434.0	3,563.3
Total Non-Appropriated Disbursements	0.0	0.0	0.0
Balance Forward to Next Year	870.7	0.0	0.0

Appropriated Expenditure

Expenditure Categories	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Personal Services	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0
Prof. And Outside Services	0.0	0.0	0.0
Travel - In State	0.0	0.0	0.0
Travel - Out of State	0.0	0.0	0.0
Food	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	0.0	0.0
Other Operating Expenses	0.0	0.0	0.0
Equipment	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0
Transfers	2,612.2	3,563.3	3,563.3
Expenditure Categories Total:	2,612.2	3,563.3	3,563.3
Non-Lapsing Authority from Prior Years	0.0	0.0	0.0
Administrative Adjustments	855.6	870.7	0.0
Capital Projects (Land, Buildings,Improvements)	0.0	0.0	0.0
Appropriated 27th Pay Roll	0.0	0.0	0.0
Legislative Fund Transfers	0.0	0.0	0.0
Appropriated Expenditure Total:	3,467.8	4,434.0	3,563.3
Apppropriated FTE:	0.0	0.0	0.0

Fund Justification

Justification: See Attached Justification

Fund Description

Source:	See attached justification
Use:	See attached justification
OSPB:	This fund is a pass-through fund for county contributions for use by the Department of Economic Security for eligibility determinations.

HCA - AHCCCS
2494 - Trauma and Emergency Services Fund

REVENUE SCHEDULE
FUND DEPOSITS
Justification

Purpose of the fund:

The Trauma and Emergency Services Fund was established pursuant to A.R.S. § 36-2903.07. Monies are received from the Arizona Benefits Fund consisting of tribal gaming revenues paid to the State as a result of Proposition 202. The Trauma and Emergency Services fund receives 28% of the remaining funds after portions are taken out for the Department of Gaming administrative and regulatory expenses and problem gambling.

Source of FY 2016 Revenues:

Source of revenue in FY 2016 was Other Fees revenue from the Arizona Benefits Fund.

Methodology used to develop projections:

Revenue projections are based on prior year actual.

Revenue Schedule

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2494 Trauma and Emergency Services Fund

AFIS Code	Category of Receipt and Description	FY 2016	FY 2017	FY 2018
4339	OTHER FEES AND CHARGES FOR SERVICES	22,594.6	23,027.4	23,027.4
	Fund Total:	22,594.6	23,027.4	23,027.4

HCA - AHCCCS
2494 - Trauma and Emergency Services Fund

SOURCES AND USES
Justification

Expenditures from this fund are to be used to reimburse Arizona hospitals for unrecovered trauma center readiness costs and unrecovered emergency services costs.

Revenues are received quarterly, however, distributions are made twice per year. Therefore, there will always be an ended fund of approximately one quarter of the prior year revenue.

Sources and Uses of Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2494 Trauma and Emergency Services Fund

Cash Flow Summary	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Balance Forward from Prior Year	6,390.7	5,957.9	5,957.9
Revenue (From Revenue Schedule)	22,594.6	23,027.4	23,027.4
Total Available	28,985.3	28,985.3	28,985.3
Total Appropriated Disbursements	0.0	0.0	0.0
Total Non-Appropriated Disbursements	23,027.4	23,027.4	23,027.4
Balance Forward to Next Year	5,957.9	5,957.9	5,957.9

Non-Appropriated Expenditure

Expenditure Categories	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Personal Services	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0
Prof. And Outside Services	0.0	0.0	0.0
Travel - In State	0.0	0.0	0.0
Travel - Out of State	0.0	0.0	0.0
Food	0.0	0.0	0.0
Aid to Organizations and Individuals	23,027.4	23,027.4	23,027.4
Other Operating Expenses	0.0	0.0	0.0
Equipment	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0
Transfers	0.0	0.0	0.0
Expenditure Categories Total:	23,027.4	23,027.4	23,027.4
Cap Transfer due to Fund Balance	0.0	0.0	0.0
Prior Commitments or Obligated Expenditures	0.0	0.0	0.0
Non Appropriated 27th Pay Roll	0.0	0.0	0.0
Non-Appropriated Expenditure Total:	23,027.4	23,027.4	23,027.4
Non-Appppropriated FTE:	0.0	0.0	0.0

Fund Justification

Justification: See Attached Justification

Fund Description

Source:	See attached justification
Use:	See attached justification
OSPB:	Revenue is from 28% of tribal gaming revenues received as a result of Prop. 202, after deductions are taken for Gaming administrative and problem gambling programs. Funds are used to reimburse Arizona hospitals for unrecovered trauma center and emergency services costs.

HCA - AHCCCS
2500 - Interagency Service Agreement Fund

REVENUE SCHEDULE
FUND DEPOSITS
Justification

Purpose of the fund:

The IGA and ISA Fund was established pursuant to A.R.S. 36-2925 (F). The administration may enter into intergovernmental agreements with other agencies of this state to provide the facilities, equipment or services that are necessary to fulfill an agreement entered into pursuant to this section.

Source of FY 2016 Revenues:

Revenues in this fund were from Operating Transfers-In from the Department of Economic Security, the Department of Health Services, the Arizona Department of Corrections, and Arizona Counties. Additionally, this fund includes political subdivision contributions for supplemental hospital payments.

Methodology used to develop projections:

The Operating Transfers-In revenue projections for FY 2017 and FY 2018 represent the State match for the Department of Economic Security Long-Term Care program.

The State and Local Government revenue for FY 2017 and FY 2018 is the estimated county and DOC funding for claims processing for inmates and from political subdivisions for supplemental hospital payments.

Revenue Schedule

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2500 IGA and ISA Fund

AFIS Code	Category of Receipt and Description	FY 2016	FY 2017	FY 2018
4236	STATE AND LOCAL GOVERNMENT - OTHER	113,076.6	54,087.6	70,682.6
4449	OTHER FEES	234.1	0.0	0.0
4645	CREDIT CARD DISCOUNT FEES PAID	(5.8)	0.0	0.0
4901	OPERATING TRANSFERS IN	951,385.8	455,073.7	594,698.5
	Fund Total:	1,064,690.7	509,161.3	665,381.1

HCA - AHCCCS
2500 - Interagency Service Agreement Fund

SOURCES AND USES
Justification

The Operating Transfers for FY 2016 represent the State matches for the Department of Economic Security Long-Term Care program, the Department of Health Services Behavioral Health program, the Arizona Department of Corrections claims processing for inmates, and county claims processing for inmates.

In FY 2017, the DBHS program shifts from a pass-through to an official AHCCCS appropriation, thus the reduction in FY 2017.

State and Local funding represents funding from political subdivisions for Graduate Medical Education, Disproportionate Share Hospital, and Safety Net Care Pool payments.

Any fund balance is a result of timing between the transfer in from other entities and the distribution of funds back to those entities. At times, this fund balance can be large, however, this funding always fully committed.

FY 2016 Fund Balance is carried forward into FY 2017 and FY 2018.

Sources and Uses of Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2500 IGA and ISA Fund

Cash Flow Summary	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Balance Forward from Prior Year	25,406.8	65,878.7	0.0
Revenue (From Revenue Schedule)	1,064,690.7	509,161.3	665,381.1
Total Available	1,090,097.5	575,040.0	665,381.1
Total Appropriated Disbursements	0.0	0.0	0.0
Total Non-Appropriated Disbursements	1,024,218.8	575,040.0	665,381.1
Balance Forward to Next Year	65,878.7	0.0	0.0

Non-Appropriated Expenditure

Expenditure Categories	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Personal Services	1,425.3	1,174.2	1,174.2
Employee Related Expenses	469.4	391.4	391.4
Prof. And Outside Services	162.8	1.6	1.6
Travel - In State	0.0	0.0	0.0
Travel - Out of State	0.0	0.0	0.0
Food	0.0	0.0	0.0
Aid to Organizations and Individuals	1,021,039.2	572,824.5	663,165.6
Other Operating Expenses	3,572.7	648.3	648.3
Equipment	461.9	0.0	0.0
Capital Outlay	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0
Transfers	(2,912.5)	0.0	0.0
Expenditure Categories Total:	1,024,218.8	575,040.0	665,381.1
Cap Transfer due to Fund Balance	0.0	0.0	0.0
Prior Commitments or Obligated Expenditures	0.0	0.0	0.0
Non Appropriated 27th Pay Roll	0.0	0.0	0.0
Non-Appropriated Expenditure Total:	1,024,218.8	575,040.0	665,381.1
Non-Appppropriated FTE:	0.0	0.0	0.0

Fund Justification

Justification: See Attached Justification

Fund Description

Source:	See attached justification
Use:	See attached justification
OSPB:	This fund was established for state agencies as a clearing account to properly account for, control, and report receipts and disbursements associated with intergovernmental and interagency service agreements, which are not reported in other funds.

HCA - AHCCCS
2532 - Hospital Loan Residency Program

REVENUE SCHEDULE
FUND DEPOSITS
Justification

Purpose of the fund:

This fund is established pursuant to Laws 2006, Chapter 331, Section 9 (A.R.S 36-2921) to provide loans to hospitals establishing new residency programs.

Source of FY 2016 Revenues:

There were no revenues in this fund in FY 2016.

Methodology used to develop projections:

There are no revenues projected in this fund. All loans have been repaid.

HCA - AHCCCS
2532 - Hospital Loan Residency Program

SOURCES AND USES
Justification

Revenues from this fund were used to provide loans to hospitals to establish new residency programs pursuant to A.R.S. 36-2921

The beginning fund balance for FY 2016 is $900,000 from repayments. This amount can be swept to the General Fund and this fund can be eliminated.

Sources and Uses of Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2532 Hospital Loan Residency Fund

Cash Flow Summary	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Balance Forward from Prior Year	900.0	900.0	900.0
Total Available	900.0	900.0	900.0
Total Appropriated Disbursements	0.0	0.0	0.0
Total Non-Appropriated Disbursements	0.0	0.0	0.0
Balance Forward to Next Year	900.0	900.0	900.0

Fund Justification

Justification: See Attached Justification

Fund Description

Source:	See attached justification
Use:	See attached justification
OSPB:	This fund receives revenue from General Fund appropriations, and distributes those funds as loans to hospitals establishing new medical residency programs.

HCA - AHCCCS
2546 - Prescription Drug Rebate Fund

REVENUE SCHEDULE
FUND DEPOSITS
Justification

Purpose of the fund:

This fund is established pursuant to Laws 2011, Chapter 24, Section 14 for the collection and distribution of monies made available from the operation of the Prescription Drug Rebate program.

Source of FY 2016 Revenues:

Collections are recorded in AFIS as a contra expense rather than revenue. Therefore, the only revenue shown for this fund is a modest amount of interest. The revenue shown as other fees in FY16 is an adjustment to reflect the original positive fund balance which is actually a negative expenditure balance since this is recorded as a contra expense.

Methodology used to develop projections:

Collections are projected based on projected invoices times a collection rate of approximately 97%.

See the Prescription Drug Rebate Fund Decision Package for more detail on this fund.

Revenue Schedule

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2546 Prescription Drug Rebate Fund

AFIS Code	Category of Receipt and Description	FY 2016	FY 2017	FY 2018
4449	OTHER FEES	0.0	(137,287.2)	0.0
4635	LOAN AND OTHER INTEREST INCOME	33.1	0.0	0.0
	Fund Total:	33.1	(137,287.2)	0.0

All dollars are presented in thousands (not FTE).

HCA - AHCCCS
2546 - Prescription Drug Rebate Fund

SOURCES AND USES
Justification

Monies in this fund are used to return the federal share of Prescription Drug Rebate collections to CMS by using the collections in lieu of a new federal draw. These are non-appropriated transactions.

Additionally, the non-federal share of collections is utilized as state match for the Traditional, Proposition 204, and ALTCS-EPD programs; and administrative costs including payments for the drug rebate vendor. These are appropriated transactions.

The collections in this fund are treated as a contra expense rather than revenues and are all loaded in the Traditional Medicaid Services line item as a non-appropriated transaction.

See the Prescription Drug Rebate Fund Decision Package for more detail on this fund.

The balance forward each year shown as a positive number is actually a negative contra expense.

Sources and Uses of Funds

Agency: HCA Arizona Health Care Cost Containment System

Appropriated Expenditure

Expenditure Categories	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Personal Services	24.8	9.3	9.3
Employee Related Expenses	12.1	3.4	3.4
Prof. And Outside Services	365.0	185.4	487.3
Travel - In State	0.0	0.0	0.0
Travel - Out of State	0.0	0.0	0.0
Food	0.0	0.0	0.0
Aid to Organizations and Individuals	105,315.8	113,580.8	155,707.9
Other Operating Expenses	0.4	0.0	0.0
Equipment	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0
Transfers	0.0	0.0	0.0
Expenditure Categories Total:	105,718.1	113,778.9	156,207.9
Non-Lapsing Authority from Prior Years	0.0	0.0	0.0
Administrative Adjustments	0.0	0.0	0.0
Capital Projects (Land, Buildings,Improvements)	0.0	0.0	0.0
Appropriated 27th Pay Roll	0.0	0.0	0.0
Legislative Fund Transfers	0.0	0.0	0.0
Appropriated Expenditure Total:	105,718.1	113,778.9	156,207.9
Apppropriated FTE:	0.0	0.0	0.0

Non-Appropriated Expenditure

Expenditure Categories	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Personal Services	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0
Prof. And Outside Services	0.0	0.0	0.0
Travel - In State	0.0	0.0	0.0
Travel - Out of State	0.0	0.0	0.0
Food	0.0	0.0	0.0
Aid to Organizations and Individuals	(128,821.4)	(261,174.4)	(126,436.9)
Other Operating Expenses	0.0	0.0	0.0
Equipment	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0
Transfers	0.0	0.0	0.0
Expenditure Categories Total:	(128,821.4)	(261,174.4)	(126,436.9)
Cap Transfer due to Fund Balance	0.0	0.0	0.0
Prior Commitments or Obligated Expenditures	0.0	0.0	0.0
Non Appropriated 27th Pay Roll	0.0	0.0	0.0
Non-Appropriated Expenditure Total:	(128,821.4)	(261,174.4)	(126,436.9)
Non-Apppropriated FTE:	0.0	0.0	0.0

Fund Justification

Justification: See Attached Justification

Fund Description

Source:

Use:

OSPB:

Sources and Uses of Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2546 Prescription Drug Rebate Fund

Cash Flow Summary	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Balance Forward from Prior Year	86,938.0	110,074.4	120,182.7
Revenue (From Revenue Schedule)	33.1	(137,287.2)	0.0
Total Available	86,971.1	(27,212.8)	120,182.7
Total Appropriated Disbursements	105,718.1	113,778.9	156,207.9
Total Non-Appropriated Disbursements	(128,821.4)	(261,174.4)	(126,436.9)
Balance Forward to Next Year	110,074.4	120,182.7	90,411.7

All dollars are presented in thousands (not FTE).

HCA - AHCCCS
2555 - Seriously Mentally Ill Housing Trust Fund

REVENUE SCHEDULE
FUND DEPOSITS
Justification

Purpose of the fund:

This fund was created by ARS 41-3955.01 consisting of monies received pursuant to section 44-313.

Source of FY 2016 Revenues:

This fund is not active in AHCCCS until FY17. The projected revenues are set equal to the projected expenditures, plus an estimated FY16 ending fund balance to be transferred from ADHS.

Methodology used to develop projections:

NA

Revenue Schedule

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2555 Seriously Mentally Ill Housing Trust Fund

AFIS Code	Category of Receipt and Description	FY 2016	FY 2017	FY 2018
4189	OTHER PROPERTY TAX	0.0	2,000.0	2,000.0
4901	OPERATING TRANSFERS IN	0.0	4,230.5	0.0
	Fund Total:	0.0	6,230.5	2,000.0

All dollars are presented in thousands (not FTE).

HCA - AHCCCS
2555 - Seriously Mentally Ill Housing Trust Fund

SOURCES AND USES
Justification

Monies in this fund are utilized for housing projects for the seriously mentally ill. This fund transfers to AHCCCS in FY17 as part of the Governor's Administrative Simplification plan.

Sources and Uses of Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2555 Seriously Mentally Ill Housing Trust Fund

Cash Flow Summary	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Balance Forward from Prior Year	0.0	0.0	4,230.5
Revenue (From Revenue Schedule)	0.0	6,230.5	2,000.0
Total Available	0.0	6,230.5	6,230.5
Total Appropriated Disbursements	0.0	0.0	0.0
Total Non-Appropriated Disbursements	0.0	2,000.0	2,000.0
Balance Forward to Next Year	0.0	4,230.5	4,230.5

Non-Appropriated Expenditure

Expenditure Categories	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Personal Services	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0
Prof. And Outside Services	0.0	0.0	0.0
Travel - In State	0.0	0.0	0.0
Travel - Out of State	0.0	0.0	0.0
Food	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	2,000.0	2,000.0
Other Operating Expenses	0.0	0.0	0.0
Equipment	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0
Transfers	0.0	0.0	0.0
Expenditure Categories Total:	0.0	2,000.0	2,000.0
Cap Transfer due to Fund Balance	0.0	0.0	0.0
Prior Commitments or Obligated Expenditures	0.0	0.0	0.0
Non Appropriated 27th Pay Roll	0.0	0.0	0.0
Non-Appropriated Expenditure Total:	0.0	2,000.0	2,000.0
Non-Apppropriated FTE:	0.0	0.0	0.0

Fund Justification

Justification:

Fund Description

Source:

Use:

OSPB:

HCA - AHCCCS
2567 - Nursing Facility Assessment Fund

REVENUE SCHEDULE
FUND DEPOSITS
Justification

Purpose of the fund:

This fund is established pursuant to Laws 2012, Chapter 213 which amended Title 36, Chapter 29 by adding Article 6, establishing a tax on the nursing facilities within the State.

Source of FY 2016 Revenues:

Revenues include funding collected from the Nursing Facility Assessment, federal funds drawn down to match the assessment amounts as well as a small amount of interest.

Methodology used to develop projections:

FY17 and FY18 revenue projections are based on the AHCCCS projections. See the Nursing Facility Assessment decision package for more information.

Revenue Schedule

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2567 Nursing Facility Provider Assessment Fund

AFIS Code	Category of Receipt and Description	FY 2016	FY 2017	FY 2018
4198	MEDICAID PROVIDER ASSESSMENT	49,451.5	0.0	17,796.0
4211	FEDERAL GRANTS	11,750.2	15,580.5	40,470.5
4631	TREASURERS INTEREST INCOME	12.2	3.1	11.6
	Fund Total:	61,213.9	15,583.6	58,278.1

All dollars are presented in thousands (not FTE).

HCA - AHCCCS
2567 - Nursing Facility Assessment Fund

SOURCES AND USES
Justification

Monies in this fund include tax funds, federal matching funds, interest and penalties, legislative appropriations, private grants, and gift contributions associated with the state's Nursing Facility tax pursuant to A.R.S. 36-2999.52 through 36-2999.57

Disbursements include both the state and federal share of the payments made to the Nursing Facilities.

Any fund balance is a result of timing differences between the collections, federal draw process, and payment.

Sources and Uses of Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2567 Nursing Facility Provider Assessment Fund

Cash Flow Summary	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Balance Forward from Prior Year	6,717.0	6,633.1	0.0
Revenue (From Revenue Schedule)	61,213.9	15,583.6	58,278.1
Total Available	67,930.9	22,216.7	58,278.1
Total Appropriated Disbursements	0.0	0.0	0.0
Total Non-Appropriated Disbursements	61,297.8	22,216.7	58,278.1
Balance Forward to Next Year	6,633.1	0.0	0.0

Non-Appropriated Expenditure

Expenditure Categories	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Personal Services	20.3	20.3	20.3
Employee Related Expenses	7.0	7.0	7.0
Prof. And Outside Services	0.0	0.0	0.0
Travel - In State	0.0	0.0	0.0
Travel - Out of State	0.0	0.0	0.0
Food	0.0	0.0	0.0
Aid to Organizations and Individuals	61,270.5	22,189.4	58,250.8
Other Operating Expenses	0.0	0.0	0.0
Equipment	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0
Transfers	0.0	0.0	0.0
Expenditure Categories Total:	61,297.8	22,216.7	58,278.1
Cap Transfer due to Fund Balance	0.0	0.0	0.0
Prior Commitments or Obligated Expenditures	0.0	0.0	0.0
Non Appropriated 27th Pay Roll	0.0	0.0	0.0
Non-Appropriated Expenditure Total:	61,297.8	22,216.7	58,278.1
Non-Appppropriated FTE:	0.0	0.0	0.0

Fund Justification

Justification: See Attached Justification

Fund Description

Source:

Use:

OSPB:

HCA - AHCCCS
2576 - Hospital Assessment

REVENUE SCHEDULE
FUND DEPOSITS
Justification

Purpose of the fund:

This fund was created pursuant to Laws 2013, First Special Session, Chapter 10 to fund the state match associated with the Proposition 204 AHCCCS Care restoration and the Newly Eligible Adult population

Source of FY 2016 Revenues:

Revenues are from a Medicaid Provider Assessment.

Methodology used to develop projections:

FY17 assumes using half of the available FY16 carry-forward balance; FY18 assumes using remainder of the FY16 balance.

Revenue Schedule

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2576 Hospital Assessment

AFIS Code	Category of Receipt and Description	FY 2016	FY 2017	FY 2018
4198	MEDICAID PROVIDER ASSESSMENT	250,192.6	244,413.6	304,074.9
	Fund Total:	250,192.6	244,413.6	304,074.9

All dollars are presented in thousands (not FTE).

HCA - AHCCCS
2576 - Hospital Assessment

SOURCES AND USES
Justification

Expenditures from this fund are used to support the Proposition 204 and Newly Eligible Adult programs for FY 2017 and FY 2018.

Any fund balance is a result of timing between collection of assessment and expenditure. The FY16 ending balance is expected to be partially administratively adjusted based on prior experience and used to offset anticipated shortfalls in FY17 and FY18.

Sources and Uses of Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2576 Hospital Assessment

Cash Flow Summary	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Balance Forward from Prior Year	9,850.7	15,830.9	7,915.4
Revenue (From Revenue Schedule)	250,192.6	244,413.6	304,074.9
Total Available	260,043.3	260,244.5	311,990.3
Total Appropriated Disbursements	20,014.8	0.0	0.0
Total Non-Appropriated Disbursements	224,197.6	252,329.1	311,990.3
Balance Forward to Next Year	15,830.9	7,915.4	0.0

Appropriated Expenditure

Expenditure Categories	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Personal Services	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0
Prof. And Outside Services	0.0	0.0	0.0
Travel - In State	0.0	0.0	0.0
Travel - Out of State	0.0	0.0	0.0
Food	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	0.0	0.0
Other Operating Expenses	0.0	0.0	0.0
Equipment	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0
Transfers	0.0	0.0	0.0
Expenditure Categories Total:	0.0	0.0	0.0
Non-Lapsing Authority from Prior Years	0.0	0.0	0.0
Administrative Adjustments	20,014.8	0.0	0.0
Capital Projects (Land, Buildings,Improvements)	0.0	0.0	0.0
Appropriated 27th Pay Roll	0.0	0.0	0.0
Legislative Fund Transfers	0.0	0.0	0.0
Appropriated Expenditure Total:	20,014.8	0.0	0.0
Apppropriated FTE:	0.0	0.0	0.0

Non-Appropriated Expenditure

Expenditure Categories	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Personal Services	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0
Prof. And Outside Services	0.0	0.0	0.0
Travel - In State	0.0	0.0	0.0
Travel - Out of State	0.0	0.0	0.0
Food	0.0	0.0	0.0
Aid to Organizations and Individuals	224,197.6	252,329.1	311,990.3
Other Operating Expenses	0.0	0.0	0.0
Equipment	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0
Transfers	0.0	0.0	0.0
Expenditure Categories Total:	224,197.6	252,329.1	311,990.3
Cap Transfer due to Fund Balance	0.0	0.0	0.0
Prior Commitments or Obligated Expenditures	0.0	0.0	0.0
Non Appropriated 27th Pay Roll	0.0	0.0	0.0
Non-Appropriated Expenditure Total:	224,197.6	252,329.1	311,990.3
Non-Apppropriated FTE:	0.0	0.0	0.0

All dollars are presented in thousands (not FTE).

HCA - AHCCCS
3791 - AHCCCS - 3rd Party Collection

REVENUE SCHEDULE
FUND DEPOSITS
Justification

Purpose of the fund:

The AHCCCS - 3rd Party Collection fund was established pursuant to A.R.S. 36-2913(D). The third party liability fund is comprised of monies paid by third party payers and TEFRA lien and estate recoveries.

Source of FY 2016 Revenues:

Beginning in FY 2012, the Miscellaneous receipts revenue are recorded in AFIS as a contra-expense, therefore, for FY 2016 and onward, the only revenue shown is the Federal Transfer in for the contingency fee.

Revenues received in this fund are from TEFRA lien and estate recoveries as well as third party payers. This fund also receives interest income on the fund balance throughout the fiscal year. The Federal transfer-in represents the federal share of the administrative contingency fee paid to the TPL contractor.

Methodology used to develop projections:

The Miscellaneous Receipts projection represents the estimated net third party recoveries to AHCCCS. The estimates are developed by the AHCCCS Third Party Liability unit and are used to offset program expenditures. The recoveries represent both the Federal and State share of collections.

Revenue Schedule

Agency: HCA Arizona Health Care Cost Containment System

Fund: 3791 AHCCCS - 3rd Party Collection Fund

AFIS Code	Category of Receipt and Description	FY 2016	FY 2017	FY 2018
4211	FEDERAL GRANTS	656.4	840.0	840.0
	Fund Total:	656.4	840.0	840.0

All dollars are presented in thousands (not FTE).

HCA - AHCCCS
3791 - AHCCCS - 3rd Party Collection

SOURCES AND USES
Justification

Distributions include payment of the TPL contractor fee and return of federal share to CMS. The state's share of recoveries is transferred to the AHCCCS fund, ALTCS Fund, or KidsCare Fund as appropriate. Annuity recoveries on behalf of the ADES Department of Developmental Disabilities are transferred to ADES.

There is normally a one month lag between collection of TPL and distribution to proper parties, therefore, there is usually approximately one month of recoveries included in the fund balance. June 2015 disbursements were delayed due to the AFIS conversion, thus there is an extra month lag in the FY15 ending fund balance.

Sources and Uses of Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 3791 AHCCCS - 3rd Party Collection Fund

Cash Flow Summary	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Balance Forward from Prior Year	1,416.1	1,302.5	902.5
Revenue (From Revenue Schedule)	656.4	840.0	840.0
Total Available	2,072.5	2,142.5	1,742.5
Total Appropriated Disbursements	0.0	0.0	0.0
Total Non-Appropriated Disbursements	770.0	1,240.0	1,240.0
Balance Forward to Next Year	1,302.5	902.5	502.5

Non-Appropriated Expenditure

Expenditure Categories	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Personal Services	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0
Prof. And Outside Services	1,447.6	1,680.0	1,680.0
Travel - In State	0.0	0.0	0.0
Travel - Out of State	0.0	0.0	0.0
Food	0.0	0.0	0.0
Aid to Organizations and Individuals	(7,412.7)	(8,565.3)	(8,565.3)
Other Operating Expenses	0.0	0.0	0.0
Equipment	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0
Transfers	6,735.1	8,125.3	8,125.3
Expenditure Categories Total:	770.0	1,240.0	1,240.0
Cap Transfer due to Fund Balance	0.0	0.0	0.0
Prior Commitments or Obligated Expenditures	0.0	0.0	0.0
Non Appropriated 27th Pay Roll	0.0	0.0	0.0
Non-Appropriated Expenditure Total:	770.0	1,240.0	1,240.0
Non-Apppropriated FTE:	0.0	0.0	0.0

Fund Justification

Justification: See Attached Justification

Fund Description

Source:	See attached justification
Use:	See attached justification
OSPB:	This fund consists of recoveries from third parties for AHCCCS costs. Expenses are distributions to the AHCCCS fund, ALTCS fund or KidsCare fund and are used to offset state and federal obligations for these programs. Contractor fees are also included in expenditures.

HCA - AHCCCS
9691 - County Funds

REVENUE SCHEDULE
FUND DEPOSITS
Justification

Purpose of the fund:

The purpose of this BUDDIES only fund is to separately track county contributions for the Acute and Long Term Care Programs for budget submission purposes. Actual activity is reported in the AHCCCS Fund and LTC System Fund.

Source of FY 2016 Revenues:

No Revenues were recorded in FY16 as the county revenues were recorded in the AHCCCS Fund and ALTCS Fund.

Methodology used to develop projections:

The State and Local Grants in FY 2017 and FY 2018 represent the appropriated/projected county contributions for Acute and Long Term Care programs.

Revenue Schedule

Agency: HCA Arizona Health Care Cost Containment System

Fund: 9691 County Funds Fund

AFIS Code	Category of Receipt and Description	FY 2016	FY 2017	FY 2018
4231	STATE AND LOCAL GOVT GRANTS - OPERATING	0.0	280,196.7	297,542.9
	Fund Total:	0.0	280,196.7	297,542.9

HCA - AHCCCS
9691 - County Funds

SOURCES AND USES
Justification

Expenditures from this fund are used to support the Acute and Long Term Care programs FY 2017 and FY 2018 budget submission county funds.

Sources and Uses of Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 9691 County Funds Fund

Cash Flow Summary	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Balance Forward from Prior Year	0.0	0.0	0.0
Revenue (From Revenue Schedule)	0.0	280,196.7	297,542.9
Total Available	0.0	280,196.7	297,542.9
Total Appropriated Disbursements	0.0	0.0	0.0
Total Non-Appropriated Disbursements	0.0	280,196.7	297,542.9
Balance Forward to Next Year	0.0	0.0	0.0

Non-Appropriated Expenditure

Expenditure Categories	Actual FY 2016	Estimate FY 2017	Estimate FY 2018
Personal Services	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0
Prof. And Outside Services	0.0	0.0	0.0
Travel - In State	0.0	0.0	0.0
Travel - Out of State	0.0	0.0	0.0
Food	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	280,196.7	297,542.9
Other Operating Expenses	0.0	0.0	0.0
Equipment	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0
Transfers	0.0	0.0	0.0
Expenditure Categories Total:	0.0	280,196.7	297,542.9
Cap Transfer due to Fund Balance	0.0	0.0	0.0
Prior Commitments or Obligated Expenditures	0.0	0.0	0.0
Non Appropriated 27th Pay Roll	0.0	0.0	0.0
Non-Appropriated Expenditure Total:	0.0	280,196.7	297,542.9
Non-Apppropriated FTE:	0.0	0.0	0.0

Fund Justification

Justification: See Attached Justification

Fund Description

Source: See attached justification

Use: See attached justification

OSPB: The revenues in this fund are from county contributions for the AHCCCS Acute and ALTCS programs. While actual revenues are recorded in the AHCCCS Fund or the ALTCS Fund, forecast revenues are displayed in a separate fund for purposes of clarity. These funds are expended as a portion of the State match for AHCCCS programs.

Summary of Expenditure and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System

Non-Appropriated

	Cost Center/Program:	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
1	Administration	109,447.3	101,174.6	40,931.8	142,106.4
2	Long Term Care	2,298,985.6	2,392,754.6	397,043.0	2,789,797.6
3	Acute Care	3,971,742.8	2,754,009.2	357,025.4	3,111,034.6
4	Proposition 204	3,075,008.2	2,786,422.2	155,088.4	2,941,510.6
5	Non-Title XIX Behavioral Health	0.0	112,316.8	0.0	112,316.8
6	Children's Health Insurance Program	141.4	334.3	0.0	334.3
7	Children's Rehabilitative Services	178,076.2	190,437.8	4,978.8	195,416.6
8	Medicaid in the Public Schools	44,315.7	45,826.1	1,376.7	47,202.8
9	ACA Expansion	403,212.0	462,284.6	53,114.5	515,399.1
10	Medicaid Behavioral Health Services	0.0	1,390,027.0	344,657.5	1,734,684.5
		10,080,929.2	10,235,587.2	1,354,216.1	11,589,803.3
	Expenditure Categories				
	FTE	0.0	0.0	3.0	3.0
	Personal Services	30,997.3	38,037.2	166.5	38,203.7
	Employee Related Expenses	12,850.4	15,662.0	65.5	15,727.5
	Professional and Outside Services	13,015.5	16,703.3	5.0	16,708.3
	Travel In-State	48.9	59.5	2.6	62.1
	Travel Out of State	19.1	25.0	2.4	27.4
	Food (Library for Universities)	0.0	0.0	0.0	0.0
	Aid to Organizations and Individuals	9,785,041.1	10,086,583.8	1,303,040.4	11,389,624.2
	Other Operating Expenses	36,158.8	28,502.8	7,384.6	35,887.4
	Equipment	1,211.7	83.7	(627.4)	(543.7)
	Capital Outlay	0.0	0.0	(6.6)	(6.6)
	Debt Service	0.0	0.0	0.0	0.0
	Cost Allocation	0.0	0.0	0.0	0.0
	Transfers	201,586.4	49,929.9	44,183.1	94,113.0
	Expenditure Categories Total:	10,080,929.2	10,235,587.2	1,354,216.1	11,589,803.3

All dollars are presented in thousands (not FTE).

Summary of Expenditure and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System

Agency Total for All Funds:	11,388,792.8	12,201,541.3	1,582,164.4	13,783,705.7			

Summary of Expenditure and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 1000 General Fund (Appropriated)

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Cost Center/Program:					
1	Administration	52,177.4	55,004.1	3,501.3	58,505.4
2	Long Term Care	162,985.6	167,946.0	17,765.4	185,711.4
3	Acute Care	840,221.4	890,298.1	(40,055.8)	850,242.3
4	Proposition 204	16,691.9	21,232.7	60.8	21,293.5
5	Non-Title XIX Behavioral Health	0.0	98,312.8	0.0	98,312.8
6	Children's Health Insurance Program	25.3	0.0	0.0	0.0
7	Children's Rehabilitative Services	72,346.9	84,937.9	984.3	85,922.2
10	Medicaid Behavioral Health Services	0.0	433,209.8	89,556.6	522,766.4
		1,144,448.5	1,750,941.4	71,812.6	1,822,754.0
Expenditure Categories					
	FTE	0.0	0.0	3.0	3.0
	Personal Services	13,290.4	18,212.5	166.5	18,379.0
	Employee Related Expenses	5,536.4	7,258.0	65.6	7,323.6
	Professional and Outside Services	1,832.2	2,730.4	5.0	2,735.4
	Travel In-State	19.4	22.3	2.6	24.9
	Travel Out of State	12.8	14.6	2.4	17.0
	Food (Library for Universities)	0.0	0.0	0.0	0.0
	Aid to Organizations and Individuals	1,062,035.3	1,660,155.3	66,089.0	1,726,244.3
	Other Operating Expenses	13,626.4	13,515.1	3,308.9	16,824.0
	Equipment	862.8	60.8	11.1	71.9
	Capital Outlay	0.0	0.0	0.0	0.0
	Debt Service	0.0	0.0	0.0	0.0
	Cost Allocation	0.0	0.0	0.0	0.0
	Transfers	47,232.8	48,972.4	2,161.5	51,133.9
Expenditure Categories Total:		1,144,448.5	1,750,941.4	71,812.6	1,822,754.0
Fund Total:		1,144,448.5	1,750,941.4	71,812.6	1,822,754.0

All dollars are presented in thousands (not FTE).

Summary of Expenditure and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 1303 Proposition 204 Protection Account (TPTF) (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Cost Center/Program:				
3 Acute Care	3,352.2	0.0	0.0	0.0
4 Proposition 204	38,140.7	37,521.0	(22,105.5)	15,415.5
10 Medicaid Behavioral Health Services	0.0	0.0	22,105.5	22,105.5
	41,492.9	37,521.0	0.0	37,521.0
Expenditure Categories				
FTE	0.0	0.0	0.0	0.0
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	38,140.7	37,521.0	0.0	37,521.0
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	3,352.2	0.0	0.0	0.0
Expenditure Categories Total:	41,492.9	37,521.0	0.0	37,521.0
Fund Total:	41,492.9	37,521.0	0.0	37,521.0

Summary of Expenditure and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 1306 Tobacco Tax and Health Care Fund (Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Cost Center/Program:				
3 Acute Care	34,498.5	37,432.4	0.0	37,432.4
10 Medicaid Behavioral Health Services	0.0	35,565.8	0.0	35,565.8
	34,498.5	72,998.2	0.0	72,998.2
Expenditure Categories				
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	34,498.5	36,688.0	0.0	36,688.0
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	36,310.2	0.0	36,310.2
Expenditure Categories Total:	34,498.5	72,998.2	0.0	72,998.2
Fund Total:	34,498.5	72,998.2	0.0	72,998.2

All dollars are presented in thousands (not FTE).

Summary of Expenditure and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 1306 Tobacco Tax and Health Care Fund MNA (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Cost Center/Program:				
3 Acute Care	44,702.3	700.0	0.0	700.0
	44,702.3	700.0	0.0	700.0
Expenditure Categories				
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	44,702.3	700.0	0.0	700.0
Expenditure Categories Total:	44,702.3	700.0	0.0	700.0
Fund Total:	44,702.3	700.0	0.0	700.0

Summary of Expenditure and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 1306 Tobacco Tax and Health Care Fund MNA (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Agency Total for Selected Funds	79,200.8	73,698.2	0.0	73,698.2

All dollars are presented in thousands (not FTE).

Summary of Expenditure and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 1310 Tobacco Products Tax Fund (Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Cost Center/Program:				
4 Proposition 204	18,162.2	18,747.2	0.0	18,747.2
	18,162.2	18,747.2	0.0	18,747.2
Expenditure Categories				
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	18,162.2	18,747.2	0.0	18,747.2
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	18,162.2	18,747.2	0.0	18,747.2
Fund Total:	18,162.2	18,747.2	0.0	18,747.2

Summary of Expenditure and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2000 Federal Grant (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Cost Center/Program:				
1 Administration	1,116.1	2,014.6	0.0	2,014.6
3 Acute Care	85.1	85.0	0.0	85.0
5 Non-Title XIX Behavioral Health	0.0	51,617.8	0.0	51,617.8
	1,201.2	53,717.4	0.0	53,717.4
Expenditure Categories				
Personal Services	195.4	406.8	0.0	406.8
Employee Related Expenses	52.3	149.7	0.0	149.7
Professional and Outside Services	860.3	1,351.7	0.0	1,351.7
Travel In-State	2.0	0.2	0.0	0.2
Travel Out of State	4.9	0.5	0.0	0.5
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	51,617.8	0.0	51,617.8
Other Operating Expenses	1.2	103.8	0.0	103.8
Equipment	0.0	1.9	0.0	1.9
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	85.1	85.0	0.0	85.0
Expenditure Categories Total:	1,201.2	53,717.4	0.0	53,717.4
Fund Total:	1,201.2	53,717.4	0.0	53,717.4

Summary of Expenditure and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2120 AHCCCS Fund (Non-Appropriated)

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Cost Center/Program:					
1	Administration	97,157.5	88,995.1	40,931.8	129,926.9
2	Long Term Care	104.9	104.9	0.0	104.9
3	Acute Care	3,486,485.4	2,856,179.6	127,852.2	2,984,031.8
4	Proposition 204	2,601,277.8	2,401,554.0	159,892.6	2,561,446.6
7	Children's Rehabilitative Services	178,076.2	190,437.8	4,978.8	195,416.6
8	Medicaid in the Public Schools	44,315.7	45,826.1	1,376.7	47,202.8
9	ACA Expansion	403,212.0	456,023.1	32,113.1	488,136.2
10	Medicaid Behavioral Health Services	0.0	1,390,027.0	322,193.5	1,712,220.5
		6,810,629.5	7,429,147.6	689,338.7	8,118,486.3
Expenditure Categories					
	FTE	0.0	0.0	3.0	3.0
	Personal Services	26,282.4	34,011.9	166.5	34,178.4
	Employee Related Expenses	11,177.1	14,234.9	65.5	14,300.4
	Professional and Outside Services	10,544.0	13,670.0	5.0	13,675.0
	Travel In-State	46.9	59.3	2.6	61.9
	Travel Out of State	14.2	24.5	2.4	26.9
	Food (Library for Universities)	0.0	0.0	0.0	0.0
	Aid to Organizations and Individuals	6,583,365.7	7,302,914.0	638,163.0	7,941,077.0
	Other Operating Expenses	29,843.8	24,121.6	7,384.6	31,506.2
	Equipment	733.4	81.8	(627.4)	(545.6)
	Capital Outlay	0.0	0.0	(6.6)	(6.6)
	Debt Service	0.0	0.0	0.0	0.0
	Cost Allocation	0.0	0.0	0.0	0.0
	Transfers	148,622.0	40,029.6	44,183.1	84,212.7
Expenditure Categories Total:		6,810,629.5	7,429,147.6	689,338.7	8,118,486.3
Fund Total:		6,810,629.5	7,429,147.6	689,338.7	8,118,486.3

Summary of Expenditure and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2130 Delivery System Reform Incentive Payment Fund(Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Cost Center/Program:				
3 Acute Care	0.0	0.0	102,616.7	102,616.7
	0.0	0.0	102,616.7	102,616.7
Expenditure Categories				
FTE	0.0	0.0	0.0	0.0
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	0.0	102,616.7	102,616.7
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	0.0	0.0	102,616.7	102,616.7
Fund Total:	0.0	0.0	102,616.7	102,616.7

Summary of Expenditure and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2223 Long Term Care System Fund (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Cost Center/Program:				
2 Long Term Care	1,871,339.4	1,711,703.6	245,113.3	1,956,816.9
	1,871,339.4	1,711,703.6	245,113.3	1,956,816.9
Expenditure Categories				
FTE	0.0	0.0	0.0	0.0
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	1,871,327.2	1,711,703.6	245,113.3	1,956,816.9
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	12.2	0.0	0.0	0.0
Expenditure Categories Total:	1,871,339.4	1,711,703.6	245,113.3	1,956,816.9
Fund Total:	1,871,339.4	1,711,703.6	245,113.3	1,956,816.9

All dollars are presented in thousands (not FTE).

Summary of Expenditure and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2227 Substance Abuse Services Fund (Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Cost Center/Program:				
5 Non-Title XIX Behavioral Health	0.0	2,250.2	0.0	2,250.2
	0.0	2,250.2	0.0	2,250.2
Expenditure Categories				
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	2,250.2	0.0	2,250.2
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	0.0	2,250.2	0.0	2,250.2
Fund Total:	0.0	2,250.2	0.0	2,250.2

Summary of Expenditure and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2409 Children's Health Insurance Program (Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Cost Center/Program:				
1 Administration	398.6	1,719.9	4,000.0	5,719.9
6 Children's Health Insurance Program	2,025.5	1,955.0	109,706.7	111,661.7
	2,424.1	3,674.9	113,706.7	117,381.6
Expenditure Categories				
FTE	0.0	0.0	0.0	0.0
Personal Services	254.2	918.2	0.0	918.2
Employee Related Expenses	109.8	362.2	0.0	362.2
Professional and Outside Services	0.2	183.5	0.0	183.5
Travel In-State	0.0	0.5	0.0	0.5
Travel Out of State	0.0	0.9	0.0	0.9
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	2,025.5	1,955.0	109,706.7	111,661.7
Other Operating Expenses	24.5	251.2	0.0	251.2
Equipment	0.1	3.4	0.0	3.4
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	9.8	0.0	4,000.0	4,000.0
Expenditure Categories Total:	2,424.1	3,674.9	113,706.7	117,381.6
Fund Total:	2,424.1	3,674.9	113,706.7	117,381.6

All dollars are presented in thousands (not FTE).

Summary of Expenditure and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2438 AHCCCS Intergovernmental Service Fund (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Cost Center/Program:				
1 Administration	7,965.0	7,920.3	0.0	7,920.3
	7,965.0	7,920.3	0.0	7,920.3
Expenditure Categories				
Personal Services	3,073.9	2,424.0	0.0	2,424.0
Employee Related Expenses	1,144.6	879.0	0.0	879.0
Professional and Outside Services	0.8	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
Other Operating Expenses	2,739.3	3,627.3	0.0	3,627.3
Equipment	16.4	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	990.0	990.0	0.0	990.0
Expenditure Categories Total:	7,965.0	7,920.3	0.0	7,920.3
Fund Total:	7,965.0	7,920.3	0.0	7,920.3

Summary of Expenditure and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2449 Employee Recognition Fund (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Cost Center/Program:				
1 Administration	1.8	1.8	0.0	1.8
	1.8	1.8	0.0	1.8
Expenditure Categories				
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
Other Operating Expenses	1.8	1.8	0.0	1.8
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	1.8	1.8	0.0	1.8
Fund Total:	1.8	1.8	0.0	1.8

All dollars are presented in thousands (not FTE).

Summary of Expenditure and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2468 Arizona Tobacco Litigation Settlement Fund (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Cost Center/Program:				
4 Proposition 204	98,906.9	100,000.0	(21,000.0)	79,000.0
	98,906.9	100,000.0	(21,000.0)	79,000.0
Expenditure Categories				
FTE	0.0	0.0	0.0	0.0
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	98,906.9	100,000.0	(21,000.0)	79,000.0
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	98,906.9	100,000.0	(21,000.0)	79,000.0
Fund Total:	98,906.9	100,000.0	(21,000.0)	79,000.0

All dollars are presented in thousands (not FTE).

Summary of Expenditure and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2478 Budget Neutrality Compliance Fund (Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Cost Center/Program:				
4 Proposition 204	2,612.2	3,563.3	0.0	3,563.3
	2,612.2	3,563.3	0.0	3,563.3
Expenditure Categories				
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	2,612.2	3,563.3	0.0	3,563.3
Expenditure Categories Total:	2,612.2	3,563.3	0.0	3,563.3
Fund Total:	2,612.2	3,563.3	0.0	3,563.3

All dollars are presented in thousands (not FTE).

Summary of Expenditure and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2494 Prop 202 - Trauma and Emergency Services (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Cost Center/Program:				
3 Acute Care	23,027.4	23,027.4	0.0	23,027.4
	23,027.4	23,027.4	0.0	23,027.4
Expenditure Categories				
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	23,027.4	23,027.4	0.0	23,027.4
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	23,027.4	23,027.4	0.0	23,027.4
Fund Total:	23,027.4	23,027.4	0.0	23,027.4

All dollars are presented in thousands (not FTE).

Summary of Expenditure and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2500 IGA and ISA Fund (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Cost Center/Program:				
1 Administration	3,179.6	2,215.5	0.0	2,215.5
2 Long Term Care	376,883.9	406,647.4	83,788.1	490,435.5
3 Acute Care	531,670.1	106,198.5	6,553.0	112,751.5
4 Proposition 204	112,485.2	1,279.6	0.0	1,279.6
5 Non-Title XIX Behavioral Health	0.0	58,699.0	0.0	58,699.0
	1,024,218.8	575,040.0	90,341.1	665,381.1
Expenditure Categories				
FTE	0.0	0.0	0.0	0.0
Personal Services	1,425.3	1,174.2	0.0	1,174.2
Employee Related Expenses	469.4	391.4	0.0	391.4
Professional and Outside Services	162.8	1.6	0.0	1.6
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	1,021,039.2	572,824.5	90,341.1	663,165.6
Other Operating Expenses	3,572.7	648.3	0.0	648.3
Equipment	461.9	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	(2,912.5)	0.0	0.0	0.0
Expenditure Categories Total:	1,024,218.8	575,040.0	90,341.1	665,381.1
Fund Total:	1,024,218.8	575,040.0	90,341.1	665,381.1

All dollars are presented in thousands (not FTE).

Summary of Expenditure and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2546 Prescription Drug Rebate Fund (Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Cost Center/Program:				
1 Administration	402.3	198.1	301.9	500.0
2 Long Term Care	5,475.8	7,441.3	2,259.0	9,700.3
3 Acute Care	99,840.0	106,139.5	39,868.1	146,007.6
	105,718.1	113,778.9	42,429.0	156,207.9
Expenditure Categories				
FTE	0.0	0.0	0.0	0.0
Personal Services	24.8	9.3	0.0	9.3
Employee Related Expenses	12.1	3.4	0.0	3.4
Professional and Outside Services	365.0	185.4	301.9	487.3
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	105,315.8	113,580.8	42,127.1	155,707.9
Other Operating Expenses	0.4	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	105,718.1	113,778.9	42,429.0	156,207.9
Fund Total:	105,718.1	113,778.9	42,429.0	156,207.9

All dollars are presented in thousands (not FTE).

Summary of Expenditure and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2546 Prescription Drug Rebate Fund (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Cost Center/Program:				
2 Long Term Care	(10,613.1)	21,600.3	14,505.9	36,106.2
3 Acute Care	(118,208.3)	(282,774.7)	120,231.6	(162,543.1)
	(128,821.4)	(261,174.4)	134,737.5	(126,436.9)
Expenditure Categories				
FTE	0.0	0.0	0.0	0.0
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	(128,821.4)	(261,174.4)	134,737.5	(126,436.9)
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	(128,821.4)	(261,174.4)	134,737.5	(126,436.9)
Fund Total:	(128,821.4)	(261,174.4)	134,737.5	(126,436.9)

All dollars are presented in thousands (not FTE).

Summary of Expenditure and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2546 Prescription Drug Rebate Fund (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Agency Total for Selected Funds	(23,103.3)	(147,395.5)	177,166.5	29,771.0

All dollars are presented in thousands (not FTE).

Summary of Expenditure and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2555 Seriously Mentally Ill Housing Trust Fund (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Cost Center/Program:				
5 Non-Title XIX Behavioral Health	0.0	2,000.0	0.0	2,000.0
	0.0	2,000.0	0.0	2,000.0
Expenditure Categories				
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	2,000.0	0.0	2,000.0
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	0.0	2,000.0	0.0	2,000.0
Fund Total:	0.0	2,000.0	0.0	2,000.0

Summary of Expenditure and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2567 Nursing Facility Provider Assessment Fund (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Cost Center/Program:				
1 Administration	27.3	27.3	0.0	27.3
2 Long Term Care	61,270.5	22,189.4	36,061.4	58,250.8
	61,297.8	22,216.7	36,061.4	58,278.1
Expenditure Categories				
FTE	0.0	0.0	0.0	0.0
Personal Services	20.3	20.3	0.0	20.3
Employee Related Expenses	7.0	7.0	0.0	7.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	61,270.5	22,189.4	36,061.4	58,250.8
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	61,297.8	22,216.7	36,061.4	58,278.1
Fund Total:	61,297.8	22,216.7	36,061.4	58,278.1

All dollars are presented in thousands (not FTE).

Summary of Expenditure and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 2576 Hospital Assessment (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Cost Center/Program:				
4 Proposition 204	224,197.6	246,067.6	38,301.3	284,368.9
9 ACA Expansion	0.0	6,261.5	21,001.4	27,262.9
10 Medicaid Behavioral Health Services	0.0	0.0	358.5	358.5
	224,197.6	252,329.1	59,661.2	311,990.3
Expenditure Categories				
FTE	0.0	0.0	0.0	0.0
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	224,197.6	252,329.1	59,661.2	311,990.3
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	224,197.6	252,329.1	59,661.2	311,990.3
Fund Total:	224,197.6	252,329.1	59,661.2	311,990.3

All dollars are presented in thousands (not FTE).

Summary of Expenditure and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 3791 AHCCCS - 3rd Party Collection (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Cost Center/Program:				
3 Acute Care	628.6	905.7	0.0	905.7
4 Proposition 204	0.0	0.0	0.0	0.0
6 Children's Health Insurance Program	141.4	334.3	0.0	334.3
	770.0	1,240.0	0.0	1,240.0
Expenditure Categories				
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	1,447.6	1,680.0	0.0	1,680.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	(7,412.7)	(8,565.3)	0.0	(8,565.3)
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	6,735.1	8,125.3	0.0	8,125.3
Expenditure Categories Total:	770.0	1,240.0	0.0	1,240.0
Fund Total:	770.0	1,240.0	0.0	1,240.0

All dollars are presented in thousands (not FTE).

Summary of Expenditure and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Fund: 9691 County Funds (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Cost Center/Program:				
2 Long Term Care	0.0	230,509.0	17,574.3	248,083.3
3 Acute Care	0.0	49,687.7	(228.1)	49,459.6
	0.0	280,196.7	17,346.2	297,542.9
Expenditure Categories				
FTE	0.0	0.0	0.0	0.0
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	280,196.7	17,346.2	297,542.9
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	0.0	280,196.7	17,346.2	297,542.9
Fund Total:	0.0	280,196.7	17,346.2	297,542.9

All dollars are presented in thousands (not FTE).

Arizona Health Care Cost Containment System
FY18 Decision Packages

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Funding Issues List

Agency: HCA Arizona Health Care Cost Containment System

FY 2018

Priority	Funding Issue Title	Category	Total FTE	Total Amount	General Fund	Other Funds	Non-App Funds
1	Critical Access Hospital	Decision Pack	0.0	0.0	(30.4)	0.0	30.4
1	Acute Care Base Capitation	Decision Pack	0.0	(96,249.2)	(77,496.2)	39,868.1	(58,621.1)
1	Acute Care Base Reinsurance	Decision Pack	0.0	22,926.8	4,788.5	0.0	18,138.3
1	Acute Care Base Fee-For-Service	Decision Pack	0.0	(11,829.0)	(20.9)	0.0	(11,808.1)
1	Acute Care Base Medicare Premiums	Decision Pack	0.0	71,566.9	19,495.0	0.0	52,071.9
1	Acute Care Breast & Cervical Cancer	Decision Pack	0.0	(157.5)	5.8	0.0	(163.3)
1	Acute Care Freedom to Work	Decision Pack	0.0	3,411.7	1,183.7	0.0	2,228.0
1	Acute Care Clawback	Decision Pack	0.0	10,735.2	10,735.2	0.0	0.0
1	Proposition 204 Capitation	Decision Pack	0.0	132,148.1	0.0	0.0	132,148.1
1	Proposition 204 Reinsurance	Decision Pack	0.0	(593.6)	0.0	0.0	(593.6)
1	Proposition 204 Fee-for-Service	Decision Pack	0.0	2,045.1	0.0	0.0	2,045.1
1	Proposition 204 Medicare Premiums	Decision Pack	0.0	7,493.2	0.0	0.0	7,493.2
1	DSH Voluntary	Decision Pack	0.0	(19,896.0)	0.0	0.0	(19,896.0)
1	Reinstate Adult Emergency Dental	Decision Pack	0.0	14,531.4	1,482.8	0.0	13,048.6
1	Rural Hospital Reimbursement	Decision Pack	0.0	0.0	(35.2)	0.0	35.2
1	BHS CMDP	Decision Pack	0.0	23,094.0	6,810.8	0.0	16,283.2
1	Delivery System Reform Incentive Payments	Decision Pack	0.0	335,980.0	0.0	0.0	335,980.0
1	BHS Prop 204	Decision Pack	0.0	185,796.0	9,414.8	0.0	176,381.2
1	BHS Traditional	Decision Pack	0.0	207,110.3	69,175.2	0.0	137,935.1
1	ALTCS Clawbacks	Decision Pack	0.0	4,736.1	1,593.0	0.0	3,143.1
1	ALTCS	Decision Pack	0.0	84,769.8	16,097.1	2,259.0	66,413.7
1	BHS Expansion	Decision Pack	0.0	17,806.1	4,069.6	0.0	13,736.5
1	ACA	Decision Pack	0.0	51,717.3	0.0	0.0	51,717.3
1	CRS	Decision Pack	0.0	5,963.1	984.3	0.0	4,978.8
2	SCNP	Decision Pack	0.0	(62,000.0)	0.0	0.0	(62,000.0)
2	GME	Decision Pack	0.0	102,737.2	0.0	0.0	102,737.2
2	Disproportionate Share	Decision Pack	0.0	0.0	(2.6)	0.0	2.6
3	Prescription Drug Rebate Collections	Decision Pack	0.0	(4,422.8)	0.0	301.9	(4,724.7)
3	LTC Pass-Through DD	Decision Pack	0.0	291,044.7	0.0	0.0	291,044.7
3	Nursing Facility Assessment	Decision Pack	0.0	36,061.4	0.0	0.0	36,061.4
3	School Based Services	Decision Pack	0.0	1,376.7	0.0	0.0	1,376.7
4	KidsCare	Decision Pack	0.0	109,706.7	0.0	109,706.7	0.0
5	Prescription Drug Review Initiative	Decision Pack	5.0	441.6	220.9	0.0	220.7
5	Prop 204 Administration Base Mod	Decision Pack	0.0	0.0	0.0	0.0	0.0
5	DES Authority	Decision Pack	0.0	44,000.0	0.0	4,000.0	40,000.0
5	ADOA Data Center	Decision Pack	0.0	10,008.7	3,289.0	0.0	6,719.7
5	Indian Advisory Council	Decision Pack	1.0	104.4	52.2	0.0	52.2
	Total:		6.0	1,582,164.4	71,812.6	156,135.7	1,354,216.1
	Decision Package Total:		6.0	1,582,164.4	71,812.6	156,135.7	1,354,216.1

All dollars are presented in thousands (not FTE).

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
Decision Package Summary - September Submittal

FY18 Additional Funding Request

	FTE	General Fund	Title XIX Federal (Reg)	Title XXI Federal	County Funds	ISA/IGA Fund	Pres. Drug Rebate State	Pres. Drug Rebate Fed	Hospital Assessment	Tobacco MSA	Prop 204 Protection	MNA	Substance Abuse	NF Assessment	Non-Appropriated	Total Fund
TRADITIONAL MEDICAID SERVICES																
Acute Care Base Capitation		(77,496,200)	(183,349,300)		(228,100)		39,868,100	124,956,300								(96,249,200)
Acute Care Base Reinsurance		4,788,500	18,138,300													22,926,800
Acute Care Base Fee-For-Service		(20,900)	(11,808,100)													(11,829,000)
Acute Care Base Medicare Premiums		19,495,000	52,071,900													71,566,900
Acute Care Breast & Cervical Cancer		5,800	(163,300)													(157,500)
Acute Care Freedom to Work		1,183,700	2,228,000													3,411,700
Acute Care Clawback		10,735,200														10,735,200
PROPOSITION 204 SERVICES																
Proposition 204 Capitation			137,681,200						37,572,400	(21,000,000)	(22,105,500)					132,148,100
Proposition 204 Reinsurance			440,600						(1,034,200)							(593,600)
Proposition 204 Fee-for-Service			3,912,200						(1,867,100)							2,045,100
Proposition 204 Medicare Premiums			5,353,200						2,140,000							7,493,200
DISPRO SHARE		(2,600)	2,600													-
DSH Voluntary			(13,776,000)			(6,120,000)										(19,896,000)
GME			71,053,000			31,684,200										102,737,200
CAH		(30,400)	30,400													-
RHR		(35,200)	35,200													-
SNCP			(42,988,800)			(19,011,200)										(62,000,000)
KIDSCARE				109,706,700												109,706,700
CRS		984,300	4,978,800													5,963,100
ACA NEA			30,795,100						20,922,200							51,717,300
ALTCS																
Arizona Long Term Care System Lump Sum		16,097,100	37,540,100		14,367,700		2,259,000	14,505,900								84,769,800
ALTCS Clawback		1,593,000			3,143,100											4,736,100
Nursing Facility Assessment														36,061,400		36,061,400
Reinstate Adult Emergency Dental		1,482,800	11,415,700		63,500				1,569,400							14,531,400
ADMINISTRATIVE ISSUES																
PDRF Admin		-					301,900									301,900
Prescription Drug Review Initiative	5.0	220,900	220,700													441,600
IAC	1.0	52,200	52,200													104,400
ADOADC	-	3,289,000	6,719,700													10,008,700
DES Authority	-	-	40,000,000	4,000,000												44,000,000
BHS TITLE XIX GROWTH:																
BHS Traditional		69,175,200	137,935,100													207,110,300
BHS CMDP		6,810,800	16,283,200													23,094,000
BHS Prop 204		9,414,800	154,275,700								22,105,500					185,796,000
BHS NEA		4,069,600	13,378,000						358,500							17,806,100
NON-APPROPRIATED FUNDING ISSUES																
Prescription Drug Collections															(4,724,700)	(4,724,700)
ARRA HIT Federal Grants															-	-
Acute Pass-Through - TPL															-	-
LTC Pass-Through - DD															291,044,700	291,044,700
School Based Services															1,376,700	1,376,700
Delivery System Reform Incentive Payments															335,980,000	335,980,000
TOTAL	6.0	71,812,600	492,455,400	113,706,700	17,346,200	6,553,000	42,429,000	139,462,200	59,661,200	(21,000,000)	-	-	-	36,061,400	623,676,700	1,582,164,400

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
Decision Package Summary - September Submittal

FY18 Non-Appropriated Fund Changes

	Non-Approp Fed Authority	ISA/IGA Fund	Pres. Drug Rebate	Federal Grant Fund	MNA Pass-Through	Trauma & Emerg Svs	SMI Housing Trust	DSRIP Fund	TPL Fund	Total Fund
NON-APPROPRIATED FUNDING ISSUES										
Prescription Drug Collections			(4,724,700)							(4,724,700)
ARRA HIT Federal Grants										-
Acute Pass-Through - TPL									-	-
LTC Pass-Through - DD	207,256,600	83,788,100								291,044,700
School Based Services	1,376,700									1,376,700
Delivery System Reform Incentive Payments	233,363,300							102,616,700		335,980,000
TOTAL	441,996,600	83,788,100	(4,724,700)	-	-	-	-	102,616,700	-	623,676,700

LTC System Fund - Federal	245,113,300
AHCCCS Fund - Federal	689,338,700

TRADITIONAL MEDICAID SERVICES APPROPRIATION

For FY 2017, AHCCCS was appropriated $3,936,187,500 Total Fund for Traditional Medicaid Services. This appropriation includes funding for the Traditional Capitation, Traditional Fee-for-Service, Traditional Reinsurance, Traditional Medicare Premiums, Breast and Cervical Cancer, Ticket to Work, and Acute Medicare Part D Clawback subprograms. In FY 2018, AHCCCS requests an increase of $404,900 Total Fund (consisting of a General Fund decrease of $41,308,900; a County Fund decrease of $228,100; a Prescription Drug Rebate State Fund increase of $39,868,100; a Prescription Drug Rebate Federal Fund increase of $124,956,300; and a Federal Funds decrease of $122,882,500). Table A shows the requested amounts by component. A description of each issue follows:

TRADITIONAL CAPITATION

Description of Problem or Issue and how this Furthers the Agency Mission or Goals:

AHCCCS forecasts a decrease of $96,249,200 in Total Funds (a decrease of $37,856,200 in State Match consisting of a $77,496,200 decrease in General Fund, a $39,868,100 increase in Prescription Drug Rebate, and a $228,100 decrease in County Fund) for Traditional Capitation within the Traditional Medicaid Services appropriation over the FY 2017 allocation.

The details contributing to the revised funding need are outlined below.

Member Growth

Children previously categorized as TANF/1931 due to eligible parents or caretaker relatives are moving into the SOBRA Children and Pregnant Women categories. This change is to align with CMS guidance that eligibility should be determined for each individual, and not just for the family. As a result, it is anticipated that ultimately all TANF/1931 children will convert to SOBRA.

Growth in the SOBRA children and SOBRA Women populations has occurred in addition to the transfer of members from TANF/1931. The average monthly growth rate for the combined SOBRA population was about 2.23% (about 30.23% annually) in the first half of FY 2016, which declined substantially to about 0.51% (6.27% annually) during the latter half of FY 2016. The transition from TANF/1931 appears to be nearing completion, so it is assumed that the long-term growth rate for of the SOBRA population will stabilize at an annual rate of 2.0% for FY 2017 and 2018.

TANF/1931 – From June 2015 to June 2016, TANF/1931 member months dropped by 41.7%, as members continued to transition to SOBRA. As the effects of this transition appear to be receding, growth for FY 2017 and 2018 are assumed to stabilize at an annual rate of 2.0%.

SOBRA Children – From June 2015 to June 2016, SOBRA Children member months grew by 25.85%. This growth is in line with expectations regarding the TANF/1931 transition, as well as implementation of the Affordable Care Act (ACA). Some additional growth related to the transition is expected during the first three months of FY 2017, but is then assumed to revert to normal population growth of 2.0% annually for the remainder of FY 2017 and the duration of FY 2018.

SSI – Both the SSI with Medicare and SSI without Medicare populations were substantially impacted by CRS and BH integrations described below. MAGI implementation, along with the fact that the last COLA increase was less than the FBR increase, may have caused a shift to SSI Traditional programs from SSI Proposition 204, due to changes in income determination. The implementation of HEAplus, which has more electronic data sources for income, is an additional factor that may explain these shifts.

Member months for Traditional SSI with Medicare, Traditional SSI without Medicare, Prop. 204 SSI with Medicare, and Prop. 204 SSI without Medicare were combined and forecast in aggregate using a 48 month regression with corrections to account for the CRS and BH integration implementation. This aggregate forecast was then split by the percentage that each component represented of the total as of June 2016 (40.83% Traditional SSI with Medicare, 35.97% Traditional SSI without Medicare, 22.00% Prop. 204 SSI with Medicare, 1.20% Prop. 204 SSI without Medicare). The June-over-June growth rates for Traditional SSI with Medicare are 22.65% for FY 2016; 2.48% for FY 2017; and 2.42% for FY 2018. The corresponding rates for Traditional SSI without Medicare are -8.80% for FY 2016; 2.48% for FY 2017; and 2.42% for FY 2018.

The SOBRA Pregnant Women population increased by 30.32% from June 2015 to June 2016. The sizeable increase during that period is largely attributable to the shift from the TANF/1931 population mentioned above. For FY 2017 and 2018, growth is assumed to slow to 2.0% annually as indicated above.

Growth in Title XIX births has slowed substantially in recent years. The June-over-June change for Title XIX births are -5.49% for FY 2016, 1.45% for FY 2017, and 2.13% for FY 2018. Title XIX births were forecast using a 48 month regression model.

Below is a chart indicating year-to-year forecast growth rate data (total member months for a given year compared to total member months for the previous year). The growth rates shown in the table do not correspond to the growth rates cited above which are from June of the comparison year to June of the following year. SFY 2009-16 figures are actuals. CMDP is not included.

SFY	TANF (AFDC)	SSI w/ Medicare	SSI w/o Medicare	SOBRA Children	SOBRA Mothers	Total Categorical	TITLE XIX Births
2008-09	12.21%	2.22%	2.12%	8.12%	1.19%	8.98%	2.44%
2009-10	13.55%	5.79%	4.10%	21.51%	-0.08%	15.01%	-0.67%
2010-11	1.82%	5.42%	3.58%	1.94%	-0.25%	2.16%	-1.87%
2011-12	8.17%	8.50%	5.38%	-1.01%	8.30%	4.43%	5.23%
2012-13	0.13%	4.89%	4.45%	-2.96%	5.91%	-0.31%	4.55%
2013-14	-2.22%	2.06%	-3.55%	-3.21%	-1.64%	-2.40%	-1.16%
2014-15	-0.73%	-2.48%	-9.06%	16.58%	4.24%	4.78%	-3.81%
2015-16	-41.60%	-3.50%	-7.52%	56.08%	78.57%	3.73%	-7.48%
2016-17	-12.57%	13.56%	-1.04%	6.20%	-3.68%	1.02%	1.44%
2017-18	2.00%	2.45%	2.45%	2.01%	2.00%	2.06%	1.97%

(Above percentages exclude CMDP.)

Newly Eligible Children – The expansion of Medicaid eligibility for children ages 6 to18 is contained in ACA §2001(a)(5)(B), which is distinct from the provision expanding eligibility to include childless adults found in ACA § 2001(a)(1). A 2.0% growth factor was used to project member months through the end of FY 2018, with the population reaching 74,272 in June 2018.

The FMAP for Newly Eligible Children is the Title XXI as long as the state has sufficient allotment availability. In October 2015, the Title XXI FMAP increased to 100.00%.

GMH/SA and SMI Integration Impact:

This request reflects the realignment of funding for integrated capitation payments between Acute and Behavioral Health line items. In FY 2016, when the physical health and behavioral health portions of capitation were separately appropriated to ADHS and AHCCCS, respectively, integrated capitation payments were manually split between the agencies. In FY 2017, funding for all integrated payments has been appropriated to AHCCCS and will be paid from single appropriations. Payments to Regional Behavioral Health Authorities (RBHAs) for Seriously Mentally Ill (SMI) Integrated care will be made from the Behavioral Health appropriations and payments to Acute Managed Care Organizations (MCOs) for General Mental Health and Substance Abuse (GMH/SA) dual eligibles will be made from the Acute appropriations.

The net impact of the shift of SMI Integrated physical health expenditures to the Traditional Behavioral Health line and GMH/SA duals behavioral health expenditures to the Traditional Acute line is a decrease of $135,764,700 Total Fund ($41,455,800 General Fund).

Prior Period Methodology:

As in prior years, AHCCCS continues to forecast Prior Period Member-Months (PPC) by computing a 3-month moving average ratio of PPC to corresponding prospective member-months for every given risk pool. In prior year estimates, the time lag inherent to PPC member-month counts required that the forecast ratio be computed using data from as much as 18 months prior. For the FY 2017 and 2018 PPC forecast, AHCCCS used a completion factor methodology to produce actual PPC estimates for more recent months, and then used those completed months in the calculation of the forecast ratio. PPC forecast amounts for each risk pool were computed by multiplying the 3-month moving average ratio (April to June 2016) by the corresponding prospective member-month forecast. This PPC forecast methodology was used for all programs and risk pools.

ACA HEALTH INSURER FEE

The ACA includes an $8.0 billion fee on the health insurance industry beginning in 2014. This health insurer fee (HIF) increases to $14.3 billion by 2018 and is then indexed to the rate of premium growth thereafter as shown in the table below. The previous 2017 fee amount does not shift to 2018; the applicable amount for fee year 2018 remains at $14.3 billion (see Treas. Reg. § 57.4(a)(3)).

Fee Year	Applicable Amount
2014	$ 8,000,000,000
2015	$11,300,000,000
2016	$11,300,000,000
2017 (Moratorium)	$13,900,000,000
2018	$14,300,000,000
2019 and thereafter	The applicable amount in the preceding fee year increased by the rate of premium growth (within the meaning of section 36B(b)(3)(A)(ii).

The fee is considered an excise tax and is nondeductible for income tax purposes. CMS mandates actuarially sound Medicaid managed care capitation rates that allow participating insurers to cover projected expenses. Therefore this fee impacts Medicaid managed care expenditures.

The CMS currently approved payment methodology for this fee is a mass adjustment to capitation payments. It is anticipated that, most if not all, health plans will get tax filing extensions. As a result, AHCCCS makes one payment in the fall that includes an estimate for the tax liability. If there is a material difference in the final tax filings an additional adjustment is made.

The FMAP applied is the FMAP in effect for the month of the capitation adjustment. The payments made in FY 2017 (for the Calendar Year 2016 fee) will adjust capitation for October 2015 and use the FMAP in effect on that date. There will be no payment in FY 2018 because the Consolidated Appropriations Act of 2016, Title II, § 201, Moratorium on Annual Fee on Health Insurance Providers, suspends collection of the health insurance provider fee for the 2017 calendar year. Thus, health insurers are not required to pay these fees for calendar year 2017.

In total funds, the Medicaid system paid $90.4 million in FY 2016 for the 2015 Fee Year. In FY 2017, the fee is projected to increase to $103.1 million due to caseload increases which will increase revenue for Medicaid health plans and, thus, increase the amount required in reimbursement.

The allocation by program for FY 2017 (Acute, CRS, EDP, DD, and BHS, etc.) is based on the corresponding percentage of total FY 2016 actual HIF payments.

Based on projected amounts and allocation methodology, the FY 2017 impact of this fee for Acute is $44,212,600 Total Fund ($13,419,600 General Fund).

No health insurer provider fees will be paid in FY 2018 generating a one-time cost savings of $54,385,600 ($16,337,400 General Fund). This fee will be back in effect for FY 2019 and generate a cost increase of $55,950,400 ($16,649,000 General Fund).

Capitation Rates

Overall Acute Capitation rates for CYE 2017 are increasing by 3.12% over the blended rates for CYE 2016. CYE 2017 capitation rates were developed as a rate update from the previously submitted CYE 2016 capitation rates.

Due to a program change (high acuity pediatric adjustor) that will be implemented effective January 1, 2017, there are two sets of capitation rates for CYE 2017. One set for the time frame from October 1, 2016 through December 31, 2016 and another from January 1, 2017 through September 30, 2017. The rate development process was the same for both sets of rates except the latter set includes the impact of the high acuity pediatric adjustor.

Primary drivers of the CYE 2017 rates include medical trend, an FQHC experience adjustment, and a revision to criteria regarding member use of certain Hepatitis C drugs:

- The medical trend analysis used historical yearly encounter data for the time period October 1, 2012 through September 30, 2015 with adjustments for completion factors, historical programmatic changes, and historical provider fee-for-service rate schedule changes. More recent data, through March 31, 2016, was used for experience adjustments. Medical trend includes both utilization and unit cost trends and accounts for 0.52 percentage points of the total acute rate increase. The biggest drivers of trend growth for CYE 2017 were pharmacy and emergency room expenses.

- Effective April 1, 2015, Acute Capitation rates were increased to include reimbursement for Federally Qualified Health Center/Rural Health Clinic (FQHC/RHC) services. Prior to this, FQHC/RHC services were reimbursed by a combination of fee-for-service claims payments and quarterly supplemental payments, along with an annual reconciliation to the Prospective Payment System rates; during CYE 16, actual utilization exceeded initial expectations, necessitating additional capitation rate adjustments. These experience adjustments contribute 0.81% to the overall capitation rate increase.

- Effective October 1, 2016, amendments relaxing clinical criteria governing the use of certain Hepatitis C drugs, in combination with existing trends, will likely result in a significant increase in utilization. This prospective increase contributes 1.19% to the overall rate increase.

- Effective January 1, 2017, AHCCCS will address the costs associated with high-acuity pediatric cases by using an adjustment factor of 1.945 in place of the current adjustor of 1.60 in the following instances: for inpatient stays, where an APR-DRG assignment of level 3 or 4 Severity of Illness is indicated. This change accounts for 0.11 percentage points of the total acute rate increase.

- Various Fee For Service (FFS) rates will be revised based on access-to-care requirements and legislative mandates on October 1, 2016, contributing 0.26% to the total capitation rate increase.

- In pursuit of improved member health outcomes and care experience, AHCCCS has proposed differential Value-Based Purchasing (VBP) rates for FFS providers that have agreed to participate in the VBP initiative. The proposed differentials contribute 0.13% to the total capitation rate increase.

- Other miscellaneous adjustments, including state or court mandated benefit changes, and reinsurance offsets, account for 0.10 percentage points of the total acute rate increase.

In CYE 2018, AHCCCS expects that increases to utilization and medical inflation will require an increase to capitation rates in order for them to remain actuarially sound. AHCCCS estimates a CYE 2018 rate increase of 3.0% for all risk pools.

Acute Prospective Capitation Rate Increases (excludes CMDP):

Age Group	1/1/16-9/30/16 Rates	10/1/16-12/31/16 Rates	1/1/17-9/30/17 Rates	10/1/17-9/30/18 Rates	
				Rate	Chg %
TA/SO < 1	$488.38	$468.91	$472.50	$486.67	3.0
TA/SO 1 - 13	$111.33	$111.81	$112.23	$115.59	3.0
TA/SO 14 - 44 F	$247.31	$253.06	$253.26	$260.86	3.0
TA/SO 14 - 44 M	$155.10	$151.73	$152.42	$156.99	3.0
TA/SO 45+	$423.39	$429.12	$429.11	$441.99	3.0
SSI w/Medicare	$165.32	$135.04	$134.96	$139.01	3.0
SSI w/o Medicare	$863.93	$924.56	$926.68	$954.48	3.0
Births	$6,104.30	$6,185.53	$6,185.53	$6,371.09	3.0

Acute Prior Period Capitation Rate Increases (excludes CMDP):

Age Group	10/1/15-9/30/16 Rates	10/1/16-12/31/16 Rates	1/1/17-9/30/17 Rates	10/1/17-9/30/18 Rates	
				Rate	Chg %
TA/SO < 1	$1,006.39	$1,010.42	$1,010.42	$1,040.73	3.0
TA/SO 1 - 13	$53.37	$53.99	$53.99	$55.61	3.0
TA/SO 14 - 44 F	$193.65	$195.08	$195.08	$200.94	3.0
TA/SO 14 - 44 M	$145.09	$144.58	$144.58	$148.92	3.0
TA/SO 45+	$327.71	$326.47	$326.47	$336.26	3.0
SSI w/Medicare	$68.08	$68.18	$68.18	$70.23	3.0
SSI w/o Medicare	$575.73	$574.77	$574.77	$592.01	3.0

Note: The increases for CYE 2017 are based on statewide weighted rates at all reinsurance deductible levels and use constant member month weighting based on projected CYE 2017 member months for KidsCare, Traditional Medicaid Services, and Proposition 204.

Prior Period Coverage (PPC) Reconciliation:

AHCCCS performs a reconciliation process which compares total PPC medical cost experience to the reimbursement associated with the prior period retro portion of the capitation rates for all rate categories. Section 1 of the FY 2013 Health and Welfare BRB requires AHCCCS to deposit reconciliation recoupments or penalties against program contractors or health plans into the General Fund or the fund from which the appropriation was made and prohibits these recoupments or penalties from being credited against future payments. As a result, only additional payments are included in the AHCCCS budget request. For FY 2017 and FY 2018, no additional payments are expected to be paid as a result of reconciliations.

Acute Program Tiered Prospective Reconciliation:

The AHCCCS Acute Care CRS RFP (RFP No. YH14-0001) the various acute care reconciliations with a tiered prospective reconciliation, effective October 1, 2013 based on prospective, fully adjudicated medical expense encounters, and self-reported sub-capitated expenses, net of reinsurance. For

each contract year, the amount due from or due to the Contractor as the result of this reconciliation will be based on aggregated profits and losses across all of the tiered reconciliation risk groups. Individual risk groups will not be reconciled separately. The expenses will be reconciled against prospective capitation including Delivery Supplement payments and will be net of the administrative and premium tax components. No additional payments to Contractors as a result of Acute Program Tiered Prospective Reconciliation are anticipated in FY 2017 or FY 2018.

CMDP Rate Differential:

Children enrolled in the Arizona Department of Child Safety (ADCS) Comprehensive Medical and Dental Program (CMDP) are currently paid at a single rate regardless of age, sex, or program type, which is higher than a comparable statewide weighted rate for other AHCCCS health plans. This rate results in higher capitation expenditures than would occur if children enrolled in CMDP were paid at the statewide weighted rates. If CMDP capitation expenditures are calculated using a statewide weighted rate, this would result in a variance between estimated CMDP capitation expenditures and actual capitation expenditures experienced. AHCCCS has always forecast CMDP and non-CMDP member months separately and has used a separate CMDP rate in estimating CMDP capitation costs because it is believed that this results in a more accurate forecast of total Traditional capitation expenditures. Beginning in SFY 2015, CMDP rates are set on a State Fiscal Year basis, rather than the normal Contract Year from October 1 through September 30. This adds to the differences that result when CMDP is not forecast separately.

In FY 2017, using the actual rates to budget for CMDP capitation (rather than the statewide average for other AHCCCS health plans) would result in an additional $13,320,700 TF ($4,107,600 GF). In FY 2018, using the actual rates to budget for CMDP would result in an additional $13,879,200 TF ($4,239,500 GF). This includes both prospective and prior period capitation. (See attached Tables 1 and 2).

FMAP

It is assumed that the FMAP will increase from 69.24% in FFY 2017 to 69.53% in FFY 2018 based on Federal Funds Information for States (FFIS) in Issue Brief 16-24 (March 25, 2016).

FFY	FMAP
Oct. 2015 – Sept. 2016	68.92%
Oct. 2016 – Sept. 2017	69.24%
Oct. 2017 – Sept. 2018	69.53%

Maricopa County Acute Care Contribution $0 TF ($228,100 GF) Increase:

Laws 2005, Chapter 328, Section 13 amended A.R.S 11-292 and established a GDP price deflator adjustment for Maricopa County with the intent that the Maricopa County contribution be reduced in each subsequent year according to changes in the GDP price deflator. Resulting reductions in Maricopa County's contribution will be offset by a corresponding increase in the General Fund. Using 1.20% as the GDP price deflator, as recommended by JLBC, results in a County fund decrease and corresponding General Fund increase of $228,100.

Proposed Solution to the Problem or Issue:

AHCCCS is requesting a decrease of $96,249,200 in Total Funds (a decrease of $37,856,200 in State Match consisting of a $77,496,200 decrease in General Fund, a $39,868,100 increase in Prescription Drug Rebate, and a $228,100 decrease in County Fund) for Traditional Capitation within the Traditional Medicaid Services appropriation over the FY 2017 allocation.

	FY17 Allocation	FY18 Request	FY18 Inc/(Dec)
General Fund	677,692,700	600,196,500	(77,496,200)
County Fund	49,687,700	49,459,600	(228,100)
Tobacco MNA	37,432,400	37,432,400	-
Prescription Drug Rebate	106,139,500	146,007,600	39,868,100
TPL Fund	194,700	194,700	-
Subtotal State Match	871,147,000	833,290,800	(37,856,200)
Prescription Drug Federal	301,143,200	426,099,500	124,956,300
Federal Title XIX	1,783,619,800	1,600,270,500	(183,349,300)
Subtotal Federal Funding	2,084,763,000	2,026,370,000	(58,393,000)
Grand Total	2,955,910,000	2,859,660,800	(96,249,200)

Performance Measures to quantify the success of the solution:

- AHCCCS member enrollment in Traditional Acute Care.
- Maintain the % of overall Health Plan compliance with key indicators at ≥99%.

Alternatives Considered and Reasons for Rejection:

Without additional funding for Traditional Care Capitation, AHCCCS would face several objectionable options, all of which are detrimental to its mission of *Reaching across Arizona to provide comprehensive, quality healthcare for those in need.* One option would be capping enrollment to reduce costs, however, the Capitation Program is considered an entitlement and AHCCCS is prohibited by CMS from capping enrollment. This option could jeopardize the state's CMS Section 1115 managed care waiver. Instituting a cap would also be a violation of the maintenance of effort (MOE) requirement of the Patient Protection and Affordable Care Act of 2010 (PPACA).

A second option would be to not increase capitation rates, however, this also would have several negative impacts. Most providers have seen rates reduced severely over the past four years. Several years in a row without increases in capitation rates could jeopardize health plan networks and could result in lawsuits from providers due to insufficient rates. If health plans incur losses this endangers their financial viability. In addition, the Balanced Budget Act of 1997 (BBA) requires that capitation rates be actuarially sound. If the rates were not actuarially established to reflect true cost and utilization increases, the State could be in jeopardy of violating the BBA and may face disallowances of federal match by CMS. Such action can potentially force a health plan into financial insolvency and deter other providers from providing services to AHCCCS members. Loss of the managed care network would force Arizona to provide services on a Fee-for-Service basis. This would be substantially more expensive than the AHCCCS managed-care model.

Impact of Not Funding this Fiscal Year:

If this request is not funded in FY 2018, AHCCCS' ability to adequately maintain high-quality, comprehensive healthcare for Arizonans in need would be severely compromised due to the probable loss of federal matching funds, and the threat of insolvency to the healthcare provider network.

TRADITIONAL FEE-FOR-SERVICE

Description of problem or issue and how this furthers the agency mission or goals:

AHCCCS forecasts a decrease of $11,829,000 Total Fund, consisting of a $20,900 General Fund decrease and a $11,808,100 Federal Fund decrease compared to the FY 2017 allocation. The FY 2017 fee-for-service allocation is a component of the Traditional Medicaid Services appropriation. FY 2016 actual expenditures were used as the basis for the allocation of the Traditional Medicaid Services appropriation.

The distinctive populations/programs outlined and described below combine to make up the Traditional Medicaid Fee-For-Service program within the Traditional Medicaid Services appropriation. Effective January 1, 2014, American Indian Health Plan (AIHP) children with a FPL between 100% and 133% were added to this population.

Indian Health Services (IHS):

Under the provisions of its approved Medicaid State Plan, AHCCCS is responsible for paying for the cost of services provided to Native Americans who are Title XIX eligible.

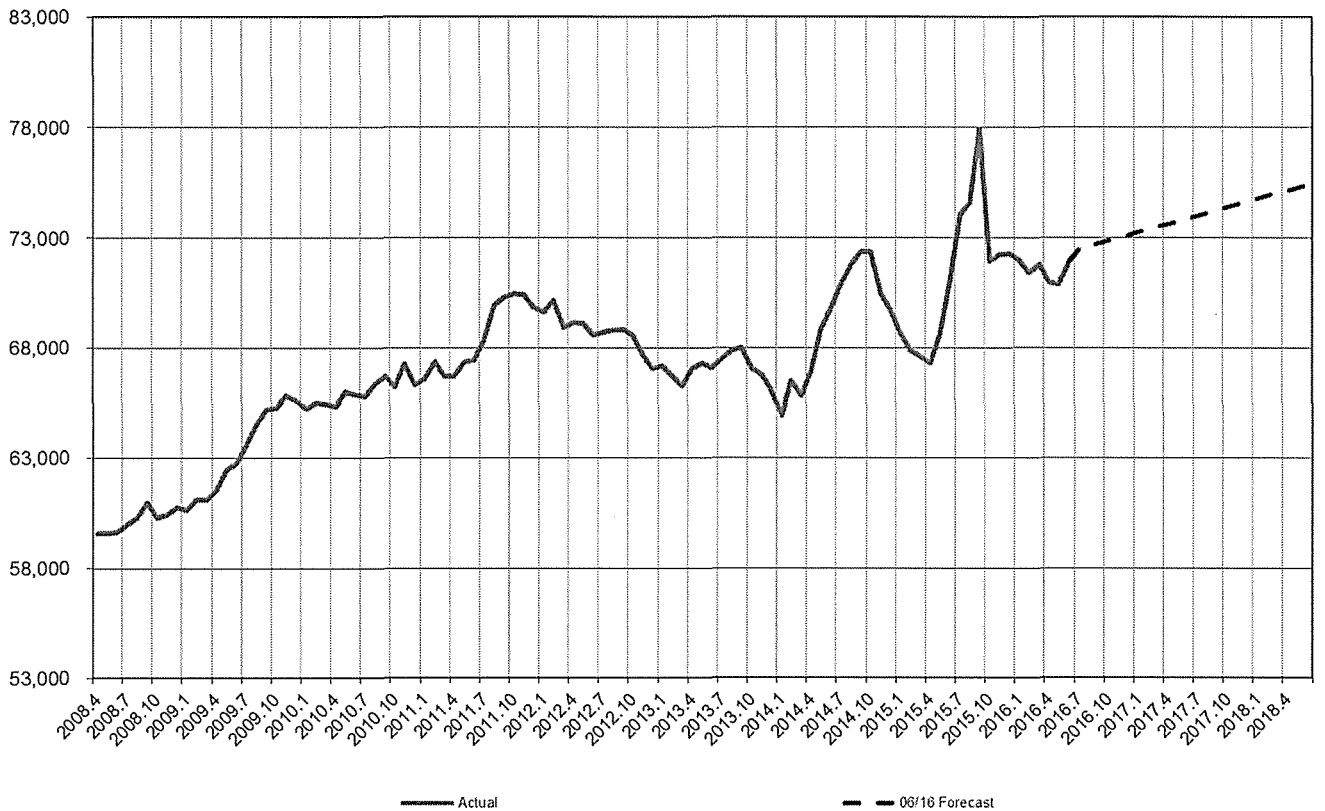
Native American recipients have a choice of either enrolling with the American Indian Health Program (AIHP) or an AHCCCS health plan. AHCCCS pays claims for Native Americans who select the AIHP as their health plan on a fee-for-service basis. AHCCCS also pays claims on a fee-for-service basis for Native Americans enrolled with an MCO if they receive services at an IHS and/or tribal 638 facility.

The SFY 2016 year-over-year and June-over-June member growth rates ended the year at 3.96% and 1.30% respectively. For FY 2017 and FY 2018, the year-over-year AIHP population is expected to increase 0.72% and 2.08% respectively. The SSI and TANF/SOBRA population forecasts were based on the growth rates used for the Traditional Acute Member Month TANF/SOBRA forecasts. Both IHS Facilities and Non-Facilities utilize the same enrollment forecast for budget development purposes.

IHS Enrollment

Fiscal Year	Enrollment	% Change
SFY 2015 Actual	838,904	4.04%
SFY 2016 Actual	872,107	3.96%
SFY 2017 Estimate	878,368	0.72%
SFY 2018 Estimate	896,621	2.08%

Arizona Health Care Cost Containment System
Traditional IHS Enrollment



IHS Facilities Budget Development

Services provided for Native Americans by IHS and/or a tribally owned and operated facility authorized by CMS as a 638 tribal facility, are paid using the IHS Federal Medical Assistance Percentage (FMAP), which is 100%. These costs are paid fee-for-service from the IHS Facilities sub program line.

The IHS, an agency of the U.S. Department of Health and Human Services, publishes rates in the Federal Register annually. The IHS rates are used to calculate the IHS Facility expenditure forecast. The inpatient/outpatient IHS rate changes for CY 2016 were 8.68% and 5.14% respectively. The most recent five year average inpatient/outpatient rate changes of 5.50% and 4.61% respectively, were used for CY2017 and CY2018 budget calculations. The inflation rates are applied every January. The historical rates and calculations can be viewed in the included schedule entitled "IHS Facilities Inflation Developed".

The average PMPM (Per Member Per Month) rates for the final two quarters of FY 2016 (January – June 2016) were used as the basis for the first six months of FY 2017. The CY 2016 IHS rates were released in March 2016 and the payments associated with the rate adjustments have been made. Therefore, the impact of the changes was included in FY 2016 expenditures and, subsequently, in the PMPM calculation. The Facility FY 2017 and FY 2018 expenditure and inflation rates are depicted in the tables below.

IHS Facilities

Fiscal Yr	Expenditures	% Change
SFY 2015 Actual	347,912,738	11.78%
SFY 2016 Actual	319,499,280	-8.17%
SFY 2017 Estimate	326,396,500	2.16%
SFY 2018 Estimate	348,975,500	6.92%

PMPM Change

Fiscal Yr	Inpatient	Outpatient	Weighted
SFY 2015 Actual	1.24%	2.34%	2.22%
SFY 2016 Actual	8.68%	5.14%	5.61%
SFY 2017 Estimate	5.50%	4.61%	4.73%
SFY 2018 Estimate	5.50%	4.61%	4.73%

Non-Facility Budget Development

Based on available resources, medical care is provided either by IHS staff or under contract. However, to ensure equal access to state, local, and federal programs, to which other citizens are entitled (in accordance with Medicaid Payment Policy and the Indian Health Care Act), if IHS is unable to provide the necessary treatment, Medicaid-eligible Native Americans who enroll with AIHP may use non-IHS providers for services. AHCCCS considers the costs associated with these services to be Title XIX Non-Facility claims. CMS reimburses the State for Title XIX non-facility claims at the State's FMAP rate, which for FY 2018 is estimated to be 69.53% for the Traditional Medicaid Services populations, based on the FFIS estimate for FFY2018.

The Non-Facility rates are adjusted for inflation at the beginning of each federal fiscal year, unless legislation dictates otherwise. The inpatient inflation rates used in the forecast for FY 2017 and FY 2018 were based on Global Insight's Health-Care Cost Review - Hospital Market Basket, *First Quarter 2016* and were 3.11% and 3.29% respectively. The outpatient inflation rates used in the FY 2017 and FY 2018 forecasts were also based on Global Insight's estimates and were 2.54% and 2.60% respectively. The FY 2016 weighted average PMPM was used as the basis for the first quarter of FY 2017 PMPMs. The PMPMs were then adjusted for the noted inflation rates in October of each year. The Non-Facility FY 2017 and FY 2018 expenditure and inflation rates are depicted in the following tables.

IHS Non-Facility

Fiscal Yr	Expenditures	% Change
SFY 2015 Actual	152,549,962	10.57%
SFY 2016 Actual	160,596,076	5.27%
SFY 2017 Estimate	165,909,800	3.31%
SFY 2018 Estimate	174,236,200	5.02%

PMPM Change

Fiscal Yr	Inpatient	Outpatient	Weighted
SFY 2015 Actual	1.25%	2.83%	2.38%
SFY 2016 Actual	1.48%	2.85%	2.46%
SFY 2017 Estimate	3.11%	2.54%	2.70%
SFY 2018 Estimate	3.29%	2.60%	2.79%

Non-IHS Fee-For-Service:

The Non IHS/Non-Emergency Services Fee-For-Service Program pays for services for recipients that are receiving services for less than 30 days.

Less than 30-day recipients are those people who receive AHCCCS Acute Care Benefits for less than thirty days from their eligibility determination date. These recipients are not enrolled with a Health Plan. Any services received by these recipients during their eligibility period are paid from the Fee-For-Service budget.

Total Non-IHS expenditures were estimated using the FY 2016 actual expenditures and adjusting them by the weighted inpatient/outpatient inflation rates for FY 2017 and FY 2018. The weighted inflation rates can be viewed in the table above. The total expenditures were split amongst the different risk groups using the actual percentages of each risk group's expenditures in FY 2016.

Non-IHS

Fiscal Year	Expenditures	% Change
SFY 2015 Actual	$3,472,735	-43.76%
SFY 2016 Actual	$2,852,987	-17.85%
SFY 2017 Estimate	$2,930,500	2.72%
SFY 2018 Estimate	$3,012,100	2.78%

Federally Qualified Health Centers (FQHC):

To bring more visibility to the expenditures for services provided by the valuable FQHC/RHC provider community, effective April 1, 2015, AHCCCS mandated that MCOs pay the full-cost Prospective Payment System (PPS) rates computed by AHCCCS for each FQHC/RHC. As such, capitation rates were amended for April 1, 2015, to include the funds necessary to pay the PPS rates. FY 2017 and FY 2018 FQHC expenditures are now included in the Capitation program forecasts.

Emergency Services Program (ESP):

The Emergency Services Program (ESP) encompasses AHCCCS coverage of services for lawfully admitted immigrants during their first 60 months of residency, as well as undocumented immigrants. AHCCCS recipients enrolled with this program are covered for emergency services only and the claims for their services are paid for on a fee-for-service basis.

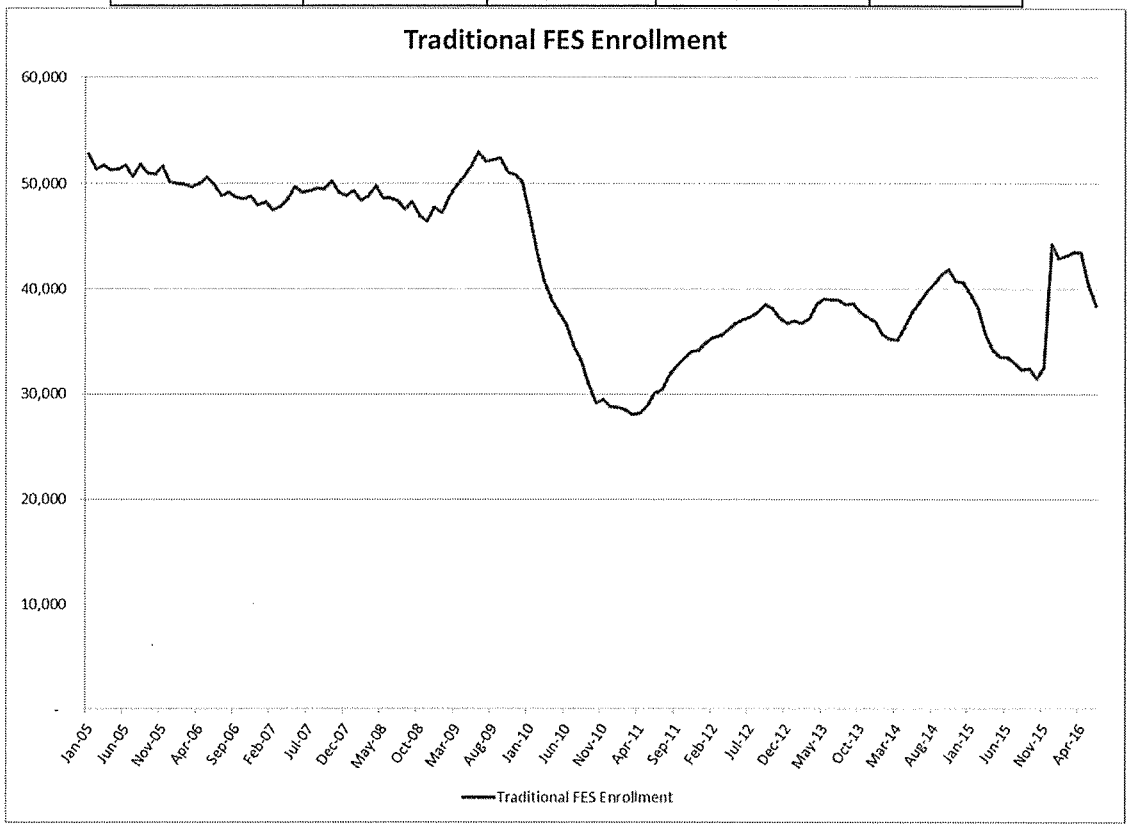
The Federal Emergency Services Program (FES) is available to individuals who, except for their citizenship/alien status, meet Federal income and resource eligibility requirements. The program provides emergency services to three general categories: persons not qualified for Medicaid services because they are aliens who entered the U.S. prior to August 22, 1996; qualified aliens who entered after August 22, 1996, but are not yet entitled to full services; and undocumented immigrants. This program only covers emergency services which are defined by the Social Security Act as acute symptoms of sufficient severity that the absence of immediate medical attention could reasonably be expected to result in: 1) placing the patient's health in serious jeopardy, 2) serious impairment to bodily functions, 3) serious dysfunction of any bodily organ or part. Labor and delivery are included as emergency medical services, but not routine prenatal or post-partum care. When certain requirements are met, AHCCCS also considers dialysis as an emergency service. For budgeting purposes, FES covered services are considered to be either birth-related services (births) or other services (other).

For the birth-related expenditure estimates, the total FES birth counts, which are composed of Traditional Medicaid FES births and Proposition 204 FES births, were assumed to remain at current levels following four years of moderate decreases. The annual counts were then adjusted for seasonality based on actual experience over the past 4 years. The SFY2016 average percentage of Traditional Medicaid births among total FES births was then applied to obtain the Traditional Medicaid births forecast. The PMPM for July 2016 through September 2016 was calculated using the actual expenditure and birth counts for the period covering October 2015 through June 2016. SFY2017 and SFY2018 inflation rates used were 2.56% and 3.01% respectively and were based on Global Insight's Health-Care Cost Review - Hospital Market Basket, First Quarter 2016.

The forecasts for other emergency expenditures were computed in a similar fashion to the Births, by multiplying an estimated PMPM rate by forecasted enrollment. PMPM rates were estimated for both the Traditional and Proposition 204 populations by using the SFY2017 and SFY2018 inflation rates of

2.56% and 3.01%, respectively, to increase the SFY2016 weighted average PMPM. Enrollment was then estimated by using the monthly growth rates implied by the TANF/SSI member-month forecasts. The Total FES Other historical and forecasted expenditures can be viewed in the following table.

Total FES Other Expenditures				
	Traditional	Prop 204	Total Expenditures	% Change
SFY 2015 Actual	$34,446,430	$14,198,358	$48,644,787	-1.66%
SFY 2016 Actual	$45,283,852	$20,136,731	$65,420,583	34.49%
SFY 2017 Estimate	$49,267,900	$21,225,100	$70,493,000	7.75%
SFY 2018 Estimate	$51,781,100	$22,293,700	$74,074,800	5.08%



The components that make up the FES Program and their corresponding enrollment and expenditure history/forecasts are illustrated in the following table. Figures are Traditional Medicaid only.

FES Births

Fiscal Year	Births	% Change	TIL FES Avg. Enrollment	% Change
SFY 2015 Actual	7,271	-6.60%	91,432	32.99%
SFY 2016 Actual	6,407	-11.88%	114,085	24.78%
SFY 2017 Estimate	6,405	-0.03%	119,066	4.37%
SFY 2018 Estimate	6,405	0.00%	122,662	3.02%

Fiscal Yr	FES Births	FES Other	Total	% Change
SFY 2015 Actual	$29,112,706	$34,446,430	$63,559,135	-10.62%
SFY 2016 Actual	$20,807,694	$45,283,852	$66,091,546	3.98%
SFY 2017 Estimate	$21,062,000	$49,267,900	$70,329,900	6.41%
SFY 2018 Estimate	$21,670,000	$51,781,100	$73,451,100	4.44%

Prior Quarter Coverage:

As part of an effort to standardize Medicaid enrollment procedures across the nation, CMS required AHCCCS to reinstitute Prior Quarter Coverage for new enrollees in the program beginning January 1, 2014. AHCCCS had been exempt from this federal requirement due to the 1115 Waiver initially granted by CMS in 2001. CMS would not renew the waiver for periods after December 31, 2013. Prior Quarter Coverage requires AHCCCS to make eligibility for Medicaid effective no later than the third month before the month of application if the individual received medical services at any time during that period of a type covered by the state plan, and would have been eligible for Medicaid at the time he/she received services if he/she had applied. AHCCCS must specify the effective eligibility date and may make eligibility for Medicaid effective on the first day of the month if the applicant was eligible at any time during that month.

Example: An applicant applies April 15 and is determined to be eligible back to April 1. Under prior quarter coverage, AHCCCS would evaluate the member's eligibility for Medicaid during any one of the three months (January, February, and March) preceding April 1, if the applicant notifies AHCCCS that they had received services.

The estimated expenditures for the FY 2017 and FY 2018 are based on the FY 2016 average expenditures, increased at the Non-Facility annualized inflation rates of 2.70% and 2.79% respectively. The implementation of this federal requirement is expected to add $7,945,800 Total Fund ($2,371,100 General Fund) to the Traditional fee-for-service line item in FY 2017 and $8,169,600 Total Fund ($2,421,300 General Fund) in FY 2018. The calculation of the estimates is included in the budget development schedule entitled, "Fiscal Years 2017-2018 Prior Quarter Estimate."

ACA Child Expansion:

In accordance with provisions outlined in the ACA, beginning January 1, 2014, AHCCCS expanded Medicaid eligibility for children ages 6 to18. The fee-for-service portion of the child expansion population was developed by applying the average monthly IHS-to-Acute Capitated enrollment ratio to the total population. The PMPMs used are equal to the TANF/SOBRA PMPMs used in the Traditional Facility and Non-Facility budget development for the same period. The inflation rates used are the weighted inpatient/outpatient rates outlined in the Traditional Facility and Non-Facility budgets as well. The Facility estimates assume 100% federal funding. The Non-Facility estimates assume a FMAP of 77.92% through September 2015 and 100% federal funding thereafter. The resulting total fee-for-service estimates for the child expansion population are $9,634,600 Total Fund (100% federally funded) for FY 2017 and $10,641,900 Total Fund (100% federally funded) for FY 2018.

Hospital Presumptive Eligibility:

As authorized by the ACA, beginning in January 2014 all states must implement Hospital Presumptive Eligibility (HPE) and ensure that hospitals that participate in the Medicaid program can begin making HPE determinations to provide temporary Medicaid coverage to individuals who presumptively appear to qualify. In Arizona, populations eligible for HPE include: children, pregnant women, parents and caretakers, individuals formerly in foster care, non-disabled adults 19 to 64 without Medicare, and individuals qualifying under the Breast and Cervical Cancer Treatment Program for those hospitals that are also qualified to perform breast and cervical cancer screenings by the Arizona Department of Health Services under the Well Woman Health Check Program.

This program is still awaiting CMS approval and has not yet been implemented. As a placeholder estimate, AHCCCS is requesting $2,500,000 Total Fund ($771,000 General Fund) for FY 2017 and $5,000,000 Total Fund ($1,527,100 General Fund) for this program in FY 2018.

Traditional Fee-For-Service Requirement Breakdown:

Fiscal Year 2018	Total Fund	Federal Fund	State Match
IHS Facilities	348,975,500	348,975,500	0
IHS Non-Facility	174,236,200	121,023,800	53,212,400
Non IHS	3,012,100	2,092,200	919,900
FES Births	21,670,000	15,050,500	6,619,500
FES Other	51,781,100	35,966,200	15,814,900
Prior Quarter	8,169,600	5,748,300	2,421,300
Child Expansion	10,641,900	10,641,900	0
Hospital Presumptive Eligibility	5,000,000	3,472,900	1,527,100
Total SFY 2018 FFS Exp.	623,486,400	542,971,300	80,515,100
Total FY 2017 Allocation	635,315,400	554,779,400	80,536,000
Increase (Decrease)	(11,829,000)	(11,808,100)	(20,900)

Proposed solution to the problem or issue:

In FY 2018, decrease the Traditional Fee-For-Service allocation by $11,829,000 Total Fund ($11,808,100 Federal fund and $20,900 General Fund). The allocation detail was derived by using the FY 2016 actual percentage of each distinctive fee-for-service population's expenditures to the total fee-for-service expenditures.

Performance Measures to quantify the success of the solution

- AHCCCS member enrollment in Traditional Acute Care.
- Maintain the % of overall Health Plan compliance with key indicators at ≥99%.

Alternatives considered and reasons for rejection:

Provide no changes to the appropriation. This alternative was rejected, as it would be not align State and Federal financing for services.

Impact of not funding this fiscal year:

The Fee-For-Service program is a federally mandated program therefore failure to fund this program would jeopardize federal funding.

Statutory Authority:

Section 1905(b) of the Social Security Act, 42 U.S.C.1396d.
Title I and III of the Indian Self-determination and Education Assistance Act (Law 93-638, as amended), hereafter "638." SEC. 1911. *[42 U.S.C. 1396j]* (a).
Title I and III of the Indian Self-determination and Education Assistance Act (Law 93-638, as amended), hereafter "638." SEC. 1911. *[42 U.S.C. 1396j]* (c).
Vol. II, P.L. 94-437, §402(c)(d).
Sec 321(a) and 322(b) of the Public Health Service Act (42U.S.C. 248(a) and 249(b)).
Sec 601 of the Indian Health Care Improvement Act (25 U.S.C. 1601).
Arizona Revised Statute (A.R.S.) § 36-2903.01 (J)(2).
§1902(a)(10)(B) of the Social Security Act (the Act) and 42 CFR 440.240.
1905(a)(2)(c) of the Social Security Act Secs.329, 330 or 340 of the Public Health Services (PHS) Act.
Section 6404 of the Omnibus Budget Reconciliation Act of 1989 (P.L. 101-239) amended.
Secs. 1905 (a) and (1) of the Social Security Act.
HCFA State Medicaid Manual, SMM4-4231 section C. Provisions of payment for services provided under the
Balanced Budget Act of 1997 (BBA 97) Section 4712(b), Social Security Act 1902(a)(13)(C)(I),
Arizona State Plan, Section 4.19 (b)(1) and (2).
Section 1902(a)(13)(C)(I) of the Social Security Act.
Section 702 of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act (BIPA).
Section 1903(v) of the Social Security Act.

TRADITIONAL REINSURANCE

Description of the problem:

Reinsurance is a stop-loss program provided by AHCCCS to its contractors for the partial reimbursement of covered inpatient facility medical services incurred for a member with an acute medical condition beyond an annual deductible. AHCCCS provides both regular and catastrophic reinsurance coverage to health plan of MCO contractors. The purpose of reinsurance is to reduce the health plans' financial risk for major medical costs incurred by members.

The reinsurance program provides critical safeguards to AHCCCS health plans. These safeguards promote competition and flexibility during the procurement process ensuring competent contractors are chosen to provide quality services to AHCCCS recipients, while minimizing the cost to Arizona taxpayers. This proactive approach limits the costly procedure of transitioning members or liabilities when a contractor's financial solvency declines and services can no longer be provided.

The updated FMAP percentages and enrollment estimates that were used in the analysis are shown in the tables below.

It is assumed that the FMAP will increase from 69.24% in FFY 2017 to 69.53% in FFY 2018 based on Federal Funds Information for States (FFIS) in Issue Brief 16-24 (March 25, 2016).

FMAP Changes:

FFY 2016	68.92%	Actual
FFY 2017	69.24%	Actual
FFY 2018	69.53%	Estimate

Traditional Reinsurance Regular Member Month Forecast															
		TANF <1	TANF 1-13	TANF 14-44, F	TANF 14-44, M	TANF 45+	SBRA CHLD <1	SBRA CHLD 1-13	SBRA CHLD 14-44, F	SBRA CHLD 14-44, M	SOBRA WOMEN	SSI W/ MED.	SSI W/O MED	Total	% Increase
Actual	**SFY 15**	168,494	2,256,423	1,408,952	570,871	240,658	385,409	2,791,684	402,709	404,871	183,268	615,791	649,613	10,078,742	4.78%
Actual	**SFY 16**	157,747	700,361	1,150,980	438,453	265,556	435,394	4,555,016	615,472	613,499	327,259	594,209	600,764	10,454,711	3.73%
Estimate	**SFY 17**	144,270	505,497	1,070,381	403,898	248,074	460,598	4,865,055	638,748	640,534	315,213	674,763	594,488	10,561,519	1.02%
Estimate	**SFY 18**	147,155	515,607	1,091,788	411,976	253,036	469,812	4,962,536	651,702	653,487	321,517	691,287	609,047	10,778,950	2.06%

In SFY 2018, AHCCCS estimates an increase of $22,926,800 Total Fund ($4,788,500 General Fund) in Traditional Reinsurance due to inflation and enrollment growth of 2.06%.

Proposed solution to the problem:

Adjust the FY 2017 allocation by the amounts stated.

	State Match	Federal Authority	Total
FY 2017 Allocation	24,704,100	59,102,500	83,806,600
FY 2018 Request	29,492,600	77,240,800	106,733,400
FY 2018 Increase/(Decrease)	4,788,500	18,138,300	22,926,800

Performance Measures to quantify the success of the solution

- AHCCCS member enrollment in Traditional Acute Care.
- Maintain the % of overall Health Plan compliance with key indicators at ≥99%.

Impact of not funding this fiscal year:

Failure to fund this program will hamper AHCCCS' ability to provide the critical safeguards necessary for the health plans. These safeguards are in place to promote competition and flexibility during AHCCCS' procurement process while also minimizing the costs to Arizona taxpayers. In addition, any funding reduction to the reinsurance program would require an increase in Capitation funding if the rates are going to be actuarially sound as required by the Balanced Budget Act of 1997.

Statutory Reference:

A.R.S. §36-2901.01 .
AHCCCS Rule R9-22-503 (G.3).
AHCCCS Rule R9-22-202.
AHCCCS Rule R9-22-203.

TRADITIONAL MEDICARE PREMIUMS PROGRAM

Description of the problem

AHCCCS pays Medicare Part A premiums (Hospital Insurance Benefit (HIB)) and Medicare Part B premiums (Supplemental Medical Insurance Benefit (SMIB)) for Title XIX members who are eligible for both Medicare and Medicaid. AHCCCS acts as a payer of last resort for medical benefits and cost avoids against Medicare for dual eligible members. This means that for these members AHCCCS only has liability for payment of Medicare coinsurance, deductibles, and the remaining medical benefits that are not covered by Medicare and all other third party payers. Health care providers must determine the extent of third party coverage and bill all private insurance carriers including HMOs and Medicare prior to billing AHCCCS. This Medicare "buy-in" program reduces the State's Medicaid costs because the Federal government, through Medicare, absorbs many of the major medical costs provided to these members, which otherwise would have been paid by AHCCCS.

In addition, Federal law requires the State to pay Medicare Part A and/or Part B premiums on behalf of certain low-income Medicare beneficiaries. These members are covered under the Qualified Medicare Beneficiary (QMB) or the Specified Low-Income Medicare Beneficiary (SLMB) programs. To be eligible for the QMB program, the individual's income must be less than 100% of the Federal Poverty Level (FPL). These QMB members are eligible for full benefits, however, some choose to remain QMB only and AHCCCS pays for their Medicare Part A and Part B premiums, Medicare coinsurance and deductibles. To be eligible for the SLMB program, the individual's income must fall between 100% and 120% of the FPL. AHCCCS pays the Medicare Part B premium for SLMB eligibles.

Section 4732 of the Balanced Budget Act (BBA) of 1997 created two new eligibility groups: Qualified Individual I and II (QI-1 and QI-2). These 100% federal funded groups were originally scheduled to sunset on December 31, 2002. However the QI-1 group, which receives a payment for the full Medicare Part B premium, continues to be reauthorized by Congress (the QI-2 group did sunset). Section 211 of the Medicare Access and CHIP Reauthorization Act (MACRA) permanently extended the Qualifying Individual program, for Calendar Year (CY) 2016, and each subsequent year. To be eligible for the QI-1 Program, a member's income must be between 120% and 135% of the FPL.

In Fiscal Year 2018, AHCCCS requires an increase of $71,566,900 in Total Funds consisting of $19,495,000 General Fund and $52,071,900 Federal Fund for the Acute Medicare Premiums allocation within the Traditional Medicaid Services Appropriation.

Medicare Premium Rates

The current calendar year 2016 Medicare Part A premium is $411.00 per month. The current calendar year 2016 Medicare Part B premium is $121.80. The effective Medicare premium rates paid by AHCCCS are calculated using the PMPM costs which include a 10% surcharge for late enrollment for some members over and above the published premium rates. The following table provides a historical perspective on the Medicare Part A and B premiums and annual increases.

History of Medicare Premium Rates

Calendar Year	Medicare Part A Premium	% Change
2001	$300.00	-0.33%
2002	$319.00	6.33%
2003	$316.00	-0.94%
2004	$343.00	8.54%
2005	$375.00	9.33%
2006	$393.00	4.80%
2007	$410.00	4.33%
2008	$423.00	3.17%
2009	$443.00	4.73%
2010	$461.00	4.06%
2011	$450.00	-2.39%
2012	$451.00	0.22%
2013	$441.00	-2.22%
2014	$426.00	-3.40%
2015	$407.00	-4.46%
2016	$411.00	0.98%
2017	$421.82 (1)	2.63%
2018	$432.93 (1)	2.63%

Calendar Year	Medicare Part B Premium	% Change
2001	$50.00	9.89%
2002	$54.00	8.00%
2003	$58.70	8.70%
2004	$66.60	13.46%
2005	$78.20	17.42%
2006	$88.50	13.17%
2007	$93.50	5.65%
2008	$96.40	3.10%
2009	$96.40	0.00%
2010	$110.50	14.63%
2011	$115.40	4.43%
2012	$99.90	-13.43%
2013	$104.90	5.01%
2014	$104.90	0.00%
2015	$104.90	0.00%
2016	$121.80	16.11%
2017	$149.00 (2)	22.33%
2018	$156.61 (3)	5.11%

(1) The Medicare Part A premium projected for Calendar Years 2017 and 2018 was based on an average of the most recent five years percentage increase (excluding years in which the rate decreased).

(2) The Medicare Part B premium projected for Calendar Year 2017 was based on the 2016 Annual Report of the Boards of Trustees of the Federal Hospital Insurance and Federal Supplementary Medical Insurance Trust Funds. This increase must still be approved by Congress. If Congress were not to approve this large increase for Calendar Year 2017 and instead increased rates by an average of the most recent five years percentage increase, excluding years in which the rate decreased, this would reduce SFY 2017 expenses by $16,453,800 TF ($4,321,000 SM) and SFY 2018 expenses by $34,790,400 TF ($9,051,100 SM).

(3) The Medicare Part B premium projected for Calendar Year 2018 was based on an average of the most recent five years percentage increase (excluding years in which the rate decreased and excluding the large proposed increase in Calendar Year 2017).

Membership Growth

Linear regressions were used to project member month growth for the different subgroups of the Medicare Premiums Program.

Traditional SSI with Medicare member – 48-month regression
QMB-Only member – 36-month regression
SLMB member – 36-month regression
QI-1 member – 60-month regression

Below is a chart showing the projected member month changes for all subprograms within the Medicare Premiums Program for SFY 2010-2018. The decreased growth in FY2016 for the Part A and B population is related to a shift in SSI with Medicare members from Traditional to Proposition 204 which occurred in the spring of 2015. This shift was due to the increase in FPL for 2015 being lower than the SSA cost of living increase, which results in a MAGI income adjustment that moves members from Traditional to Proposition 204. Since that time, the direction of this shift has reversed. For FY2017, member months for SSI Traditional and Prop. 204 SSI (including both SSI with Medicare and SSI without Medicare) were forecast in aggregate using a 48 month regression and then split according to the percentage that each currently represents of the total. Because of the sizeable shift from Traditional to Prop. 204 that occurred in spring 2015, this methodology results in a year-over-year increase of 15% from FY2015 to FY2016, even though the June-over-June increase was only 2.7%.

SFY	Part A & B	% Chg	QMB-Only	% Chg	SLMB	% Chg	QI-1	% Chg
2010	515,716	5.8%	47,539	3.4%	204,784	4.8%	140,708	9.0%
2011	543,651	5.4%	48,784	2.6%	223,053	8.9%	151,739	7.8%
2012	589,805	8.5%	48,625	-0.3%	241,542	8.3%	153,686	1.3%
2013	618,701	4.9%	50,923	4.7%	262,709	8.8%	184,230	19.9%
2014	642,940	3.9%	56,427	10.8%	277,447	5.6%	189,204	2.7%
2015	661,543	2.9%	56,145	-0.5%	300,868	8.4%	200,471	6.0%
2016	667,874	1.0%	71,191	26.8%	335,646	11.6%	215,837	7.7%
2017	768,074	15.0%	79,822	12.1%	349,522	4.1%	226,116	4.8%
2018	787,745	2.6%	87,258	9.3%	370,668	6.0%	239,397	5.9%

Proposed solution to the problem

For Fiscal Year 2017, AHCCCS is allocated $185,565,900 Total Fund ($48,162,700 General Fund) from the Traditional Medicaid Services appropriation for Acute Medicare Premiums. For Fiscal Year 2018, AHCCCS requires an increase of $71,566,900 in Total Funds consisting of $19,495,000 General Fund and $52,071,900 federal authority for the Acute Medicare Premiums allocation from the Traditional Medicaid Services Appropriation.

Performance Measures to quantify the success of the solution

- AHCCCS member enrollment in Traditional Acute Care.

Alternatives considered

Provide no increases. This alternative was rejected, as it would be in violation of Federal Law and it would also cause the adverse effect of increasing overall AHCCCS health care costs since Medicare would no longer be the primary payer of health care costs incurred by the dual eligible members.

Impact of not funding this year

Failure to fund this program would prevent AHCCCS from participating in the Medicare "buy-in" program, which absorbs the major medical costs provided to dual eligible members. As a result, AHCCCS or Arizona residents and/or Arizona health care providers would have to pay for those health care costs. AHCCCS has the liability for payment of the remaining medical benefits to these members not covered by Medicare and all other third party payers.

Statutory Reference
ARS § 36-2901, paragraph 6, subdivision (a)
ARS § 36-2911
Section 4732, the Balanced Budget Act (BBA) of 1997
Medicare Access and CHIP Reauthorization Act of 2015 (PL 114-10)
Arizona Section 1115 Waiver for FFY 2012 through FFY 2016, CNOM #13 (April 16, 2013 Amendment)

MEDICARE PART D "CLAWBACK" PAYMENTS

DESCRIPTION OF THE PROBLEM:

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA) established the Medicare Part D prescription drug program, which provides prescription drug coverage to Medicaid recipients who are Medicare eligible (dual eligible members). The Medicare Part D prescription drug benefit resulted in a reduction to capitation rates and fee-for-service payments since Medicaid no longer pays prescription drug expenditures (with certain exceptions as defined in the AHCCCS Medical Policy Manual) for those who are eligible for the Part D benefit, but states have to reimburse the federal government for this savings according to a prescribed formula.

In FY 2018, AHCCCS will require additional resources for this state only expenditure. The Acute Care and BHS Clawback is all General Fund. The ALTCS Clawback payment is split between General Fund and County Funds.

	SFY16 Actual	SFY17 Allocation	SFY17 Rebase	SFY18 Request	SFY18 Inc.(Dec)
AHCCCS ACUTE	40,657,468	42,527,100	47,029,500	53,262,300	10,735,200
AHCCCS ALTCS					
General Fund	11,555,498	14,094,700	14,201,400	15,687,700	1,593,000
County Fund	17,681,929	19,471,000	19,618,300	22,614,100	3,143,100
TOTAL ALTCS	29,237,427	33,565,700	33,819,700	38,301,800	4,736,100
BHS	15,112,173	17,349,400	17,480,600	19,797,300	2,447,900
DES-DD	3,110,553	3,370,600	3,598,100	4,074,900	704,300
Grand Total	88,117,621	96,812,800	101,927,900	115,436,300	18,623,500

METHODOLOGY:

CLAWBACK PMPM:

In accordance with the law, calendar year 2003 is the base year for the development of the clawback payment. CMS used a combination of fee-for-service claim information and encounter data provided through MSIS and/or PMMIS to develop the 2003 base PMPM. The PMPM calculated for 2003 was then trended forward using the National Health Expenditure (NHE) inflation factor to 2006. CMS will only be billing one rate for all full benefit dual eligible members regardless of enrollment (Acute Care, Behavioral Health, ALTCS, and DDD) or eligibility (managed care or fee-for-service). The CMS rates used as the basis for the clawback payments are shown below.

	Actual 1/1/2013 to 9/30/2013	Actual 10/1/2013 to 12/31/2013	Actual 1/1/2014 to 9/30/2014	Actual 10/1/2014 to 12/31/2014	Actual 1/1/2015 to 9/30/2015	Actual 10/1/2015 to 12/31/2015	Actual 1/1/2016 to 9/30/2016	Estimate 10/1/2016 to 12/31/2016	Estimate 1/1/2017 to 9/30/2017	Estimate 10/1/2017 to 12/31/2017	Estimate 1/1/2018 to 9/30/2018
Total Fund PMPM	201.12	201.13	193.01	193.01	200.04	200.04	223.29	223.28	249.54	249.51	259.45
FMAP	65.68%	67.23%	67.23%	68.46%	68.46%	68.92%	68.92%	69.24%	69.24%	69.53%	69.53%
State Match PMPM	69.03	65.91	63.25	60.87	63.09	62.17	69.40	68.68	76.76	76.03	79.05
Clawback %	78.33%	78.33%	76.67%	76.67%	75.00%	75.00%	75.00%	75.00%	75.00%	75.00%	75.00%
Clawback PMPM	54.07	51.63	48.49	46.67	47.32	46.63	52.05	51.51	57.57	57.02	59.29

The following factors impact the PMPM paid by the state:

- The total fund PMPM is adjusted every calendar year in January. Beginning with CY 2009, the annual increases were based on Part D program data. In addition, CMS adjusts the annual percentage increase to reflect prior-year revisions to previous percentage increases, based on subsequent data and projections. As a result of this methodology, the re-benchmarking and recalculations of prior-year NHE data continue to have an impact on future state costs.

- Average growth in the PMPM going back to the program's inception is 3.29%. The actual increase for CY 2016 was 11.62%. The announced parameters that will guide the Calendar Year 2017 PMPM change reflect a projected increase of 11.76%. AHCCCS is using the projected PMPMs published by Federal Funds Information for States (FFIS) in Issue Brief 16-19 (April 7, 2016) as the basis for the CY 2017 PMPM. For the January 2018 PMPM increase estimates, AHCCCS is using the average of the five most recent years which equates to a 3.98% growth rate.

- The State Match PMPM is calculated by taking the total fund PMPM multiplied by the state's Federal Matching Assistance Percentage (FMAP), which changes every October. For SFY 2017, the first quarter FMAP is 68.92%. Effective 10/1/16 it increases to 69.24%.

- It is assumed that the FMAP will increase from 69.24% in FFY 2017 to 69.53% in FFY 2018 based on Federal Funds Information for States (FFIS) in Issue Brief 16-14 (March 25, 2016).

- The percentage of estimated savings paid back to CMS has now stabilized at 75% beginning with Calendar Year 2015.

As a result of an initial invoicing lag when the program began in January 2006, the 12 payments made by the state each year are for the period of May through April, rather than the traditional July through June.

PROGRAM DISTRIBUTION:

The total clawback payment, which is calculated by multiplying the number of dual eligible members by the applicable PMPM rates, is then distributed to the various AHCCCS and Pass-Through programs using the fixed percentages used to calculate the calendar year 2003 drug costs used in the calculation of the above rates. These percentages will remain constant over the life of the clawback payment and will not be impacted by changes to enrollment. The percentages are as follows:

AHCCCS Acute	46.14%
ALTCS-EPD	33.18%
ALTCS-DD (DES)	3.53%
DHS BHS	17.15%

DUAL ELIGIBLE MEMBERSHIP:

AHCCCS is projecting full benefit dual eligible members using a 24 month regression for the current month enrollment plus an average amount of retro enrollment based on the last 12 months of invoices. The average amount of retro member months is 3,737. The methodology results in projected annual year over year growth of 4.85% in SFY 2017 and 4.96% in SFY 2018. Using this methodology, AHCCCS is forecasting that the 154,965 full benefit dual members (billed for clawback) in June 2016 will grow to 162,856 by June 2017 and 170,747 by June 2018.

PROPOSED SOLUTION TO THE PROBLEM:

For FY18, AHCCCS requests an increase of $10,735,200 General Fund to the Acute Care Clawback line item for these federally mandated payments. Within the ALTCS Clawback line item, AHCCCS requests a state match increase of $4,736,100 consisting of a General Fund increase of $1,593,000 and a County Fund increase of $3,143,000. For the BHS Clawback line, AHCCCS requests an increase of $2,447,900

Performance Measures to quantify the success of the solution:

- AHCCCS member enrollment in Traditional Acute program.

STATUTORY AUTHORITY:

Section 103(f), Medicare Prescription Drug, Improvement, and Modernization Act (MMA) of 2003 (P.L. 108-173)
Social Security Act, Section 1935(42 U.S.C. 1396u-5)

BREAST AND CERVICAL CANCER TREATMENT PROGRAM (BCCTP)

Description of the Problem

The Breast and Cervical Cancer Prevention Act of 2000 amended Title XIX of the Social Security Act to make enhanced Federal matching funds available to states for the cost of extending Medicaid eligibility to individuals previously not eligible. A.R.S. § 36-2901.05 (Laws 2001, Chapter 332) created a new eligibility group for women under 65 years of age who have been screened and diagnosed with breast or cervical cancer through the Arizona Department of Health Service's (ADHS) Well Women Healthcheck Program (WWHP) with an income at or below 250% FPL. The program began on January 1, 2002.

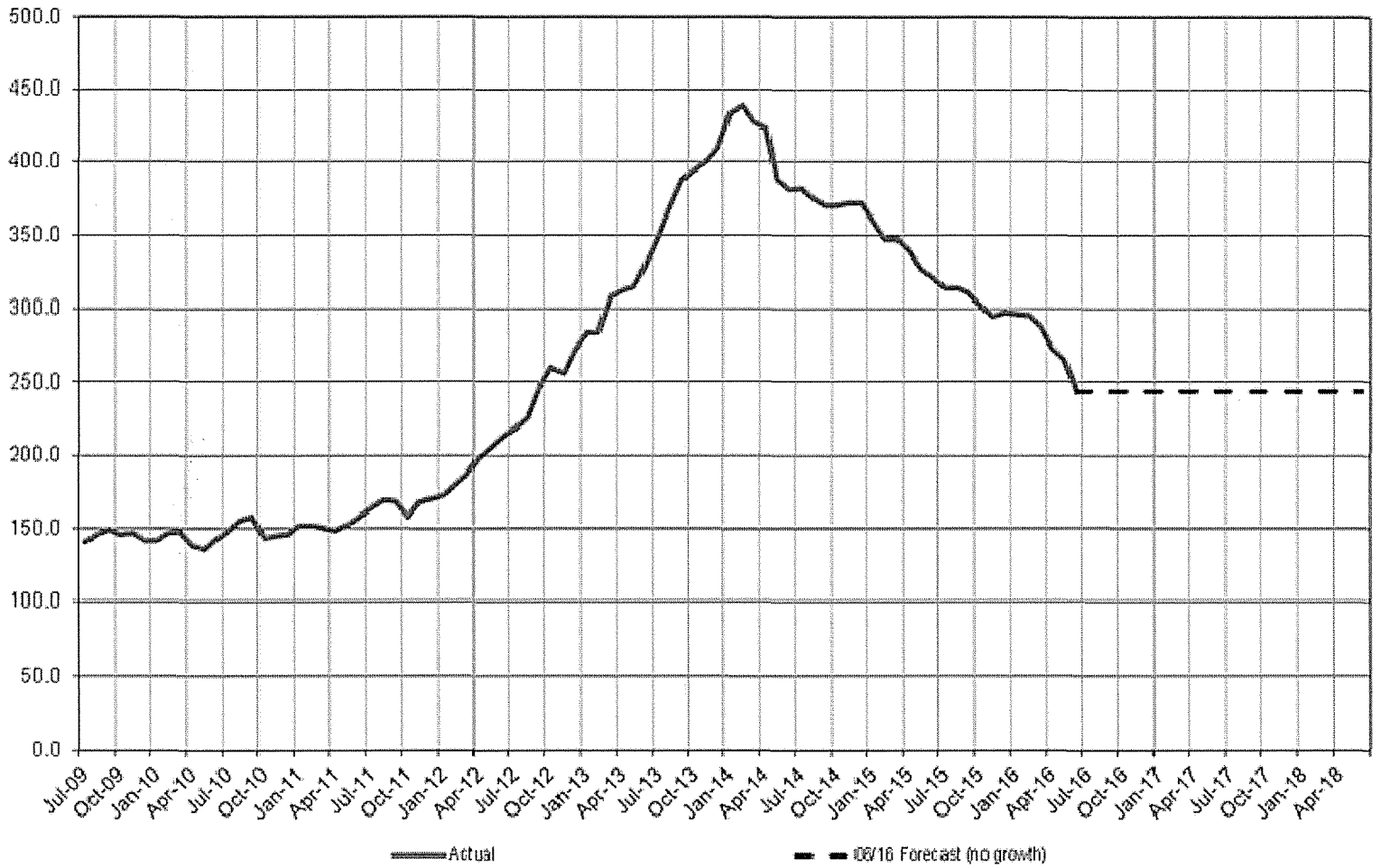
Uninsured women diagnosed with breast or cervical cancer on or after August 2, 2012, may be able to receive comprehensive treatment through the Breast and Cervical Cancer Treatment Program (BCCTP) provided by AHCCCS due to a change in Arizona law (Laws 2012, Chapter 299, Section 4). Prior to this change, only women that were screened and diagnosed through the Well Woman HealthCheck Program (WWHP) qualified for the BCCTP. The law allows for all women that meet the qualifications of the BCCTP and were diagnosed by a provider or entity recognized by ADHS' WWHP, to

enroll in the treatment program. This change was the primary catalyst responsible for the significant increase of enrollees in the BCCTP program through January 2014. The subsequent enrollment decline coincides with the implementation of ACA and is due to enrollees qualifying for one of the new expansion populations whereas prior to ACA, these same enrollees would have been placed in the BCCTP. Also, as part of the AHCCCS behavioral health integration effort, as of April 1, 2014, some members now receive physical and behavioral health care through Mercy Maricopa Integrated Care (Mercy Maricopa) health plan and Greater Arizona integrated plans.

The Fiscal Year 2017 allocation includes $366,900 in General Fund and $1,534,100 in Federal Authority for a total fund allocation of $1,901,000. The Fiscal Year 2017 BCCTP allocation is a component of the Traditional Medicaid Services appropriation. Fiscal Year 2016 actuals were used as the basis for the allocation of the Traditional Medicaid Services appropriation. The projected expenditures are shown in the table on the last page. Based on the current projections, in State Fiscal Year 2018, AHCCCS forecasts a decrease of $157,500 Total Fund (increase of $5,800 General Fund, decrease of $163,300 Federal Funds) to fund this population.

The enrollment forecast assumes that the impact of ACA enrollment impact and behavioral health integration have been absorbed and the population should experience very moderate to no growth going forward.

Breast and Cervical Cancer Enrollment Forecast



Women enrolled in the Breast and Cervical Cancer program are eligible for regular and prior period capitation, reinsurance, FFS (for Native Americans), and behavioral health. Table 1 contains the rates used in the development of the SFY 2017-2018 budgets. The regular and prior period weighted capitation rates for this program are a blend of the TANF 14 – 44 Females (15.36%) and the TANF 45+ (84.64%) populations. The FFS and reinsurance rates are based on SFY 2016 actual experience. The behavioral health rates are developed by the DHCM actuarial department. AHCCCS estimates a CYE 2018 rate increase of 3.0% for all risk pools.

Table 1

	REG CAP	% (+,-)	PPC CAP	% (+,-)	FFS	% (+,-)	RI	% (+,-)	Non-Integrated Behavioral Health	% (+,-)	MMIC/ Greater AZ	% (+,-)
FFY16	$ 393.74	0.26%	$ 292.31	0.00%	$ 2,626.95	-34.18%	$ 6.34	-71.24%	$ 66.29	-15.78%	$ 2,062.67	-14.45%
FFY17	$ 406.44	3.23%	$ 286.93	-1.84%	$ 2,697.83	2.70%	$ 6.51	2.70%	$ 52.53	-20.76%	$ 2,426.39	17.63%
FFY18	$ 418.64	3.00%	$ 295.54	3.00%	$ 2,778.76	3.00%	$ 6.70	3.00%	$ 54.11	3.00%	$ 2,499.18	3.00%

Enhanced FMAP		
FFY16	78.24%	Actual
FFY17	78.47%	Actual
FFY18	78.67%	Estimate

	State Match	Federal Authority	Total
FY17 Allocation:	$366,900	$1,534,100	$1,901,000
FY18 Request:	$372,700	$1,370,800	$1,743,500
FY18 Increase (Decrease):	$5,800	($163,300)	($157,500)

Proposed Solution to the problem

Decrease the Fiscal Year 2016 allocation by $157,500 Total Fund with an increase of $5,800 General Fund.

Performance Measures to quantify the success of the solution:

- AHCCCS member enrollment in the BCCTP program.
- Maintain the % of overall Health Plan compliance with key indicators at ≥99%.

Statutory Reference
A.R.S. § 36-2901.05
1902(a)(10)(A)(ii)(XVIII) of the Social Security Act

FREEDOM TO WORK (TICKET TO WORK)

Description of the Problem

A.R.S. §§ 36-2929 and 36-2950 authorizes an eligibility category for two groups of individuals; Individuals ages 16 through 64 who meet SSI eligibility criteria and have an earned income below 250% FPL, and employed individuals with a medically improved disability with an earned income under 250% FPL. This program, known as Freedom to Work or Ticket to Work was implemented on January 1, 2003.

The Fiscal Year 2017 allocation includes $9,069,300 in state General Fund and $21,092,200 Federal Authority for a total fund allocation of $30,161,500. The Fiscal Year 2017 Freedom to Work allocation is a component of the Traditional Medicaid Services appropriation. Fiscal Year 2016 actuals were used as the basis for the allocation of the Traditional Medicaid Services appropriation.

The projected expenditures are shown in the table below. Based on the current projections for FY2018, AHCCCS will require $33,573,200 Total Fund ($10,253,000 General Fund) for this program, or an increase of $3,411,700 Total Fund ($1,183,700 General Fund). This population was significantly impacted by the Mercy Maricopa/Greater Arizona behavioral health integration.

The summary table of the requested FY2017 allocation adjustments and the updated FMAP percentages that were used in the analysis are in the tables below.

	State Match	Federal Authority	Total
FY17 Allocation	9,069,300	21,092,200	30,161,500
FY18 Request	10,253,000	23,320,200	33,573,200
FY18 Increase (Decrease)	1,183,700	2,228,000	3,411,700

FMAP		
FFY 2016	68.92%	Actual
FFY 2017	69.24%	Actual
FFY 2018	69.53%	Estimate

As of June 2015 there were 1,981 members enrolled in Freedom to Work (1,927 Acute, 54 Long Term Care). By June 2016, enrollment had grown to 2,256 (2,199 Acute, 57 Long Term Care), an increase of 13.88%. The projected enrollment for FY2017 and FY2018 is based on a 60-month regression analysis. The rebase resulted in projected June 2017 enrollment of 2,409 (2,348 Acute, 61 Long Term Care) and a June FY2018 total of 2,560 member months (2,495 Acute, 65 Long Term Care). This is an increase of 6.78% and 6.27% for FY2017 and FY2018 respectively.

The previous totals do not include eligibles receiving physical and behavioral health care through Mercy Maricopa Integrated Care (MMIC) or the Greater Arizona RBHA integrated plans. As part of the AHCCCS behavioral health integration effort, as of June 1, 2015, 597 FTW members received physical and behavioral health care through Mercy Maricopa Integrated Care (MMIC) health plan. Beginning on October 1, 2015, another 219 received physical and behavioral health care through the Greater Arizona RBHA (GrAZ) integrated plans. By June 2016, 611 members were receiving services through MMIC and another 215 members were receiving services through GrAZ. It is anticipated that by June 2017, a total of 867 TTW members will receive integrated behavioral health services through either MMIC or GrAZ and that by June 2018 this number will reach 908.

Acute Coverage - Acute members are eligible for regular and prior period capitation, behavioral health capitation, fee-for-service, reinsurance, and Medicare Part B premium coverage. For FY2018, AHCCCS is recommending a 3.0% increase to both prospective and prior period rates to account for utilization and inflationary increases. For more detail of rates used in the FY2016-FY2017 forecast, see the Chart 1 on the following page.

LTC Coverage – LTC members are eligible for regular and prior period capitation, fee-for-service, reinsurance, and Medicare Part B premium coverage. The LTC capitation rate shown below is a loaded rate which includes reinsurance and fee-for-service. The CY2018 rate of $3,256.03 reflects a recommended an increase of 2.54 % over the CY2017 rate of $3,401.51 to account for utilization and inflationary increases.

For more detail of rates used in the FY2017-FY2018 forecast, see Chart 1 below.

Chart 1

		Regular Capitation	% (+,-)	Prior Period Capitation	% (+,-)	FFS	% (+,-)	Non-Integrated Behavioral Health	% (+,-)	MMIC/ Greater AZ	% (+,-)	Reinsurance	% (+,-)	SMIB	% (+,-)
CY16 (10/15 to 9/16)	Acute	$275.85	12.28%	$213.48	-7.72%	$662.38	27.77%	$59.86	-25.08%	$2,237.12	-7.20%	$1.82	-74.51%	$11.94	3.63%
	LTC	$4,056.10	1.57%											$20.34	14.57%
CY17 (10/16 to 9/17)	Acute	$254.25	-7.83%	$206.98	-3.04%	$681.98	2.96%	$52.53	-12.25%	$2,426.39	8.46%	$1.68	-7.71%	$12.18	2.00%
	LTC	$3,401.51	-16.14%											$21.08	3.65%
CY18 (10/17 to 9/18)	Acute	$261.93	3.02%	$213.19	3.00%	$702.44	3.00%	$54.11	3.00%	$2,499.18	3.00%	$1.73	3.00%	$12.96	6.40%
	LTC	$3,487.90	2.54%											$22.43	6.40%

Freedom to Work members may be required to pay a monthly premium. The amount of the member's premium is based on the individual's net earned income. The premium amount can range from $0 - $35 and cannot exceed 2% of the member's net earned income.

Proposed Solution to the problem

In FY 2018, AHCCCS requests an increase of $3,411,700 Total Fund ($1,183,700 General Fund) compared to the FY2017 allocated amount.

Performance Measures to quantify the success of the solution:

- AHCCCS member enrollment in the FTW program.
- Maintain the % of overall Health Plan compliance with key indicators at ≥99%.

Statutory Reference

A.R.S. § 36-2929
A.R.S. § 36-2950
1902 (a)(10)(A)(ii)(XV) of the Social Security Act

TABLE 1

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
COMPARISON OF CMDP RATES TO REGULAR RATES FOR CMDP MEMBER MONTHS - PROSPECTIVE (Sept. 2018 Budget Submittal)

	Member Months	CMDP Rate	Total Fund
2016.3	54,624	$230.02	$12,564,612
2016.4	55,812	$231.29	$12,908,757
2017.1	57,030	$231.80	$13,219,554
2017.2	58,272	$231.80	$13,507,450
SFY17 TOTAL:	225,738	$231.24	$52,200,374

	< 1 (1931/SOBRA)			1 TO 13 (1931/SOBRA)			14 TO 18 Female (1931/SOBRA)			14 TO 18 Male (1931/SOBRA)			SSI w/o Medicare			Total		
	MM	Rate	Dollars	MM	Rate	Dollars	MM	Rate	Dollars	MM	Rate	Dollars	MM	Rate	Dollars	MM	Rate	Dollars
2016.3	4,410	$488.38	$2,153,773	38,855	$111.33	$4,325,673	4,756	$247.31	$1,176,207	5,459	$155.10	$846,696	1,144	$863.93	$988,333	54,624	$173.75	$9,490,683
2016.4	4,505	$468.91	$2,112,430	39,701	$111.81	$4,439,034	4,859	$253.06	$1,229,641	5,578	$151.73	$846,336	1,169	$924.56	$1,080,808	55,812	$173.95	$9,708,248
2017.1	4,604	$472.50	$2,175,375	40,566	$112.23	$4,552,579	4,965	$253.26	$1,257,452	5,700	$152.42	$868,768	1,195	$926.68	$1,107,387	57,030	$174.67	$9,961,561
2017.2	4,704	$472.50	$2,222,624	41,450	$112.23	$4,651,787	5,073	$253.26	$1,284,805	5,824	$152.42	$887,668	1,221	$926.68	$1,131,481	58,272	$174.67	$10,178,365
SFY17 TOTAL:	18,223	$475.45	$8,664,202	160,572	$111.91	$17,969,073	19,653	$251.77	$4,948,105	22,561	$152.90	$3,449,468	4,729	$910.98	$4,308,009	225,738	$174.27	$39,338,857

SFY17 TF Shortfall if Regular Acute rate used for CMDP: (12,861,516)

SFY17 GF Shortfall if Regular Acute rate used for CMDP: (3,966,039)

	Member Months	CMDP Rate	Total Fund
2017.3	59,540	$235.28	$14,008,791
2017.4	60,836	$235.28	$14,313,548
2018.1	62,162	$235.28	$14,625,730
2018.2	63,517	$235.28	$14,944,211
SFY18 TOTAL:	246,055	$235.28	$57,892,279

	< 1 (1931/SOBRA)			1 TO 13 (1931/SOBRA)			14 TO 18 Female (1931/SOBRA)			14 TO 18 Male (1931/SOBRA)			SSI w/o Medicare			Total		
	MM	Rate	Dollars	MM	Rate	Dollars	MM	Rate	Dollars	MM	Rate	Dollars	MM	Rate	Dollars	MM	Rate	Dollars
2017.3	4,806	$472.50	$2,270,819	42,352	$112.23	$4,753,015	5,184	$253.26	$1,312,917	5,951	$152.42	$907,024	1,247	$926.68	$1,155,575	59,540	$174.66	$10,399,350
2017.4	4,911	$486.67	$2,390,036	43,274	$115.59	$5,002,042	5,297	$260.86	$1,381,775	6,080	$156.99	$954,499	1,274	$954.48	$1,216,008	60,836	$179.90	$10,944,360
2018.1	5,018	$486.67	$2,442,110	44,217	$115.59	$5,111,043	5,412	$260.86	$1,411,774	6,213	$156.99	$975,379	1,302	$954.48	$1,242,733	62,162	$179.90	$11,183,039
2018.2	5,128	$486.67	$2,495,644	45,180	$115.59	$5,222,356	5,530	$260.86	$1,442,556	6,348	$156.99	$996,573	1,331	$954.48	$1,270,413	63,517	$179.91	$11,427,541
SFY18 TOTAL:	19,863	$483.24	$9,598,609	175,023	$114.78	$20,088,456	21,423	$259.02	$5,549,022	24,592	$155.88	$3,833,475	5,154	$947.75	$4,884,728	246,055	$178.64	$43,954,291

SFY18 TF Shortfall if Regular Acute rate used for CMDP: (13,937,988)

SFY18 GF Shortfall if Regular Acute rate used for CMDP: (4,257,372)

TABLE 2

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
COMPARISON OF CMDP RATES TO REGULAR RATES FOR CMDP MEMBER MONTHS - PRIOR PERIOD (Sept. 2018 Budget Submittal)

	Member Months	CMDP Rate	Total Fund
2016.3	1,404	$304.47	$427,542
2016.4	1,434	$305.69	$438,344
2017.1	1,466	$305.69	$448,440
2017.2	1,497	$305.69	$457,527
SFY17 TOTAL:	5,801	$305.44	$1,771,854

	< 1 (1931/SOBRA)			1 TO 13 (1931/SOBRA)			14 TO 18 Female (1931/SOBRA)			14 TO 18 Male (1931/SOBRA)			SSI w/o Medicare			Total		
	MM	Rate	Dollars	MM	Rate	Dollars	MM	Rate	Dollars	MM	Rate	Dollars	MM	Rate	Dollars	MM	Rate	Dollars
2016.3	198	$1,006.39	$199,265	742	$53.37	$39,599	144	$193.65	$27,886	312	$145.09	$45,270	8	$575.73	$4,606	1,404	$225.52	$316,626
2016.4	202	$1,010.42	$204,104	758	$53.99	$40,925	147	$195.08	$28,677	319	$144.58	$46,122	8	$574.77	$4,598	1,434	$226.24	$324,427
2017.1	207	$1,010.42	$209,156	774	$53.99	$41,789	150	$195.08	$29,263	326	$144.58	$47,134	9	$574.77	$5,173	1,466	$226.82	$332,515
2017.2	211	$1,010.42	$213,198	791	$53.99	$42,707	153	$195.08	$29,848	333	$144.58	$48,146	9	$574.77	$5,173	1,497	$226.50	$339,072
SFY17 TOTAL:	818	$1,009.44	$825,724	3,065	$53.84	$165,019	594	$194.74	$115,674	1,290	$144.71	$186,672	34	$574.99	$19,550	5,801	$226.28	$1,312,639

SFY17 **TF** Shortfall if Regular Acute rate used for CMDP: (459,215)

SFY17 **GF** Shortfall if Regular Acute rate used for CMDP: (141,610)

	Member Months	CMDP Rate	Total Fund
2017.3	1,530	$230.02	$352,155
2017.4	1,564	$231.29	$361,774
2018.1	1,598	$231.29	$369,355
2018.2	1,634	$231.29	$378,126
SFY18 TOTAL:	6,326	$231.02	$1,461,410

	< 1 (1931/SOBRA)			1 TO 13 (1931/SOBRA)			14 TO 18 Female (1931/SOBRA)			14 TO 18 Male (1931/SOBRA)			SSI w/o Medicare			Total		
	MM	Rate	Dollars	MM	Rate	Dollars	MM	Rate	Dollars	MM	Rate	Dollars	MM	Rate	Dollars	MM	Rate	Dollars
2017.3	216	$1,010.42	$218,250	808	$53.99	$43,625	157	$195.08	$30,628	340	$144.58	$49,158	9	$574.77	$5,173	1,530	$226.69	$346,834
2017.4	220	$1,040.73	$228,961	826	$55.61	$45,934	161	$200.94	$32,351	348	$200.94	$69,926	9	$592.01	$5,328	1,564	$244.56	$382,500
2018.1	225	$1,040.73	$234,164	844	$55.61	$46,935	165	$200.94	$33,155	355	$200.94	$71,332	9	$592.01	$5,328	1,598	$244.63	$390,915
2018.2	230	$1,040.73	$239,368	863	$55.61	$47,992	168	$200.94	$33,757	363	$200.94	$72,940	10	$592.01	$5,920	1,634	$244.78	$399,977
SFY18 TOTAL:	891	$1,033.38	$920,743	3,341	$55.22	$184,486	651	$199.53	$129,891	1,406	$187.31	$263,356	37	$587.81	$21,749	6,326	$240.31	$1,520,225

SFY18 **TF** Shortfall if Regular Acute rate used for CMDP: 58,815

SFY18 **GF** Shortfall if Regular Acute rate used for CMDP: 17,906

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
TRADITIONAL MEDICAID SERVICES APPROPRIATION
FISCAL YEAR 2018 DECISION PACKAGE
TABLE A

	FY17 Approp	FY18 Request	FY18 Inc/(Dec)
Acute Capitation			
General Fund	677,692,700	600,196,500	(77,496,200)
County Fund	49,687,700	49,459,600	(228,100)
Tobacco MSA	37,432,400	37,432,400	-
TPL Fund	194,700	194,700	-
PDR State	106,139,500	146,007,600	39,868,100
PDR Federal	301,143,200	426,099,500	124,956,300
Federal Funds	1,783,619,800	1,600,270,500	(183,349,300)
Total Funds	2,955,910,000	2,859,660,800	(96,249,200)
Acute Fee-for-Service			
General Fund	80,536,000	80,515,100	(20,900)
Federal Funds	554,779,400	542,971,300	(11,808,100)
Total Funds	635,315,400	623,486,400	(11,829,000)
Acute Reinsurance			
General Fund	24,704,100	29,492,600	4,788,500
Federal Funds	59,102,500	77,240,800	18,138,300
Total Funds	83,806,600	106,733,400	22,926,800
Acute Medicare Premiums			
General Fund	48,162,700	67,657,700	19,495,000
Federal Funds	138,403,200	190,475,100	52,071,900
Total Funds	186,565,900	258,132,800	71,566,900
Breast and Cervical Cancer			
General Fund	366,900	372,700	5,800
Federal Funds	1,534,100	1,370,800	(163,300)
Total Funds	1,901,000	1,743,500	(157,500)
Ticket to Work			
General Fund	9,069,300	10,253,000	1,183,700
Federal Funds	21,092,200	23,320,200	2,228,000
Total Funds	30,161,500	33,573,200	3,411,700
Medicare Clawback			
General Fund	42,527,100	53,262,300	10,735,200
Traditional Medicaid Services			
General Fund	883,058,800	841,749,900	(41,308,900)
County Fund	49,687,700	49,459,600	(228,100)
Tobacco MNA	37,432,400	37,432,400	-
TPL Fund	194,700	194,700	-
PDR State	106,139,500	146,007,600	39,868,100
PDR Federal	301,143,200	426,099,500	124,956,300
Federal Funds	2,558,531,200	2,435,648,700	(122,882,500)
Total Funds	3,936,187,500	3,936,592,400	404,900

	FY17 Approp	FY18 Request	FY18 Inc/(Dec)
Behavioral Health			
General Fund	229,264,600	292,936,100	63,671,500
Tobacco MNA	35,565,800	35,565,800	-
Federal Funds	635,543,900	767,308,700	131,764,800
Total Funds	900,374,300	1,095,810,600	195,436,300
ALTCS DD Behavioral Health			
General Fund	12,742,900	15,798,700	3,055,800
Federal Funds	29,761,500	35,931,800	6,170,300
Total Funds	42,504,400	51,730,500	9,226,100
BHS Medicare Clawback			
General Fund	17,349,400	19,797,300	2,447,900
Traditional Behavioral Health Services			
General Fund	259,356,900	328,532,100	69,175,200
Tobacco MNA	35,565,800	35,565,800	-
Federal Funds	665,305,400	803,240,500	137,935,100
Total Funds	960,228,100	1,167,338,400	207,110,300

Notes:
1) The JLBC no longer provides special line item detail. Therefore, the amounts shown above for each line are allocations of the full Traditional Medicaid appropriation based on FY 2017 budget rebase.
2) Appropriation and Request amounts include the Child Expansion population.
3) Traditional Acute and Traditional Behavioral Health both shown to identify net program impact.

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 Acute Care Base Capitation — Issue Category: Decision Package

Justification: see attached justification

Program: 3-3006 Capitation — Calculated ERE: $0.00
Fund: 1000-A General Fund (Appropriated) — Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	(77,093.1)
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	(403.1)
Program / Fund Total:	(77,496.2)

Program: 3-3006 Capitation — Calculated ERE: $0.00
Fund: 2120-N AHCCCS Fund (Non-Appropriated) — Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	(182,395.5)
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	(953.8)
Program / Fund Total:	(183,349.3)

Program: 3-3006 Capitation — Calculated ERE: $0.00
Fund: 2546-A Prescription Drug Rebate Fund (Appropriated) — Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0

All dollars are presented in thousands (not FTE).

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 Acute Care Base Capitation — Issue Category: Decision Package

Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	39,868.1
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	39,868.1

Program: 3-3006 Capitation — Calculated ERE: $0.00
Fund: 2546-N Prescription Drug Rebate Fund (Non-Appropriated) — Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	124,956.3
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	124,956.3

Program: 3-3006 Capitation — Calculated ERE: $0.00
Fund: 9691-N County Funds (Non-Appropriated) — Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	(228.1)
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	(228.1)

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 Acute Care Base Fee-For-Service

Issue Category: Decision Package

Justification: see attached justification

Program: 3-3007 Fee-for-Service
Fund: 1000-A General Fund (Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	(20.9)
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	(20.9)

Program: 3-3007 Fee-for-Service
Fund: 2120-N AHCCCS Fund (Non-Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	(11,808.1)
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	(11,808.1)

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 Acute Care Base Reinsurance

Issue Category: Decision Package

Justification: see attached justification

Program: 3-3008 Reinsurance
Fund: 1000-A General Fund (Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	4,788.5
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	4,788.5

Program: 3-3008 Reinsurance
Fund: 2120-N AHCCCS Fund (Non-Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	18,138.3
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	18,138.3

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 Acute Care Base Medicare Premiums

Issue Category: Decision Package

Justification: see attached justification

Program: 3-3009 Medicare Premiums
Fund: 1000-A General Fund (Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	19,495.0
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	19,495.0

Program: 3-3009 Medicare Premiums
Fund: 2120-N AHCCCS Fund (Non-Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	52,071.9
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	52,071.9

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 Acute Care Clawback

Issue Category: Decision Package

Justification: see attached justification

Program: 3-3012 SLI Acute Care Clawback Payments

Fund: 1000-A General Fund (Appropriated)

Calculated ERE: $0.00

Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	10,735.2
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	10,735.2

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 Acute Care Breast & Cervical Cancer

Issue Category: Decision Package

Justification: see attached justification

Program: 3-3004 Breast and Cervical Cancer
Fund: 1000-A General Fund (Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	5.8
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	5.8

Program: 3-3004 Breast and Cervical Cancer
Fund: 2120-N AHCCCS Fund (Non-Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	(163.3)
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	(163.3)

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 Acute Care Freedom to Work

Issue Category: Decision Package

Justification: see attached justification

Program: 3-3005 Ticket to Work
Fund: 1000-A General Fund (Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	1,183.7
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	1,183.7

Program: 3-3005 Ticket to Work
Fund: 2120-N AHCCCS Fund (Non-Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	2,228.0
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	2,228.0

PROPOSITION 204 MEDICAID SERVICES APPROPRIATION

For FY 2017, AHCCCS is appropriated $2,777,688,100 Total Fund for Proposition 204 Medicaid Services. The appropriation consists of $246,067,600 Hospital Assessment Fund; $37,521,000 Proposition 204 Protection Fund; $100,000,000 Tobacco Litigation Settlement Fund; $18,747,200 Emergency Health Services Fund; and $2,375,352,300 Federal Funds. This appropriation includes funding for the Prop 204 Capitation, Prop 204 Fee-for-Service, Prop 204 Reinsurance, and Prop 204 Medicare Premiums subprograms. In FY 2018, AHCCCS requests an increase of $141,092,800 Total Fund (consisting of a Hospital Assessment Fund increase of $36,811,100, a Tobacco Settlement decrease of $21,000,000, a Proposition 204 Protection Fund decrease of $22,105,500, and a Federal Fund increase of $202,024,500. Table A shows the requested amounts by component. A description of each issue follows:

PROPOSITION 204 CAPITATION

Description of Problem or Issue and how this Further the Agency Mission or Goals:

AHCCCS forecasts a FY 2018 increase of $132,148,100 Total Funds, consisting of an increase of $137,681,200 Federal Funds and a decrease of $5,533,100 State Funds (State Match is funded by the Hospital Assessment) for Proposition 204 Capitation within the Proposition 204 Services appropriation.

The following factors drive the FY 2018 funding request:

Member Growth

Children previously categorized as TANF/1931 because they had eligible parents or caretaker relatives are moving into the SOBRA Children category. This change is to align with CMS guidance that eligibility should be determined for each individual, and not just for the family. As a result, it is anticipated that ultimately all TANF/1931 children will convert to SOBRA Children. It is expected that the remaining Prop. 204 TANF/1931 capitated enrollees under age 19 will be converted to SOBRA Children Traditional Capitation by October 2016.

TANF/1931 - From June 2015 to June 2016, TANF/1931 member months increased by 33.5%, compared to a decline of 12.3% for the corresponding period in the previous year. It is expected that this population will assume baseline population growth of 2% starting in October 2016.

Both the SSI with Medicare and SSI without Medicare population were significantly impacted by the CRS and SMI integration, as well as by shifts from the SSI Traditional program due to changes in income determination. MAGI implementation, along with the fact that the last COLA increase was less than the FBR increase, may have caused a shift to SSI Traditional programs from SSI Prop. 204. The implementation of HEAplus, which has more electronic data sources for income, is an additional factor that may explain this transfer of SSI members.

Member months for Traditional SSI with Medicare, Traditional SSI without Medicare, Prop. 204 SSI with Medicare, and Prop. 204 SSI without Medicare were combined and forecast in aggregate using a 48 month regression with corrections to account for CRS and SMI integration. This aggregate forecast was then split by the percentage that each component represented of the total as of June 2016 (40.83% Traditional SSI with Medicare, 35.97% Traditional SSI without Medicare, 22.00% Prop. 204 SSI with Medicare, 1.20% Prop. 204 SSI without Medicare). The June over June growth rates for Prop. 204 SSI with Medicare are -25.8% for FY 2016; 2.5% for FY 2017; and 2.4% for FY 2018. The corresponding rates for Prop. 204 SSI without Medicare are -56.5% for FY 2016; 2.5% for FY 2017; and 2.4% for FY 2018.

When an enrollment freeze for Expansion State Adults was implemented July 8, 2011, this population decreased considerably. Laws 2013, First Special Session, Chapter 10 restored this population effective January 1, 2014, with State Match funding provided by the Hospital Assessment Fund. The population continued to decline through December 2013, reaching a low of 59,700 member months. The original growth assumptions for the restoration assumed that 90% of the pre-freeze population would return to the program by September 2014, however, that target was already exceeded by June 2014. The FY 2014 June over June growth for this population was 200.2%. Some growth in this population carried over into FY 2015 with a June over June growth rate of 24.9%, but growth appears to have leveled off since January 2015. The growth rate from June 2015 to June 2016 was 8.9%

The AHCCCS forecast assumes 2% annual population growth for FY 2018 and FY 2018. Projected Expansion State Adults member months for June 2017 and June 2018 are 279,618 and 285,211 respectively.

It is assumed that the added Expansion State Adults population as well as the TANF "woodwork" population will have births associated with them. These births were projected by using historical ratios of birth per one thousand for each population (Average of FFY 2010 through FFY 2015) and distributing them according to seasonal factors based on the same time period.

Below is a chart indicating year-to-year forecast growth rate data (total member months for year compared to total member months for previous year). The growth rates shown in the table do not correspond to the growth rates cited above which are from June of the comparison year to June of the following year. SFY 2011-16 figures are actuals. These figures include the effects of CRS and behavioral health integration described elsewhere, as well as shifts from TANF to SOBRA and shifts from SSI.

SFY	TANF	SSI W	SSI W/O	EXP. STATE ADULTS	Total Member Months	Births
2011-12	(3.3%)	11.4%	265.6%	(28.3%)	(16.8%)	(34.9%)
2012-13	(4.2%)	4.0%	(30.6%)	(46.5%)	(25.3%)	(41.9%)
2013-14	(1.4%)	5.5%	(34.5%)	37.5%	12.6%	(8.0%)
2014-15	9.4%	8.1%	(10.0%)	122.4%	58.0%	113.3%
2015-16	(0.8%)	6.5%	(11.5%)	9.7%	6.6%	58.2%
2016-17	13.4%	(13.3%)	(32.5%)	5.3%	5.9%	(20.4%)
2017-18	2.0%	2.5%	2.5%	5.2%	4.0%	1.0%

GMH/SA and SMI Integration Impact

This request reflects the realignment of funding for integrated capitation payments between Acute and Behavioral Health line items. In FY 2016, when the physical health and behavioral health portions of capitation were separately appropriated to ADHS and AHCCCS, respectively, integrated capitation payments were manually split between the agencies. In FY 2017, funding for all integrated payments has been appropriated to AHCCCS and will be paid from single appropriations. Payments to Regional Behavioral Health Authorities (RBHAs) for Seriously Mentally Ill (SMI) Integrated care will be made from the Behavioral Health appropriations and payments to Acute Managed Care Organizations (MCOs) for General Mental Health and Substance Abuse (GMH/SA) dual eligibles will be made from the Acute appropriations.

The net impact of the shift of SMI Integrated physical health expenditures to the Prop 204 Behavioral Health line and GMH/SA duals behavioral health expenditures to the Prop 204 Acute line is a decrease of $124,080,600 Total Fund, including $22,105,500 Proposition 204 Protection Account Fund.

Prior Period Methodology:

As in prior years, AHCCCS continues to forecast Prior Period Member-Months (PPC) by computing a 3-month moving average ratio of PPC to corresponding prospective member-months for every given risk pool. In prior year estimates, the time lag inherent to PPC member-month counts required that the forecast ratio be computed using data from as much as 18 months prior. For the FY 2017 and 2018 PPC forecast, AHCCCS used a completion factor methodology to produce actual PPC estimates for more recent months, and then used those completed months in the calculation of the

forecast ratio. PPC forecast amounts for each risk pool were computed by multiplying the 3-month moving average ratio (April to June 2016) by the corresponding prospective member-month forecast. This PPC forecast methodology was used for all programs and risk pools.

ACA HEALTH INSURER FEE

The ACA includes an $8.0 billion fee on the health insurance industry beginning in 2014. This health insurer fee (HIF) increases to $14.3 billion by 2018 and is then indexed to the rate of premium growth thereafter as shown in the table below. The previous 2017 fee amount does not shift to 2018; the applicable amount for fee year 2018 remains at $14.3 billion (see Treas. Reg. § 57.4(a)(3)).

Fee Year	Applicable Amount
2014	$ 8,000,000,000
2015	$11,300,000,000
2016	$11,300,000,000
2017 (Moratorium)	$13,900,000,000
2018	$14,300,000,000
2019 and thereafter	The applicable amount in the preceding fee year increased by the rate of premium growth (within the meaning of section 36B(b)(3)(A)(ii).

The fee is considered an excise tax and is nondeductible for income tax purposes. CMS mandates actuarially sound Medicaid managed care capitation rates that allow participating insurers to cover projected expenses. Therefore this fee impacts Medicaid managed care expenditures.

The CMS currently approved payment methodology for this fee is a mass adjustment to capitation payments. It is anticipated that, most if not all, health plans will get tax filing extensions. As a result, AHCCCS makes one payment in the fall that includes an estimate for the tax liability. If there is a material difference in the final tax filings an additional adjustment is made.

The FMAP applied is the FMAP in effect for the month of the capitation adjustment. The payments made in FY 2017 (for the Calendar Year 2016 fee) will adjust capitation for October 2015 and use the FMAP in effect on that date. There will be no payment in FY 2018 because the Consolidated Appropriations Act of 2016, Title II, § 201, Moratorium on Annual Fee on Health Insurance Providers, suspends collection of the health insurance provider fee for the 2017 calendar year. Thus, health insurers are not required to pay these fees for calendar year 2017.

In total funds, the Medicaid system paid $90.4 million in FY 2016 for the 2015 Fee Year. In FY 2017, the fee is projected to increase to $103.1 million due to caseload increases which will increase revenue for Medicaid health plans and, thus, increase the amount required in reimbursement.

The allocation by program for FY 2017 (Acute, CRS, EDP, DD, and BHS, etc.) is based on the corresponding percentage of total FY 2016 actual HIF payments.

Based on projected amounts and allocation methodology, the FY 2017 impact of this fee for Proposition 204 is $33,093,500 Total Fund ($5,834,800 General Fund).

No health insurer provider fees will be paid in FY 2018 generating a one-time cost savings of $40,707,800 ($6,201,500 General Fund). This fee will be back in effect for FY 2019 and generate a cost increase of $41,879,300 ($6,605,800 General Fund).

Capitation Rates

Overall Acute Capitation rates for CYE 2017 are increasing by 3.12% over the blended rates for CYE 2016. CYE 2017 capitation rates were developed as a rate update from the previously submitted CYE 2016 capitation rates.

Due to a program change (high acuity pediatric adjustor) that will be implemented effective January 1, 2017, there are two sets of capitation rates for CYE 2017. One set for the time frame from October 1, 2016 through December 31, 2016 and another from January 1, 2017 through September 30, 2017. The rate development process was the same for both sets of rates except the latter set includes the impact of the high acuity pediatric adjustor.

Primary drivers of the CYE 2017 rates include medical trend, an FQHC experience adjustment, and a revision to criteria regarding member use of certain Hepatitis C drugs:

- The medical trend analysis used historical yearly encounter data for the time period October 1, 2012 through September 30, 2015 with adjustments for completion factors, historical programmatic changes, and historical provider fee-for-service rate schedule changes. More recent data, through March 31, 2016, was used for experience adjustments. Medical trend includes both utilization and unit cost trends and accounts for 0.52 percentage points of the total acute rate increase. The biggest drivers of trend growth for CYE 2017 were pharmacy and emergency room expenses.

- Effective April 1, 2015, Acute Capitation rates were increased to include reimbursement for Federally Qualified Health Center/Rural Health Clinic (FQHC/RHC) services. Prior to this, FQHC/RHC services were reimbursed by a combination of fee-for-service claims payments and quarterly supplemental payments, along with an annual reconciliation to the Prospective Payment System rates; during CYE 16, actual utilization exceeded initial expectations, necessitating additional capitation rate adjustments. These experience adjustments contribute 0.81% to the overall capitation rate increase.

- Effective October 1, 2016, amendments relaxing clinical criteria governing the use of certain Hepatitis C drugs, in combination with existing trends, will likely result in a significant increase in utilization. This prospective increase contributes 1.19% to the overall rate increase.

- Effective January 1, 2017, AHCCCS will address the costs associated with high-acuity pediatric cases by using an adjustment factor of 1.945 in place of the current adjustor of 1.60 in the following instances: for inpatient stays, where an APR-DRG assignment of level 3 or 4 Severity of Illness is indicated. This change accounts for 0.11 percentage points of the total acute rate increase.

- Various Fee For Service (FFS) rates will be revised based on access-to-care requirements and legislative mandates on October 1, 2016, contributing 0.26% to the total capitation rate increase.

- In pursuit of improved member health outcomes and care experience, AHCCCS has proposed differential Value-Based Purchasing (VBP) rates for FFS providers that have agreed to participate in the VBP initiative. The proposed differentials contribute 0.13% to the total capitation rate increase.

- Other miscellaneous adjustments, including state or court mandated benefit changes, and reinsurance offsets, account for 0.10 percentage points of the total acute rate increase.

In CYE 2018, AHCCCS expects that increases to utilization and medical inflation will require an increase to capitation rates in order for them to remain actuarially sound. AHCCCS estimates a CYE 2018 rate increase of 3.0% for all risk pools.

Acute Prospective Capitation Rate Increases:

Age Group	1/1/16-9/30/16 Rates	10/1/16-12/31/16 Rates	1/1/17-9/30/17 Rates	10/1/17-9/30/18 Rates	
				Rate	Chg %
TA/SO < 1	$488.38	$468.91	$472.50	$486.67	3.0
TA/SO 1 - 13	$111.33	$111.81	$112.23	$115.59	3.0
TA/SO 14 - 44 F	$247.31	$253.06	$253.26	$260.86	3.0
TA/SO 14 - 44 M	$155.10	$151.73	$152.42	$156.99	3.0
TA/SO 45+	$423.39	$429.12	$429.11	$441.99	3.0
SSI w/Medicare	$165.32	$135.04	$134.96	$139.01	3.0
SSI w/o Medicare	$863.93	$924.56	$926.68	$954.48	3.0
Expansion State Adults	$437.49	$466.02	$465.90	$480.00	3.0
Births	$6,104.30	$6,185.53	$6,185.53	$6,371.09	3.0

Acute Prior Period Capitation Rate Increases:

Age Group	10/1/15-9/30/16 Rates	10/1/16-12/31/16 Rates	1/1/17-9/30/17 Rates	10/1/17-9/30/18 Rates	
				Rate	Chg %
TA/SO < 1	$1,006.39	$1,010.42	$1,010.42	$1,040.73	3.0
TA/SO 1 - 13	$53.37	$53.99	$53.99	$55.61	3.0
TA/SO 14 - 44 F	$193.65	$195.08	$195.08	$200.94	3.0
TA/SO 14 - 44 M	$145.09	$144.58	$144.58	$148.92	3.0
TA/SO 45+	$327.71	$326.47	$326.47	$336.26	3.0
SSI w/Medicare	$68.08	$68.18	$68.18	$70.23	3.0
SSI w/o Medicare	$575.73	$574.77	$574.77	$592.01	3.0
Expansion State Adults	$668.93	$666.80	$666.80	$686.81	3.0

Note: The increases for CYE 2017 are based on statewide weighted rates at all reinsurance deductible levels and use constant member month weighting based on projected CYE 2017 member months for KidsCare, Traditional Medicaid Services, and Proposition 204.

Regular FMAP

It is assumed that the FMAP will increase from 69.24% in FFY 2017 to 69.53% in FFY 2018 based on the Federal Funds Information for States (FFIS) Issue Brief 16-24 (March 25, 2016).

FFY	FMAP
Oct. 2015 – Sept. 2016	68.92%
Oct. 2016 – Sept. 2017	69.24%
Oct. 2017 – Sept. 2018	69.53%

Impact of Expansion State FMAP

As an early expansion state (since Arizona had previously expanded eligibility up to 100% FPL), Arizona would not be eligible for the 100% "Newly Eligible" federal match offered to most states for adults who were made eligible by Proposition 204. However, the ACA does offer early expansion states an enhanced FMAP for Childless Adults known as the Expansion State FMAP.

For Arizona, this Expansion State FMAP started at 83.62% in Calendar Year 2004 representing the Regular MAP (67.23%) plus 50% of the difference between the Regular FMAP and the Newly Eligible FMAP (100%). Each Calendar Year, this adjustment is incremented by 10 percentage points of the difference between these two FMAP rates. For example, the Expansion State FMAP for Calendar Year 2015 was calculated by adding 60% of the difference between the Regular FMAP of 68.46% and the Newly Eligible FMAP of 100% to the Regular FMAP, while in Calendar Year 2016, 70% of the difference between the Regular FMAP of 68.92% and the Newly Eligible FMAP of 100% was added to the Regular FMAP. In Calendar Year 2017, while the adjustment percentage increases to 80%, the Newly Eligible FMAP decreases from 100% to 95% in January 2017, resulting in a net decrease in the calculated Expansion State FMAP.

For each Calendar Year after 2017, the Newly Eligible FMAP is decremented by 1 percentage point, until 2020 when it has a final reduction of 3 percentage points to a floor of 90%. By Calendar Year 2019, both the Expansion State FMAP and the Newly Eligible FMAP will be equal since the percentage adjustment to the Regular FMAP is then 100% of the difference between them. In Calendar Year 2019 both rates will by 93% and in Calendar Year 2020 both rates will be 90%.

Period	Exp. FMAP
Jan. 2016 – Dec. 2016	90.68%
Jan. 2017 – Dec. 2017	89.85%
Jan. 2018 – Dec. 2018	91.55%

Prior Period Coverage (PPC) Reconciliation:

AHCCCS performs a reconciliation process which compares total PPC medical cost experience to the reimbursement associated with the prior period retro portion of the capitation rates for all rate categories. Section 1 of the FY 2013 Health and Welfare BRB requires AHCCCS to deposit reconciliation recoupments or penalties against program contractors or health plans into the General Fund or the fund from which the appropriation was made and prohibits these recoupments or penalties from being credited against future payments. As a result, only additional payments are included in the AHCCCS budget request. For SFY 2017 and SFY 2018, no additional payments are expected to be paid as a result of reconciliations.

Acute Program Tiered Prospective Reconciliation:

The AHCCCS Acute Care CRS RFP (RFP No. YH14-0001) tiered prospective reconciliation replaced the various acute care reconciliations with a Tiered Prospective reconciliation effective October 1, 2013 based on prospective, fully adjudicated medical expense encounters, and self-reported subcapitated expenses, net of reinsurance. For each contract year, the amount due from or due to the Contractor as the result of this reconciliation will be based on aggregated profits and losses across all of the tiered reconciliation risk groups. Individual risk groups will not be reconciled separately. The expenses will be reconciled against prospective capitation including Delivery Supplement payments and will be net of the administrative and premium tax components. No additional payments to Contractors as a result of Acute Program Tiered Prospective Reconciliation are anticipated in SFY 2017 or SFY 2018.

Fund Sourcing

Beginning in FY 2015, State Match for the Proposition 204 populations include funding from the traditional tobacco funds that have supported Proposition 204 including the Arizona Tobacco Litigation Settlement Fund, the Proposition 204 Protection Account and the Emergency Health Services account of the Tobacco Products Tax Fund, and the remaining state match will be funded with the Hospital Assessment Fund.

Proposed Solution to the Problem or Issue:

AHCCCS is requesting a FY 2018 increase of $132,148,100 Total Funds, consisting of an increase of $137,681,200 Federal Funds and a decrease of $5,533,100 State Funds (State Match is funded by the Hospital Assessment) for Proposition 204 Capitation within the Proposition 204 Services appropriation.

	FY17 Allocation	FY18 Request	FY18 Inc/(Dec)
Hospital Assessment	187,522,500	225,094,900	37,572,400
Tobacco MSA	100,000,000	79,000,000	(21,000,000)
Tobacco 204 Prot.	37,521,000	15,415,500	(22,105,500)
Tobacco EHS	18,747,200	18,747,200	-
Subtotal State Match	343,790,700	338,257,600	(5,533,100)
Federal Title XIX	1,883,312,700	2,020,993,900	137,681,200
Subtotal Federal Funding	1,883,312,700	2,020,993,900	137,681,200
Grand Total	2,227,103,400	2,359,251,500	132,148,100

Performance Measures to quantify the success of the solution:

- AHCCCS member enrollment in the Proposition 204 Program.
- Maintain the % of overall Health Plan compliance with key indicators at ≥99%.

PROPOSITION 204 FEE-FOR-SERVICE

Description of the problem

AHCCCS forecasts an increase of $2,045,100 Total Fund (consisting of $3,912,200 Federal Fund and a decrease of $1,867,100 State Match) compared to the Fiscal Year 2017 allocation. The Fiscal Year 2017 fee-for-service allocation is a component of the Proposition 204 Services appropriation. Fiscal Year 2016 actuals were used as the basis for the allocation of the Proposition 204 Services appropriation.

The distinctive populations/programs outlined and described below, combine to make up the Proposition 204 Fee-For-Service program within the Proposition 204 Services appropriation.

Indian Health Services (IHS)

Under the provision of its approved medical assistance plan, AHCCCS is responsible for paying for the cost of services provided to Native Americans who are
Title XIX eligible.

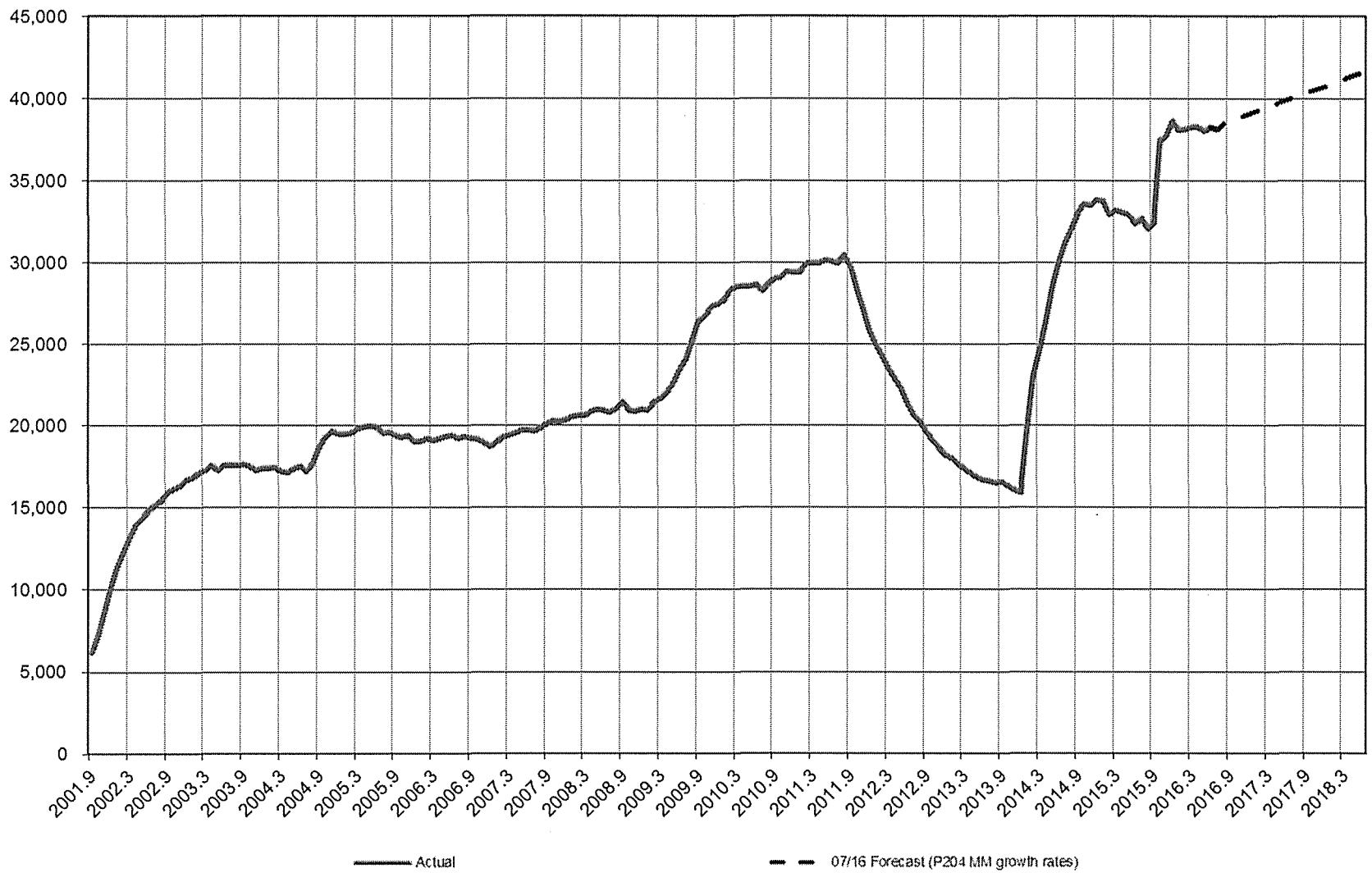
Native American recipients have a choice of either enrolling with the American Indian Health Program (AIHP) or an AHCCCS health plan. AHCCCS pays claims for Native Americans who select the AIHP as their health plan on a fee-for-service basis. AHCCCS also pays claims on a fee-for-service basis for Native Americans enrolled with an MCO if they receive services at an IHS and/or 638 facility.

With the implementation of the Patient Protection and Affordable Care Act (ACA) on January 1, 2014, the AHCCCS Care population (renamed Expansion State Adults or ESA following ACA implementation) was restored up to 100% FPL and enrollment increased dramatically. The resulting SFY2015 year-over-year AIHP population growth rate was 57.51%. The forecast is based on the estimates contained in the Proposition 204 regular member month forecasts. Both IHS Facilities and Non-Facilities utilize the same enrollment forecast for budget development.

Enrollment

Fiscal Year	Enrollment	% Change
SFY 2015 Actual	395,387	57.51%
SFY 2016 Actual	439,885	11.25%
SFY 2017 Estimate	469,431	6.72%
SFY 2018 Estimate	490,249	4.43%

Arizona Health Care Cost Containment System
Proposition 204 IHS Enrollment



IHS Facilities Budget Development

The Indian Health Services, an agency of the U.S. Department of Health and Human Services, publishes rates in the Federal Register annually. The IHS rates are used to calculate the IHS Facility expenditure forecast. The inpatient/outpatient IHS rate changes for CY2016 were 8.68% and 5.14%, respectively. The most recent five year average inpatient/outpatient rate changes of 5.50% and 4.61%, respectively, were used for CY2017 and CY2018 budget calculations. The inflation rates are applied every January. The historical rates and calculations can be viewed in the attached schedule entitled "IHS Facilities Inflation Developed".

The average PMPM (Per Member Per Month) rates for the final two quarters of SFY2016 (January – June 2016) were used as the basis for the first six months of SFY2017. The Calendar Year 2016 IHS rates were released in April 2016 and the payments associated with the rate adjustments have been made. Therefore, the impact of the changes was included in SFY2016 expenditures and, subsequently, in the PMPM calculation. The Facility SFY2017 and SFY2018 expenditure and inflation rates are depicted in the tables below. Estimates do not include the IHS Facility forecasts associated with the Newly Eligible Adult population. Newly Eligible Adult FFS estimates can be found in the budget section entitled "Newly Eligible Adult Expansion".

IHS Facilities

Fiscal Yr	Expenditures	% Change
SFY 2015 Actual	200,919,325	75.35%
SFY 2016 Actual	202,648,653	0.86%
SFY 2017 Estimate	224,616,600	10.84%
SFY 2018 Estimate	246,105,100	9.57%

PMPM Change

Fiscal Yr	Inpatient	Outpatient	Weighted
SFY 2015 Actual	1.24%	2.34%	2.22%
SFY 2016 Actual	8.68%	5.14%	5.57%
SFY 2017 Estimate	5.50%	4.61%	4.71%
SFY 2018 Estimate	5.50%	4.61%	4.71%

IHS Uncompensated Care

In order to ensure the viability of the IHS and 638 systems for the provision of care to American Indians, the State submitted a 1115 Waiver to CMS requesting an exemption from the provider rate cuts and service reductions that were part of the July 2011 childless adult freeze. The exemption for IHS Facilities was granted with reimbursement payments beginning in April 2012 and scheduled to continue for dates of service through December 31, 2013. On December 15, 2014 CMS approved a limited continuation through September 30, 2016 for certain services not covered by the state Medicaid plan. Pending approval of the new Waiver, the IHS facilities forecast for reimbursement payments in SFY2017 was $4,000,000. The SFY2018 forecast is held constant at $4,000,000. Expenditures related to the exemption are 99.29% funded with federal funds. The remaining .71% of expenditures are related to non-Native Americans that receive services at an IHS/638 facility; these expenditures are subject to the regular FMAP.

Non-Facility Budget Development

To the extent of available resources, medical care is provided either by IHS staff or under contract. However, to ensure equal access to State, local, and Federal programs to which other citizens are entitled (in accordance with Medicaid Payment Policy and the Indian Health Care Act), if IHS is unable to provide the necessary treatment, Medicaid-eligible Native Americans who enroll with IHS may use non-IHS providers for services. AHCCCS considers the costs associated with these services to be Title XIX Non-facility claims. CMS reimburses the State for Title XIX non-facility claims (with the exception of the ESA population) at the State's FMAP rate, which for FFY2018 is 69.53% based on the FFIS estimate. The ESA population is reimbursed at the Expansion State FMAP rates included in the following table:

FMAP Table:

		Regular	Expansion State
FFY 2016			
October - December 2015	Actual	68.92%	87.57%
January - September 2016	Actual	68.92%	90.68%
FFY 2017			
October - December 2016	Actual	69.24%	90.77%
January - September 2017	Actual	69.24%	89.85%
FFY 2018			
October - December 2017	Estimate	69.53%	89.91%
January - September 2018	Estimate	69.53%	91.55%

The Non-facility rates are adjusted for inflation at the beginning of each federal fiscal year, unless legislation dictates otherwise. The inpatient inflation rates used in the forecast for SFY2017 and SFY2018 were based on Global Insight's Health-Care Cost Review - Hospital Market Basket, *First Quarter 2016* and were 3.11% and 3.29% respectively. The outpatient inflation rates used in the SFY2017-SFY2018 forecast were also based on Global Insight's estimates and were 2.54% and 2.60% respectively. The SFY2016 weighted average PMPMs are used as the basis for the first quarter of SFY2017 PMPMs. The PMPMs are then adjusted for the noted inflation rates in October of each year.

The Non-facility SFY2017 and SFY2018 expenditure and inflation rates are depicted in the following tables. Estimates do not include the IHS Non-Facility forecasts associated with the Newly Eligible Adult population. Newly Eligible Adult FFS estimates can be found in the budget section entitled "Newly Eligible Adult Expansion".

IHS Non-Facility		
Fiscal Yr	Expenditures	% Change
SFY 2015 Actual	103,319,850	100.99%
SFY 2016 Actual	123,179,589	19.22%
SFY 2017 Estimate	132,635,100	7.68%
SFY 2018 Estimate	142,820,800	7.68%

PMPM Change			
Fiscal Yr	Inpatient	Outpatient	Weighted
SFY 2015 Actual	1.25%	2.83%	2.37%
SFY 2016 Actual	1.48%	2.85%	2.43%
SFY 2017 Estimate	3.11%	2.54%	2.71%
SFY 2018 Estimate	3.29%	2.60%	2.81%

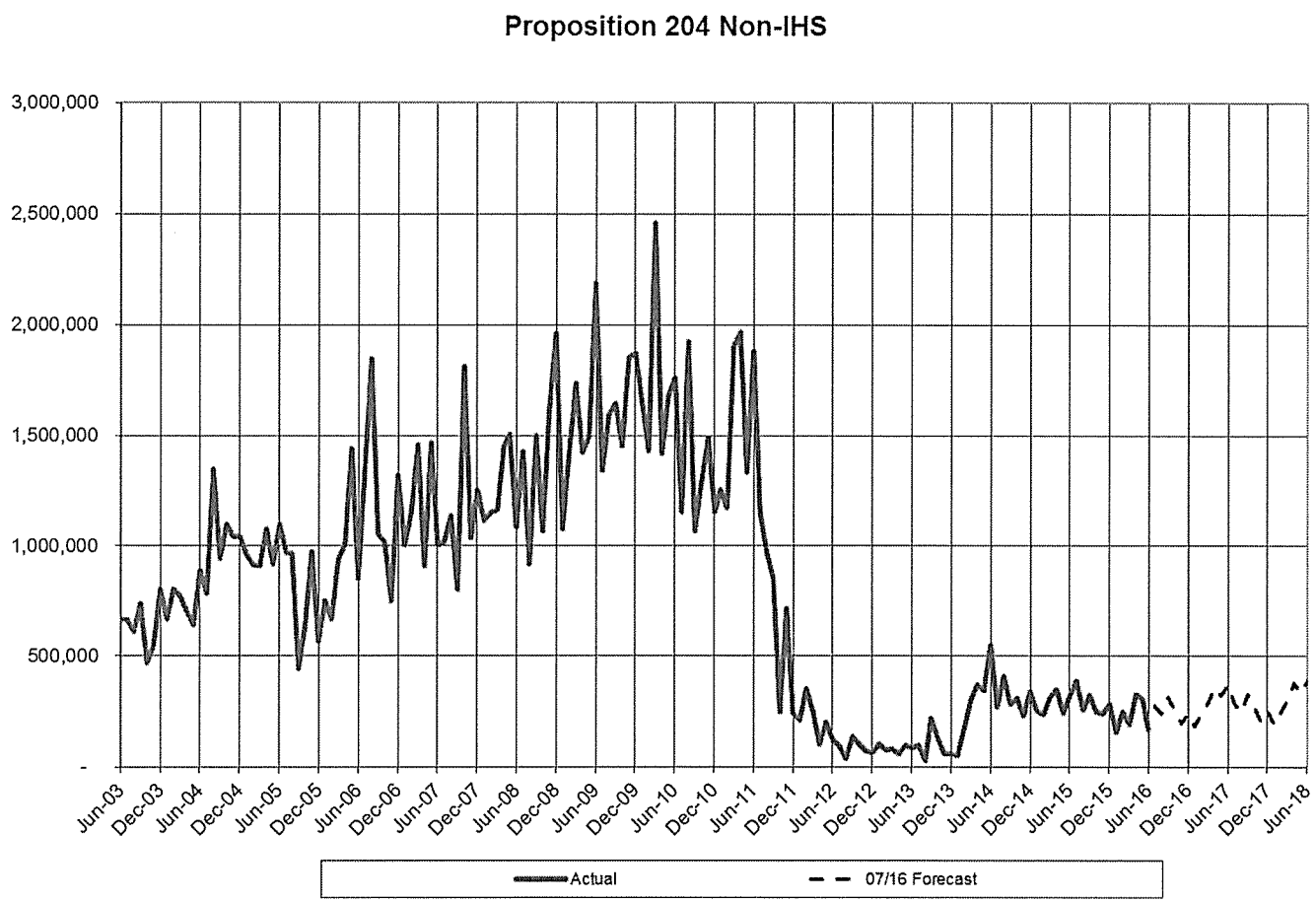
Non-IHS Fee-For-Service

The Non IHS/Non Emergency Services Fee-For-Service Program pays for services for recipients that are receiving services for less than 30 days.

Less than 30-day recipients are those people who receive AHCCCS Acute Care Benefits for less than thirty days from their eligibility determination date. These recipients are not enrolled with a Health Plan. Any services received by these recipients during their eligibility period are paid from the Fee-For-Service budget.

Total Non-IHS expenditures were estimated using the 2016.2 average expenditures and adjusting them by the growth rates used in the Proposition 204 member month forecasts. The total expenditures were split amongst the different risk groups using the actual percentages of each risk group's expenditures in SFY2016.

Non-IHS		
Fiscal Year	Expenditures	% Change
SFY 2015 Actual	$3,572,111	49.44%
SFY 2016 Actual	$3,150,176	-11.81%
SFY 2017 Estimate	$3,293,600	4.55%
SFY 2018 Estimate	$3,454,600	4.89%



Federally Qualified Health Centers (FQHC)

To bring more visibility to the expenditures for services provided by the valuable FQHC/RHC provider community, effective April 1, 2015, AHCCCS mandated that MCOs pay the full-cost PPS rates computed by AHCCCS for each FQHC/RHC. As such, capitation rates were amended for April 1, 2015, to include the funds necessary to pay the PPS rates. SFY2017 and SFY2018 FQHC expenditures are now included in the Capitation program forecasts.

Emergency Services Program (ESP)

The Emergency Services Program (ESP) encompasses AHCCCS coverage of services for lawfully admitted immigrants during their first 60 months of residency, as well as undocumented immigrants. AHCCCS recipients enrolled with this program are covered for emergency services only and the claims for their services are paid for on a fee-for-service basis.

The Federal Emergency Services Program (FES) is available to individuals who, except for their citizenship/alien status, meet Federal income and resource eligibility requirements. The program provides emergency services to three general categories: persons not qualified for Medicaid services because they are aliens who entered the U.S. prior to August 22, 1996; qualified aliens who entered after August 22, 1996, but are not yet entitled to full services; and undocumented immigrants. This program only covers emergency services which are defined by the Social Security Act as acute symptoms of sufficient severity that the absence of immediate medical attention could reasonably be expected to result in: 1) placing the patient's health in serious jeopardy, 2) serious impairment to bodily functions, 3) serious dysfunction of any bodily organ or part. Labor and delivery are included as emergency medical services, but not routine prenatal or post-partum care. When certain requirements are met, AHCCCS also considers dialysis as an emergency service. For budgeting purposes, FES covered services are considered to be either birth-related services (births) or other services (other).

For the birth-related expenditure estimates, the total FES birth counts, which are composed of Traditional Medicaid FES births and Proposition 204 FES births, were assumed to remain at current levels following four years of moderate decreases. The annual counts were then adjusted for seasonality based on actual experience over the past 4 years. The SFY2016 average percentage of Traditional Medicaid births among total FES births was then applied to obtain the Traditional Medicaid births forecast. The PMPM for July 2016 through September 2016 was calculated using the actual expenditure and birth counts for the period covering October 2015 through June 2016. SFY2017 and SFY2018 inflation rates used were 2.56% and 3.01% respectively and were based on Global Insight's Health-Care Cost Review - Hospital Market Basket, *First Quarter 2016.*

The forecasts for other emergency expenditures were computed in a similar fashion to the Births, by multiplying an estimated PMPM rate by forecasted enrollment. PMPM rates were estimated for both the Traditional and Proposition 204 populations by using the SFY2017 and SFY2018 inflation rates of 2.56% and 3.01%, respectively, to increase the SFY2016 weighted average PMPM. Enrollment was then estimated by using the monthly growth rates implied by the TANF/SSI member-month forecasts. The Total FES Other historical and forecasted expenditures can be viewed in the following table.

Total FES Other Expenditures				
	Traditional	Prop 204	Total Expenditures	% Change
SFY 2015 Actual	$34,446,430	$14,198,358	$48,644,787	-1.66%
SFY 2016 Actual	$45,283,852	$20,136,731	$65,420,583	34.49%
SFY 2017 Estimate	$49,267,900	$21,225,100	$70,493,000	7.75%
SFY 2018 Estimate	$51,781,100	$22,293,700	$74,074,800	5.08%

FES Actual Enrollment

The components that make up the FES Program and their corresponding enrollment and expenditure history/forecasts are illustrated in the following tables. Figures are Proposition 204 only and do not include estimates for the FES Newly Eligible Adult population (which includes Expansion State Adults for FES). Newly Eligible Adult FFS estimates can be found in the budget section entitled "Newly Eligible Adult Expansion".

FES Births/Other

Fiscal Year	Births	% Change	TTL FES Avg. Enrollment	% Change
SFY 2015 Actual	411	77.16%	91,432	32.99%
SFY 2016 Actual	685	66.67%	114,085	24.78%
SFY 2017 Estimate	642	-6.28%	119,066	4.37%
SFY 2018 Estimate	642	0.00%	122,662	3.02%

Fiscal Yr	FES Births	FES Other	Total	% Change
SFY 2015 Actual	$1,649,163	$14,198,358	$15,847,521	22.19%
SFY 2016 Actual	$2,085,311	$20,136,731	$22,222,043	40.22%
SFY 2017 Estimate	$2,110,900	$21,225,100	$23,336,000	5.01%
SFY 2018 Estimate	$2,171,600	$22,293,700	$24,465,300	4.84%

Prior Quarter Coverage

As part of an effort to standardize Medicaid enrollment procedures across the nation, CMS will require AHCCCS to reinstitute Prior Quarter Coverage for new enrollees in the program beginning January 1, 2014. AHCCCS has been exempt from this federal requirement due to the 1115 Waiver initially granted by CMS in 2001. CMS would not renew the waiver for periods after December 31, 2013. Prior Quarter Coverage will require AHCCCS to make eligibility for Medicaid effective no later than the third month before the month of application if the individual received medical services, at any time during that period, of a type covered by the health plan; and would have been eligible for Medicaid at the time he/she received services if he/she had applied. AHCCCS must specify the effective eligibility date and may make eligibility for Medicaid effective on the first day of the month if the applicant was eligible at any time during that month.

Example: An applicant applies April 15 and is determined to be eligible back to April 1. Under prior quarter coverage, AHCCCS would evaluate the member's eligibility for Medicaid during any one of the three months (January, February, March) preceeding April 1, if the applicant notifies AHCCCS that they had received services.

The estimated expenditures for the SFY2017 and SFY2018 were based on the SFY2016 average expenditures and were then grown at the Non-Facility annualized inflation rates of 2.71% and 2.81% respectively. The continuation of this federal requirement is expected to add $11,261,400 ($1,267,700 SM) to the Proposition 204 FFS line item in SFY2018.

Proposition 204 Fee-For-Service Requirement Breakdown:

Fiscal Year 2018	Total Fund	Federal Fund	State Match
IHS Facilities	246,105,100	246,105,100	0
IHS Non-Facility	142,820,800	124,561,800	18,259,000
Non IHS	3,454,600	3,037,900	416,700
FES Births	2,171,600	1,508,300	663,300
FES Other	22,293,700	15,484,800	6,808,900
Uncompensated Care	4,000,000	4,000,000	0
Prior Quarter	11,261,400	9,993,700	1,267,700
Total SFY 2018 FFS Exp.	432,107,200	404,691,600	27,415,600
Total FY 2017 Allocation	430,062,100	400,779,400	29,282,700
Increase (Decrease)	2,045,100	3,912,200	(1,867,100)

Proposed solution to the problem

In fiscal year 2018 increase the Proposition 204 Fee-for-Service allocation by $2,045,100 Total Fund ($3,912,200 Federal funds, and a decrease of $1,867,100 State funds). The allocation detail was derived by using the FY2016 actual percentage of each distinctive fee-for-service population's expenditures to the total fee-for-service expenditures.

Performance Measures to quantify the success of the solution:

- AHCCCS member enrollment in the Proposition 204 program.
- Maintain the % of overall Health Plan compliance with key indicators at ≥99%.

Alternatives Considered

Provide no appropriation. This alternative was rejected, as it would be in violation of Federal law to deny Title XIX services to these populations.

Impact of not funding
The Fee-For-Service program is a federally mandated program therefore failure to fund this program would jeopardize federal funding.

Statutory Reference
A.R.S. §36-2901.01 (Laws 2001, Chapter 344)
Section 1905(b) of the Social Security Act, 42 U.S.C.1396d
Title I and III of the Indian Self-determination and Education Assistance Act (Law 93-638, as amended), hereafter "638." SEC. 1911. *[42 U.S.C. 1396j]* (a)
Title I and III of the Indian Self-determination and Education Assistance Act (Law 93-638, as amended), hereafter "638." SEC. 1911. *[42 U.S.C. 1396j]* (c)
Vol. II, P.L. 94-437, §402(c)(d)
Sec 321(a) and 322(b) of the Public Health Service Act (42U.S.C. 248(a) and 249(b))
Sec 601 of the Indian Health Care Improvement Act (25 U.S.C. 1601)
Arizona Revised Statute (A.R.S.) § 36-2903.01 (J)(2)
§1902(a)(10)(B) of the Social Security Act (the Act) and 42 CFR 440.240
1905(a)(2)(c) of the Social Security Act Secs.329, 330 or 340 of the Public Health Services (PHS) Act
Section 6404 of the Omnibus Budget Reconciliation Act of 1989 (P.L. 101-239) amended
Secs. 1905 (a) and (1) of the Social Security Act
HCFA State Medicaid Manual, SMM4-4231 section C. Provisions of payment for services provided under the
Balanced Budget Act of 1997 (BBA 97) Section 4712(b), Social Security Act 1902(a)(13)(C)(I),
Arizona State Plan, Section 4.19 (b)(1) and (2)
Section 1902(a)(13)(C)(I) of the Social Security Act.
Section 702 of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act (BIPA)

PROPOSITION 204 SERVICES

PROPOSITION 204 REINSURANCE

Description of the problem

Reinsurance is a stop-loss program provided by AHCCCS to its Contractors for the partial reimbursement of covered medical services incurred for a member with an acute medical condition beyond an annual deductible. AHCCCS provides both regular and catastrophic reinsurance coverage to health plan contractors. The purpose of reinsurance is to reduce the health plans' financial risk for major medical expenses incurred by members.

The reinsurance program provides critical safeguards to AHCCCS health plans. These safeguards promote competition and flexibility during the procurement process ensuring competent contractors are chosen to provide quality services to AHCCCS recipients, while minimizing the cost to Arizona taxpayers. This proactive approach limits the costly procedure of transitioning members or liabilities when a contractor's financial solvency declines and services can no longer be provided.

The updated FMAP percentages and member months that were used in the reinsurance forecast are shown in the tables below.

It is assumed that the regular FMAP will increase from 69.24% in FFY 2017 to 69.53% in FFY 2018 based on Federal Funds Information for States (FFIS) in Issue Brief 16-24 (March 25, 2016). The Expansion State FMAP is a function of the regular FMAP and the ACA Medicaid Expansion FMAP, and will decrease from 90.77% in FFY 2017 to 89.91% in FFY 2018.

FMAP Table:

		Regular	Expansion State
FFY 2016			
October - December 2015	Actual	68.92%	87.57%
January - September 2016	Actual	68.92%	90.68%
FFY 2017			
October - December 2016	Actual	69.24%	90.77%
January - September 2017	Actual	69.24%	89.85%
FFY 2018			
October - December 2017	Estimate	69.53%	89.91%
January - September 2018	Estimate	69.53%	91.55%

Proposition 204 Regular Capitation Member Month Forecast						
		TANF	SSI	ESA	TOTAL	% Change
Actual	SFY 15	1,441,748	426,760	2,930,482	4,798,990	58.01%
Actual	SFY 16	1,452,198	448,447	3,214,126	5,114,772	6.58%
Estimate	SFY 17	1,648,306	383,357	3,325,158	5,356,821	4.73%
Estimate	SFY 18	1,680,769	392,745	3,391,661	5,465,176	2.02%

In FY 2018, AHCCCS estimates a decrease of $593,600 Total Fund, and a decrease of $1,034,200 State Match compared to the FY 2017 allocation.

Proposed solution to the problem

Adjust the FY 2017 Allocation by the amounts stated below.

	State Match	Federal Authority	Total
FY 2017 Allocation	6,561,100	40,115,200	46,676,300
FY 2018 Request	5,526,900	40,555,800	46,082,700
FY 2018 Increase/(Decrease)	(1,034,200)	440,600	(593,600)

Performance Measures to quantify the success of the solution

- AHCCCS member enrollment in the Proposition 204 program.
- Maintain the % of overall Health Plan compliance with key indicators at ≥99%.

Impact of not funding this fiscal year

Failure to fund this program will hamper AHCCCS' ability to provide the critical safeguards necessary for the health plans. These safeguards are in place to promote competition and flexibility during the AHCCCS procurement process while also minimizing the costs to Arizona taxpayers. In addition, any funding reduction to the Reinsurance Program would require an increase in Capitation funding if the rates are going to be actuarially sound as required by the Balanced Budget Act of 1997.

Statutory Reference

A.R.S. §36-2901.01
AHCCCS Rule R9-22-503 (G.3)
AHCCCS Rule R9-22-202
AHCCCS Rule R9-22-203

PROPOSITION 204 MEDICARE PREMIUMS

Description of the problem

AHCCCS pays Medicare Part A premiums, Hospital Insurance Benefit (HIB), and Medicare Part B premiums, Supplemental Medical Insurance Benefit (SMIB), for Title XIX members who are eligible for both Medicare and Medicaid. AHCCCS acts as a payer of last resort for medical benefits and cost avoids against Medicare for dual eligible members. This means that for these members AHCCCS only has liability for payment of Medicare coinsurance, deductibles, and the remaining medical benefits that are not covered by Medicare and all other third party payers. Health care providers must determine the extent of third party coverage and bill all private insurance carriers including HMOs and Medicare prior to billing AHCCCS. This Medicare "buy-in" program reduces the State's Medicaid costs because the Federal government, through Medicare, absorbs many of the major medical costs provided to these members, which otherwise would have been paid by AHCCCS.

For Fiscal Year 2018, AHCCCS requires an increase of $7,493,200 in Total Funds ($2,140,000 State Match) for the Proposition 204 Medicare Premiums allocation within the Proposition 204 Services Appropriation.

Medicare Premium Rates

The current calendar year 2016 Medicare Part A premium is $411.00 per month. The current calendar year 2016 Medicare Part B premium is $121.80. The effective Medicare premium rates paid by AHCCCS are calculated using the PMPM costs which include a 10% surcharge for late enrollment for some members over and above the published premium rates. The following table provides a historical perspective on the Medicare Part A and B premiums and annual increases.

History of Medicare Premium Rates

Calendar Year	Medicare Part A Premium	% Change
2001	$300.00	-0.33%
2002	$319.00	6.33%
2003	$316.00	-0.94%
2004	$343.00	8.54%
2005	$375.00	9.33%
2006	$393.00	4.80%
2007	$410.00	4.33%
2008	$423.00	3.17%
2009	$443.00	4.73%
2010	$461.00	4.06%
2011	$450.00	-2.39%
2012	$451.00	0.22%
2013	$441.00	-2.22%
2014	$426.00	-3.40%
2015	$407.00	-4.46%
2016	$411.00	0.98%
2017	$421.82 (1)	2.63%
2018	$432.93 (1)	2.63%

Calendar Year	Medicare Part B Premium	% Change
2001	$50.00	9.89%
2002	$54.00	8.00%
2003	$58.70	8.70%
2004	$66.60	13.46%
2005	$78.20	17.42%
2006	$88.50	13.17%
2007	$93.50	5.65%
2008	$96.40	3.10%
2009	$96.40	0.00%
2010	$110.50	14.63%
2011	$115.40	4.43%
2012	$99.90	-13.43%
2013	$104.90	5.01%
2014	$104.90	0.00%
2015	$104.90	0.00%
2016	$121.80	16.11%
2017	$149.00 (2)	22.33%
2018	$156.61 (3)	5.11%

(1) The Medicare Part A premium projected for Calendar Years 2017 and 2018 was based on an average of the most recent five years percentage increase (excluding years in which the rate decreased).

(2) The Medicare Part B premium projected for Calendar Year 2017 was based on the 2016 Annual Report of the Boards of Trustees of the Federal Hospital Insurance and Federal Supplementary Medical Insurance Trust Funds. This increase must still be approved by Congress. If Congress were not to approve this large increase for Calendar Year 2017 and instead increased rates by an average of the most recent five years percentage increase, excluding years in which the rate decreased, this would reduce SFY 2017 expenses by $5,472,400 TF ($1,683,200 SM) and SFY 2018 expenses by $11,441,400 TF ($3,494,400 SM).

(3) The Medicare Part B premium projected for Calendar Year 2018 was based on an average of the most recent five years percentage increase (excluding years in which the rate decreased and excluding the large proposed increase in Calendar Year 2017).

The 2015 Annual Report of the Boards of Trustees of the Federal Hospital Insurance and Federal Supplementary Medical Insurance Trust Funds recommended a Medicare Part B premium of $159.30 for Calendar Year 2016, a 51.86% increase. Congress stepped in and passed the Bipartisan Budget Act of 2015, reducing the Part B premium for Calendar Year 2016 to $121.80, a 16.11% increase, because of the potential adverse impact on state Medicaid agencies. It is likely that there will be pressure on Congress to reduce the Medicare Part B premiums from the proposed amount for Calendar Year 2017, however, for this budget submittal, we have assumed that the full amount of the Part B premium increase will take effect until we have further information.

Member Growth

A 48-month regression model was utilized to forecast growth for the Proposition 204 SSI with Medicare population. Members who were shifted into the MMIC and Greater Arizona RBHA plans were added back for the Medicare premium calculation. The increase in FY2016 for the SSI population is related to a shift in members from Traditional to Proposition 204 which occurred in the spring of 2015. This is shift is due to the increase in FPL for 2015 being lower than the SSA cost of living increase, which results in a MAGI income adjustment that moves members from Traditional to Proposition 204. Since that time, the direction of this shift has reversed. For FY2017, member months for SSI Traditional and Prop. 204 SSI (including both SSI with Medicare and SSI without Medicare) were forecast in aggregate using a 48 month regression and then split according to the percentage that each currently represents of the total. Because of the sizeable shift from Traditional to Prop. 204 that occurred in spring 2015, this methodology results in a year-over-year decrease of 11.3% from FY2015 to FY2016, while June-over-June shows an increase of 2.7%.

Year-over-year growth rates for the Prop 204 SSI with Medicare population for Medicare premiums are shown in the table below:

SFY	MM	% Chg
2010	264,951	3.6%
2011	298,005	12.5%
2012	331,937	11.4%
2013	345,255	4.0%
2014	376,083	8.9%
2015	423,728	12.7%
2016	474,329	11.9%
2017	420,537	-11.3%
2018	431,362	2.6%

Proposed solution to the problem

For Fiscal Year 2017, AHCCCS is allocated $74,846,300 Total Fund ($22,701,300 State match) from the Proposition 204 Services Appropriation for Proposition 204 Medicare Premiums. For Fiscal Year 2018, AHCCCS requires an increase of $7,493,200 Total Fund consisting of $2,140,000 State match and $5,353,200 federal authority to the Proposition 204 Medicare Premiums allocation from the Proposition 204 Services Appropriation.

Performance Measures to quantify the success of the solution:

- AHCCCS member enrollment in the Proposition 204 Program.
- Maintain the % of overall Health Plan compliance with key indicators at ≥99%.

Alternatives considered

Provide no increases. This alternative was rejected, as it would be in violation of Federal Law and it would also cause the adverse effect of increasing overall AHCCCS health care costs since Medicare would no longer be the primary payer of health care costs incurred by the dual eligible members.

Impact of not funding this year

Failure to fund this program would prevent AHCCCS from participating in the Medicare "buy-in" program, which absorbs the major medical costs provided to the dual eligible members. As the result, AHCCCS or Arizona residents and/or Arizona health care providers would have to pay for those health care costs. AHCCCS has the liability for payment of the remaining medical benefits to these members not covered by Medicare and all other third party payers.

Statutory References

ARS §36-2901.01 (Laws 2001, Chapter 344)
ARS § 36-2901, paragraph 6, subdivision (a)
ARS § 36-2911
Arizona Section 1115 Waiver for FFY 2012 through FFY 2016, CNOM #13 (April 16, 2013 Amendment)

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
PROPOSITION 204 SERVICES APPROPRIATION
FISCAL YEAR 2018 DECISION PACKAGE
TABLE A

	FY17 Approp	FY18 Request	FY18 Inc/(Dec)
Prop 204 Capitation			
Hospital Assessment	187,522,500	225,094,900	37,572,400
Prop 204 Protection	37,521,000	15,415,500	(22,105,500)
Tobacco Settlement	100,000,000	79,000,000	(21,000,000)
Emergency Health Svcs	18,747,200	18,747,200	-
Federal Funds	1,883,312,700	2,020,993,900	137,681,200
Total Funds	2,227,103,400	2,359,251,500	132,148,100
Prop 204 Fee-for-Service			
Hospital Assessment	29,282,700	27,415,600	(1,867,100)
Federal Funds	400,779,400	404,691,600	3,912,200
Total Funds	430,062,100	432,107,200	2,045,100
Prop 204 Reinsurance			
Hospital Assessment	6,561,100	5,526,900	(1,034,200)
Federal Funds	40,115,200	40,555,800	440,600
Total Funds	46,676,300	46,082,700	(593,600)
Prop 204 Medicare Premiums			
Hospital Assessment	22,701,300	24,841,300	2,140,000
Federal Funds	51,145,000	56,498,200	5,353,200
Total Funds	73,846,300	81,339,500	7,493,200
Prop 204 Services			
Hospital Assessment	246,067,600	282,878,700	36,811,100
Prop 204 Protection	37,521,000	15,415,500	(22,105,500)
Tobacco Settlement	100,000,000	79,000,000	(21,000,000)
Emergency Health Svcs	18,747,200	18,747,200	-
Federal Funds	2,375,352,300	2,522,739,500	147,387,200
Total Funds	2,777,688,100	2,918,780,900	141,092,800

	FY17 Approp	FY18 Request	FY18 Inc/(Dec)
Behavioral Health			
General Fund	109,250,500	118,665,300	9,414,800
Prop 204 Protection	-	22,105,500	22,105,500
Federal Funds	503,594,300	657,870,000	154,275,700
Total Funds	612,844,800	798,640,800	185,796,000

Notes:
1) The JLBC no longer provides special line item detail. Therefore, the amounts shown above for each line are allocations of the full Prop 204 Medicaid appropriation based on FY 2017 budget rebase.
2) Traditional Acute and Traditional Behavioral Health both shown to identify net program impact.

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 Proposition 204 Capitation — Issue Category: Decision Package

Justification: see attached justification

Program: 4-4007 Proposition 204 - Capitation
Fund: 1303-N Proposition 204 Protection Account (TPTF) (Non-Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	(22,105.5)
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	(22,105.5)

Program: 4-4007 Proposition 204 - Capitation
Fund: 2120-N AHCCCS Fund (Non-Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	137,681.2
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	137,681.2

Program: 4-4007 Proposition 204 - Capitation
Fund: 2468-N Arizona Tobacco Litigation Settlement Fund (Non-Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 Proposition 204 Capitation

Issue Category: Decision Package

Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	(21,000.0)
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	(21,000.0)

Program: 4-4007 Proposition 204 - Capitation

Fund: 2576-N Hospital Assessment (Non-Appropriated)

Calculated ERE: $0.00

Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	37,572.4
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	37,572.4

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 Proposition 204 Fee-for-Service Issue Category: Decision Package

Justification: see attached justification

Program: 4-4009 Proposition 204 - Fee-for-Service
Fund: 2120-N AHCCCS Fund (Non-Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	3,912.2
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	3,912.2

Program: 4-4009 Proposition 204 - Fee-for-Service
Fund: 2576-N Hospital Assessment (Non-Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	(1,867.1)
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	(1,867.1)

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 Proposition 204 Reinsurance

Issue Category: Decision Package

Justification: see attached justification

Program: 4-4008 Proposition 204 - Reinsurance
Fund: 2120-N AHCCCS Fund (Non-Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	440.6
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	440.6

Program: 4-4008 Proposition 204 - Reinsurance
Fund: 2576-N Hospital Assessment (Non-Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	(1,034.2)
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	(1,034.2)

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 Proposition 204 Medicare Premiums — Issue Category: Decision Package

Justification: see attached justification

Program: 4-4010 Proposition 204 - Medicare — Calculated ERE: $0.00
Fund: 2120-N AHCCCS Fund (Non-Appropriated) — Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	5,353.2
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	5,353.2

Program: 4-4010 Proposition 204 - Medicare — Calculated ERE: $0.00
Fund: 2576-N Hospital Assessment (Non-Appropriated) — Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	2,140.0
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	2,140.0

DISPROPORTIONATE SHARE HOSPITAL PAYMENTS

Description of the problem:

Arizona first established a Disproportionate Share Hospital (DSH) payment program in SFY 1992. DSH is designed to aid hospitals that serve a disproportionate number of low-income patients. The Federal basis for payments is either a reflection of a hospital's number of Title XIX inpatient days or a "low-income" patient's utilization rate. States may also establish optional payment categories. In addition to the two federally mandated groups, Arizona has established two optional groups, one for certain acute care general hospitals and one for state and county hospitals.

Section 1923 of the Social Security Act specifies the minimum standards for determining which hospitals qualify for DSH; hospitals whose mean Medicaid Utilization rate exceeds the states mean Medicaid Utilization rate plus one standard deviation or hospitals whose Low Income Utilization rate is more than 25%. Beginning in FFY 1996, the Omnibus Budget Reconciliation Act of 1993 (OBRA) added the requirement that a hospital must have a Medicaid Utilization rate of at least one percent in order to be eligible for DSH.

States are allowed to establish DSH criteria, which differ from the Federal requirements, provided that these criteria are at least as generous as Federal standards. Arizona uses state-specific criteria as allowed by law to distinguish between public and private hospitals and to create additional private hospital groups. Each year, the pool of funds established for DSH is apportioned to hospitals that qualify either under the Federal criteria or under the State criteria based on relative weighting.

Beginning in FFY 1993, OBRA established rules limiting the total DSH payment that a hospital can receive. DSH payments may be no more than the cost of providing hospital services to patients who are either eligible for medical assistance under a state plan or have no health insurance for the services provided, less payments received under Title XIX (other than DSH payment adjustments). The limits went into effect in FFY 1995 for public hospitals, but it was applied to both public and private hospitals as of FFY 1996.

The Balanced Budget Act of 1997 (BBA) capped the DSH payment at specified amounts for each state for each of the FFYs 1998 through 2002. For most states, those specified amounts declined over the 5-year period. In addition, BBA allowed state's DSH allotment for FFY 2003 and subsequent years to be equal to its allotment for the previous year increased by the percentage change in the consumer price index for urban consumers (CPI-U) from the previous year.

The Benefits Improvement and Protection Act of 2000 (BIPA) provided states with a temporary reprieve from the declining allotments by raising allotments for FFY 2001 and 2002. It also clarified that the FFY 2003 allotments are to be calculated using the lower, pre-BIPA levels for FFY 2002.

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA) provided for a "Special, Temporary Increase in Allotments On A One-time Non-Cumulative Basis." Specifically, the FFY 2004 DSH allotments were calculated as 116 percent of the States' FFY 2003 DSH allotments. Thereafter, allotments will stay at the FFY 2004 level until the year in which the allotments, as calculated under BIPA, catch-up with the FFY 2004 allotments. For Arizona, the catch-up occurred with the FFY 2009 allotment, which was increased by 4.0% over the FFY 2008 allotment. The American Recovery and Reinvestment Act of 2009 provided a temporary 2.5% increase to the DSH allotments for FFY 2009 and FFY 2010. Note that in each year, the additional ARRA allotment is not available until the full regular allotment has been exhausted.

The Affordable Care Act of 2010 (ACA) mandates reductions to the DSH allotments beginning in FFY 2014 with an aggregate national reduction of $500,000,000. The ACA outlines requirements for a reduction methodology that imposes the largest percentage reduction on states with the lowest percentage of uninsured individuals and states that do not target their DSH payments on hospitals with high volume of Medicaid inpatients and/or high levels of uncompensated care. Additionally, the requirements state that the methodology must take into account the extent to which the DSH allotment for a State is included in a budget neutrality calculation for coverage expansion under a 1115 waiver as of July 31, 2009 (Arizona did have such a waiver which incorporated the DSH allotment into the with waiver budget neutrality limit).

The Protecting Access to Medicare Act (P.L. 113-93), signed on April 1, 2014, delayed the DSH reductions until FY 2017, modified cuts in future years, and extends the reduction to FY 2024. Under the new law, the FY 2017 aggregate national reduction will be $1.8 billion.

The Medicare Access and CHIP Reauthorization Act (P.L. 114-10) once again delayed the DSH reductions until FY 2018 and modified the reductions as shown in the table below.

FFY2018	($2,000,000,000)
FFY2019	($3,000,000,000)
FFY2020	($4,000,000,000)
FFY2021	($5,000,000,000)
FFY2022	($6,000,000,000)
FFY2023	($7,000,000,000)
FFY2024	($8,000,000,000)
FFY2025	($8,000,000,000)

AHCCCS is projecting that the FY 2017 federal allotments will increase in accordance with existing law which increases the allotments by the most recent years CPI-U. To date, CMS has not issued any specific information on the reduction methodology. In an effort to be conservative, AHCCCS is estimating a 16.5% decrease in the FFY 2018 projected allotment. This 16.5% represents the $2.0 billion aggregate reduction as a percentage of the projected overall FFY 2018 national total allotment.

The table below shows the actual and projected Arizona DSH allotment over the past 10 years.

Federal Fiscal Year	Base Allotment	ARRA Increase	Total Allotment	Percent Change
2008 Actual	95,369,400		95,369,400	
2009 Actual	99,565,600	2,489,100	102,054,700	7.0%
2010 Actual	99,565,600	5,040,600	104,606,200	2.5%
2011 Actual	101,258,300		101,258,300	-3.2%
2012 Actual	103,891,000		103,891,000	2.6%
2013 Actual	106,384,400		106,384,400	2.4%
2014 Actual	107,980,100		107,980,100	1.5%
2015 Actual	109,707,800		109,707,800	1.6%
2016 Prelim	110,036,900		110,036,900	0.3%
2017 Estimate	111,687,500		111,687,500	1.5%
2018 Estimate	93,236,000		93,236,000	-16.5%

Proposed solution to the problem and impact:

Appropriated/Private DSH

- The SFY 2017 appropriation for DSH of $5,087,100 Total Fund ($272,200 General Fund) includes funding for the following:
  - Maricopa Integrated Health Systems (MIHS) - $4,202,300 Total Fund ($0 General Fund)
  - Private Hospitals - $884,800 Total Fund ($272,000 General Fund)
- These same total fund amounts are carried forward for SFY 2018. Due to the change in FMAP for FFY2018, the General Fund portion of the private hospital appropriation is reduced by $2,600 to $269,600.

Non-Appropriated Arizona State Hospitals (ASH)

- Laws 2016, Chapter 122, Section 18, includes a FY 2017 expenditure plan for the Arizona State Hospital of $28,474,900 Total Fund ($8,758,900 SM provided via CPE). This amount was based on the historic Federal IMD limit. AHCCCS estimates this same total fund amount will continue in FY 2018. Due to the change in FMAP for FFY2018, the state match portion of the ASH appropriation is reduced by $82,600 to $8,676,300.

Non-Appropriated Maricopa Integrated Health Systems (MIHS)

- Laws 2016, Chapter 122, Section 18, includes a FY 2017 expenditure plan for the Maricopa Integrated Health Systems of $113,818,500 Total Fund ($35,010,600 SM provided via CPE). Due to the reduction in federal DSH allotment in FFY2018, AHCCCS estimates that the maximum amount available for MIHS in FY 2018 will be $102,893,400 (SM of $30,071,200). This change will reduce the federal match available for deposit in the General Fund from $74,605,600 in FY 2017 to $68,619,900. This assumes that Maricopa will retain the $4,202,300 historically appropriated.

Pool 5 Local Funded

- The FY 2017 appropriation includes $19,896,000 TF ($6,120,000 SM provided by Arizona political subdivisions through IGTs). This category is funded through voluntary contributions by the counties. Based on the projected reduction in federal DSH allotment, AHCCCS does not believe there will be funding available for this line item in FY 2018. Because these amounts are dependent upon local funding interest and subject to change based on the final MIHS and ASH OBRA limits; AHCCCS requests continuation of the footnote which allows for the appropriation to be increased if funding available is in excess of the originally appropriated levels.

See the attached SFY 2016 - SFY 2018 summary (Attachment A) for more information.

Performance Measures to quantify the success of the solution:

- Maintain the % of overall Health Plan compliance with key indicators at ≥99%.
- Maintain the percentage of claims submitted electronically at ≥95%.

STATUTORY AUTHORITY:

A.R.S. § 36-2903.01 Subsection O and P
Section 1923 of the Social Security Act

Arizona Health Care Cost Containment System
Disproportionate Share Hospital Program
SFY 2016 - SFY 2018
Attachment A (Not Including Prior Year Adjustments)

Appropriated		FY16 Actual[4]	FY17 Appropriation[5]	FY17 Rebase	FY18 Request[7]	FY18 Inc./(Dec.)
	(SM)	-	-	-	-	-
MIHS	(TF)	4,202,300	4,202,300	4,202,300	4,202,300	-
	(SM)	1,921,503	6,120,000	5,575,800	-	(6,120,000)
Pool 5 Local Funded[6]	(TF)	6,092,272	19,896,000	18,126,800	-	(19,896,000)
	(SM)	2,914,233	272,200	272,200	269,600	(2,600)
Private Hospitals	(TF)	9,239,800	884,800	884,800	884,800	-
	(SM)	4,835,736	6,392,200	5,848,000	269,600	(6,122,600)
Appropriated Subtotal	(TF)	19,534,372	24,983,100	23,213,900	5,087,100	(19,896,000)
Non-Appropriated						
	(SM)	-	-	-	-	-
Pool 5 Local Funded[6]	(TF)	-	-	-	-	-
	(SM)	8,849,999	8,758,900	8,758,900	8,676,300	(82,600)
ASH	(TF)	28,474,900	28,474,900	28,474,900	28,474,900	-
	(SM)	35,374,790	35,010,600	35,010,600	30,071,200	(4,939,400)
MIHS	(TF)	113,818,500	109,616,200	109,616,200	98,691,100	(10,925,100)
	(SM)	44,224,789	43,769,500	43,769,500	38,747,500	(5,022,000)
Non-Approp Subtotal	(TF)	142,293,400	138,091,100	138,091,100	127,166,000	(10,925,100)
Total						
	(SM)	1,921,503	6,120,000	5,575,800	-	(6,120,000)
Pool 5 Local Funded	(TF)	6,092,272	19,896,000	18,126,800	-	(19,896,000)
	(SM)	8,849,999	8,758,900	8,758,900	8,676,300	(82,600)
ASH[2]	(TF)	28,474,900	28,474,900	28,474,900	28,474,900	-
	(SM)	35,374,790	35,010,600	35,010,600	30,071,200	(4,939,400)
MIHS	(TF)	118,020,800	113,818,500	113,818,500	102,893,400	(10,925,100)
	(SM)	2,914,233	272,200	272,200	269,600	(2,600)
Private Hospitals (Approp)	(TF)	9,239,800	884,800	884,800	884,800	-
	(SM)	49,060,524	50,161,700	49,617,500	39,017,100	(11,144,600)
Total[3]	(TF)	161,827,772	163,074,200	161,305,000	132,253,100	(30,821,100)

Net GF Revenue	98,068,611	94,321,600	94,321,600	88,418,500

Total Federal Expense	112,767,248	112,912,500	111,687,500	93,236,000
Federal Allotment[8]	110,036,900	111,687,500	111,687,500	93,236,000
Federal Allotment Variance[9]	(2,730,348)	(1,225,000)	-	-

Notes:

1) State match for appropriated private hospital DSH is General Fund. State Match for ASH and MIHS payments are Certified Public Expenditures. State Match for the Pool 5 private DSH is voluntary political subdivision contributions.

2) The maximum available for ASH is the lower of the actual OBRA limit or the Federal IMD limit of $28,474,900.

3) DSH is claimed at the regular Federal Fiscal Year FMAP (68.92% in FFY16; 69.24% in FFY17; 69.53% in FFY18)

4) FY16 Actual Expenditures include planned administrative adjustments and do not include prior year reconciliations, therefore, do not tie to AFIS for FY16. Additionally, the SM for ASH and MIHS is CPE and therefore does not flow through AFIS.

5) FY17 Appropriation based on Laws 2016, Chapter 117, Section 17.

6) Pool 5 Local Funded DSH amounts in FY17 are based on the difference between the total Arizona DSH allotment and all other expenditures. Assumes Arizona will maximize DSH allotment by allowing local entities to provide state match for DSH payments that have been reduced by budget reductions and/or OBRA limit reductions. This amount is subject to change based on changes to the ASH and MIHS OBRA limits.

7) FY18 Request maintains funding for Private Hospitals, MIHS $4.2M, and ASH. Remainder allocated to MIHS Non-Approp.

8) FFY16 DSH Allotment is preliminary provided by CMS. FFY17 DSH Allotment is AHCCCS estimate assuming 1.5% CPI-U. FFY18 DSH Allotment is AHCCCS estimate of Arizona impact from $2 billion reduction to national allotment.

9) Federal allotment for any given year cannot be exceeded, however, expenditures for a given State Fiscal Year can cross several DSH allotment years.

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 Disproportionate Share — Issue Category: Decision Package

Justification: see attached justification

Program: 3-3001 SLI Disproportionate Share Payments
Fund: 1000-A General Fund (Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	0.0
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	(2.6)
Program / Fund Total:	(2.6)

Program: 3-3001 SLI Disproportionate Share Payments
Fund: 2120-N AHCCCS Fund (Non-Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	0.0
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	2.6
Program / Fund Total:	2.6

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 DSH Voluntary

Issue Category: Decision Package

Justification: see attached justification

Program: 3-3014 SLI Disproportionate Share Payments Voluntary Match
Fund: 2120-N AHCCCS Fund (Non-Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	(13,776.0)
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	(13,776.0)

Program: 3-3014 SLI Disproportionate Share Payments Voluntary Match
Fund: 2500-N IGA and ISA Fund (Non-Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	(6,120.0)
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	(6,120.0)

GRADUATE MEDICAL EDUCATION

PROGRAM DESCRIPTION/BACKGROUND:

The purpose of the Graduate Medical Education (GME) program is to provide teaching hospitals, which have graduate medical education programs, with the additional funding needed in order to compensate for the high operating costs associated with the program. One of the major contributing factors to the increases in healthcare cost in recent years has been related to the shortage of qualified medical professionals in the state, particularly in rural areas. It is imperative to have a large pool of physicians and medical professionals in order to provide Arizonans with quality healthcare services.

Laws 2006, Chapter 331, Section 8 amended ARS §36-2903.01, Subsection H.9 by adding Subsections H.9 (b), (c), (d) and (e). Subsection (b) requires, beginning July 1, 2006, AHCCCS to expand the GME program to support the direct costs associated with new or expansion programs. Prior to this expansion, GME payments were made only to the hospitals which had GME programs approved by AHCCCS on or before October 1, 1999.

Laws 2007, Chapter 263, Section 9 further amended ARS §36-2903.01 Subsection H.9 by adding Subsection (c), which requires AHCCCS to reimburse additional indirect GME costs for programs that are located in a county with less than 500,000 residents. It also added Subsection (f), which contains an optional provision that allows local, county and tribal governments to provide the non-federal monies for GME in a specific locality or at a specific hospital in order to qualify for additional matching federal monies.

DESCRIPTION OF THE PROBLEM:

In SFY 2017, the legislature appropriated the voluntary GME in the amount of $162,992,600 Total Fund ($50,226,900 State Match – Locally Funded). AHCCCS is projecting $265,729,800 Total Fund ($81,951,100 State Match – Locally Funded) for FY 2018. See the table on the following page for detail by hospital, fund, and GME year.

PROPOSED SOLUTION:

Increase the Graduate Medical Education - Voluntary Match appropriation line by $102,737,200 Total Fund ($31,684,200 State Match – Locally Funded) based on the revised spending plan. Due to payment lags and delays resulting from the significant CMS review process, AHCCCS requests that the current language in the feed bill, which allows AHCCCS to increase this appropriation if additional funding is available, be continued for FY 2018.

There is no General Fund impact of this issue. State match for this program is funded 100% with voluntary contributions from local political subdivisions.

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
VOLUNTARY GRADUATE MEDICAL EDUCATION PROGRAM

	FY16 Actual	FY17 Rebase	FY18 Request
Abrazo Central	-	3,516,492.02	3,516,492.02
Banner Health - Good Sam	24,313,145.15	-	-
Banner Health - Boswell	-	38,793.00	-
Banner Health - Del Webb	-	7,538.36	-
Banner Health - UMC Phoenix	-	34,485,193.03	34,485,193.03
Banner Health - UMC South	-	19,496,050.76	19,496,050.76
Banner Health - UMC Tucson	-	57,163,291.02	57,163,291.02
John C. Lincoln North	506,975.07	2,594,790.40	2,594,790.40
Kingman Regional Medical Center	1,827,652.68	3,063,597.85	3,063,597.85
Maricopa Medical Center	36,051,006.25	57,571,387.88	57,571,387.88
Mayo Hospital	-	1,372,238.28	-
Mountain Vista MC	-	6,155,772.10	4,448,974.19
Phoenix Baptist	-	1,960,022.84	-
Phoenix Children's Hospital	15,078,455.13	29,192,009.51	29,192,009.51
Scottsdale Healthcare - Osborn	1,715,399.16	2,859,091.88	2,859,091.88
Scottsdale Healthcare - Shea	261,356.08	1,221,916.67	1,221,916.67
Scottsdale Healthcare - Thompson	-	2,497,119.83	2,497,119.83
Sierra Vista Regional	-	1,516,790.36	-
St. Joseph's Hospital & Medical Ctr.	23,546,504.26	58,028,440.21	35,045,240.01
Tucson Medical Center	6,316,223.68	10,134,829.63	10,134,829.63
UA Med Center - Univ. Campus	44,022,307.05	-	-
US Med Center - South Campus	9,449,656.49	-	-
Verde Valley MC	-	972,876.56	-
Yuma Regional Medical Center	467,202.99	2,439,760.04	2,439,760.04
	163,555,883.99	296,288,002.23	265,729,744.72
Federal	111,158,964.63	203,661,567.31	183,778,691.45
State	52,396,919.36	92,626,434.92	81,951,053.27
	163,555,883.99	296,288,002.23	265,729,744.72
GME Year 2014	23,546,504.26	-	-
GME Year 2015	140,009,379.73	30,558,257.51	-
GME Year 2016	-	265,729,744.72	-
GME Year 2017	-	-	265,729,744.72
	163,555,883.99	296,288,002.23	265,729,744.72

The FY17 rebase includes the GME Year 2016 spending plan plus the remaining GME Year 2015 payments, for a projected total of $296,288,000 Total Fund ($92,626,400 State Match) with 15 total hospitals that have expressed interest in participating. The final amounts will depend on how much state match the local government partners are willing to contribute. All GME payments and the associated intergovernmental agreements must be reviewed and approved by the Centers for Medicare and Medicaid Services prior to payment, which lengthens the process considerably.

For the budget submittal, the FY 2018 request is based on the GME Year 2016 spending plan amount of $265,729,700 Total Fund ($81,951,100 State Match). The GME Year 2016 spending plan is higher than previous years due to a rule change which modifies the method of allocating funds for indirect GME costs to permit payments that will cover a greater portion of the costs reported by the GME programs. Current language requires that IME be calculated in two ways and be allocated based upon the lesser of the two calculations. The revised rule maintains the two calculations and specifies that IME be allocated based upon the greater of the two calculations. The new rule also clarifies that eligible training hospitals include both sponsoring institutions and participating institutions.

PERFORMANCE MEASURES TO QUANITFY THE SUCCESS OF THE SOLUTION:

- Maintain the % of overall Health Plan compliance with key indicators at ≥99%.

STATUTORY AUTHORITY:
A.R.S. § 36-2903.01, Subsection H, Paragraph 9
A.R.S. § 36-2903
42 CFR 413.86
42 CFR Parts 438 and 447

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
STATE FISCAL YEAR 2018 BUDGET
VOLUNTARY GRADUATE MEDICAL EDUCATION PROGRAM

	FY2016 Actual	FY2017 Approp	FY2017 Rebase	FY2018 Request	FY2018 Increase
State and Local Match	52,396,919	50,266,900	92,626,400	81,951,100	31,684,200
Federal Funds	111,158,965	112,725,700	203,661,600	183,778,700	71,053,000
Total GME	163,555,884	162,992,600	296,288,000	265,729,800	102,737,200
Effective FMAP	67.96%	69.16%	68.74%	69.16%	

Notes:
1) The FY 2016 Actual payments include payments associated with GME years 2014 and 2015.
2) The FY 2017 Rebase includes the remainder of the 2015 GME plan and the 2016 GME plan.
3) The FY 2018 Request is based on the 2016 GME plan.
4) Actual GME amounts for FY 2017 and FY 2018 will vary depending on local funding availability and CMS approval.
5) GME is paid based on a blended FMAP for the SFY of the GME year. For example, the FY 2018 amount will be based on the blended SFY 2017 FMAP.

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
VOLUNTARY GRADUATE MEDICAL EDUCATION PROGRAM

	FY16 Actual	FY17 Rebase	FY18 Request
Abrazo Central	-	3,516,492.02	3,516,492.02
Banner Health - Good Sam	24,313,145.15	-	-
Banner Health - Boswell	-	38,793.00	-
Banner Health - Del Webb	-	7,538.36	-
Banner Health - UMC Phoenix	-	34,485,193.03	34,485,193.03
Banner Health - UMC South	-	19,496,050.76	19,496,050.76
Banner Health - UMC Tucson	-	57,163,291.02	57,163,291.02
John C. Lincoln North	506,975.07	2,594,790.40	2,594,790.40
Kingman Regional Medical Center	1,827,652.68	3,063,597.85	3,063,597.85
Maricopa Medical Center	36,051,006.25	57,571,387.88	57,571,387.88
Mayo Hospital	-	1,372,238.28	-
Mountain Vista MC	-	6,155,772.10	4,448,974.19
Phoenix Baptist	-	1,960,022.84	-
Phoenix Children's Hospital	15,078,455.13	29,192,009.51	29,192,009.51
Scottsdale Healthcare - Osborn	1,715,399.16	2,859,091.88	2,859,091.88
Scottsdale Healthcare - Shea	261,356.08	1,221,916.67	1,221,916.67
Scottsdale Healthcare - Thompson	-	2,497,119.83	2,497,119.83
Sierra Vista Regional	-	1,516,790.36	-
St. Joseph's Hospital & Medical Ctr.	23,546,504.26	58,028,440.21	35,045,240.01
Tucson Medical Center	6,316,223.68	10,134,829.63	10,134,829.63
UA Med Center - Univ. Campus	44,022,307.05	-	-
US Med Center - South Campus	9,449,656.49	-	-
Verde Valley MC	-	972,876.56	-
Yuma Regional Medical Center	467,202.99	2,439,760.04	2,439,760.04
	163,555,883.99	296,288,002.23	265,729,744.72
Federal	111,158,964.63	203,661,567.31	183,778,691.45
State	52,396,919.36	92,626,434.92	81,951,053.27
	163,555,883.99	296,288,002.23	265,729,744.72
GME Year 2014	23,546,504.26	-	-
GME Year 2015	140,009,379.73	30,558,257.51	-
GME Year 2016	-	265,729,744.72	-
GME Year 2017	-	-	265,729,744.72
	163,555,883.99	296,288,002.23	265,729,744.72

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 GME **Issue Category:** Decision Package

Justification: see attached justification

Program: 3-3002 SLI Graduate Medical Education
Fund: 2120-N AHCCCS Fund (Non-Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	71,053.0
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	71,053.0

Program: 3-3002 SLI Graduate Medical Education
Fund: 2500-N IGA and ISA Fund (Non-Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	31,684.2
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	31,684.2

SAFETY NET CARE POOL

PROGRAM DESCRIPTION/BACKGROUND:

Laws 2011, Chapter 234, Section 2 granted AHCCCS the authority to pursue a hospital funding pool using monies from political subdivisions to draw down federal matching dollars. The Safety Net Care Pool (SNCP) was open to all Arizona hospitals, including rural hospitals, safety net hospitals and hospitals receiving Disproportionate Share Hospital (DSH) payments. The nonfederal match must be provided by a political subdivision. This program gave local governments, like counties, cities or special healthcare districts, the ability to directly support hospital systems in their communities. The funding is distributed to participating hospitals to help defray the costs of uncompensated care provided to AHCCCS members and the uninsured.

On April 6, 2012, The Centers for Medicare and Medicaid Services (CMS) approved the original SNCP waiver (hereafter referred to as SNCP 1) that provided Arizona with the authority to claim $332 million Total Fund per year for nine quarters. Originally, there were three participating hospitals/health networks associated with SNCP 1: Maricopa Integrated Health Systems, Phoenix Children's Hospital and the University of Arizona Health Network. Southeast Arizona Medical Center, White Mountain Regional Medical Center, Copper Queen Hospital, Cobre Valley Regional Medical Center, La Paz Regional Hospital, Benson Hospital, and Northern Cochise Hospital were later added to the SNCP 1 participants.

On April 17, 2013, CMS approved Arizona's 1115 Waiver amendment request that allowed AHCCCS to match provider assessment monies collected by the City of Phoenix for the purposes of a City of Phoenix Hospital SNCP pool (hereafter referred to as COP). This amendment provides Arizona with the authority to claim up to $385 million Total Fund per year for a period of 5 quarters. The participating providers in the COP SNCP are: Banner Estrella Medical Center, Banner Good Samaritan Medical Center, John C Lincoln-Deer Valley Hospital, John C Lincoln North Mountain Hospital, Maryvale Hospital, Paradise Valley Hospital, Phoenix Baptist Hospital, Phoenix Children's Hospital (note that with the approval of the City of Phoenix SNCP, Phoenix Children's Hospital's participation in the SNCP 1 pool was reduced, which made it possible for the other participants listed above to join), St. Joseph's Hospital, and St. Luke's Medical Center.

As a condition of approval of the SNCP 1, CMS required a portion of the funding provided by the political subdivisions to go toward some expanded coverage option. The SNCP 1 proposal used state match to reopen the KidsCare program which had been frozen since January 2010. This program, known as KidsCare II expired on January 31, 2014. The COP proposal expanded KidsCare II to cover additional children and also included a coverage option for parents whose children aged out of SOBRA and were not eligible for the childless adults program due to the existing freeze.

Laws 2013, 1st Special Session, Chapter 10, Section 15 authorizes SNCP for PCH (freestanding children's hospitals) through December 31, 2017.

On December 26, 2013, CMS approved Arizona's 1115 Waiver amendment request that allows AHCCCS to continue SNCP funding for Phoenix Children's Hospital through December 31, 2014, with a maximum annual amount of $137,000,000. On December 25, 2014, CMS approved Arizona's 1115 Waiver amendment request that allows AHCCCS to continue SNCP funding for Phoenix Children's Hospital through December 31, 2015, with a maximum annual amount of $137,000,000. The current Waiver authorized SNCP funding for Phoenix Children's Hospital through December 31, 2016, with a maximum annual amount of $110,000,000.

AHCCCS and Phoenix Children's Hospital are planning to request additional SNCP funding for PCH for future years as part of the overall AHCCCS waiver update. This would continue SNCP payments into SFY 2021, but with a phase-down of the funding each year as shown in the table below.

SFY16	$	122,000,000
SFY17	$	96,750,000
SFY18	$	75,000,000
SFY19	$	55,000,000
SFY20	$	31,250,000
SFY21	$	6,250,000

PROJECTED PAYMENTS

The SNCP payment amounts by hospital will not be finalized until the hospitals submit cost data which will be run through the SCNP payment protocols as outlined in the Waiver – Attachment I. Like DSH payments, SNCP payments are subject to OBRA limits and subject to reconciliation with final hospital cost data. However, if the amount paid for SNCP exceeds the OBRA limit for the year, the hospital will be required to return the money. AHCCCS will then return the state match to the partner and the federal match to the federal government.

SNCP payments are matched at the FMAP in effect during the dates the services are provided, not the date the payment is made.
The estimated amounts for FY 2017 and FY 2018 are based on the requested phase-down model and include $96,750,000 in FY 2017 and $75,000,000 in FY 2018. Current language in the feed bill allows AHCCCS to increase the appropriation for these voluntary supplemental hospital payments if the funding from political subdivisions is available. AHCCCS requests that this language be continued for SNCP in FY 2018 to provide maximum flexibility in the event more funding becomes available and CMS approves additional expenditures.

DESCRIPTION OF THE PROBLEM/PROPOSED SOLUTION

Based on SNCP Phase-Down plan, AHCCCS requests a political subdivision decrease of $19,011,200 and a corresponding federal funds decrease of $42,988,800 for a total fund decrease of $62,000,000 compared to the FY17 Appropriation.

	FY2016 Actual	FY2017 Approp	FY2017 Estimate	FY2018 Request	FY2018 Increase/ (Decrease)
Political Subdivision	41,396,821	42,141,200	30,181,200	23,130,000	(19,011,200)
Federal Funds	77,187,829	94,858,800	66,568,800	51,870,000	(42,988,800)
Total Funds	118,584,650	137,000,000	96,750,000	75,000,000	(62,000,000)
Effective FMAP	65.09%	69.24%	68.80%	69.16%	

PERFORMANCE MEASURES TO QUANITFY THE SUCCESS OF THE SOLUTION:

- Maintain the % of overall Health Plan compliance with key indicators at ≥99%.

STATUTORY AUTHORITY:

Laws 2011, Chapter 234, Section 2
Laws 2013, 1st Special Session, Chapter 10, Section 15
Arizona Section 1115 Medicaid Demonstration Waiver, Special Terms and Conditions #25 – Attachments I and J (11/27/13 Version)

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 SCNP **Issue Category:** Decision Package

Justification: see attached justification

Program: 3-3013 SLI Safety Net Care Pool (SNCP)
Fund: 2120-N AHCCCS Fund (Non-Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	(42,988.8)
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	(42,988.8)

Program: 3-3013 SLI Safety Net Care Pool (SNCP)
Fund: 2500-N IGA and ISA Fund (Non-Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	(19,011.2)
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	(19,011.2)

RURAL HOSPITALS APPROPRIATION

For FY17, AHCCCS was appropriated $22,650,000 Total Fund ($6,967,100 General Fund) for Rural Hospitals. This appropriation includes funding for the Critical Access Hospital and the Rural Hospital Reimbursement programs. In FY18, AHCCCS requests a General Fund decrease of $65,000 and a Federal Funds increase of $65,000 for a net zero total fund change within the Rural Hospitals appropriation. The table below shows the requested amounts by component.

	FY16 Actual	FY17 Approp	FY18 Request	FY18 Inc/(Dec)
Critical Access Hospitals				
General Fund	3,260,900	3,227,300	3,196,900	(30,400)
Federal Funds	7,231,000	7,264,600	7,295,000	30,400
Total Funds	10,491,900	10,491,900	10,491,900	-
Rural Hospital Reimbursement				
General Fund	3,778,737	3,739,800	3,704,600	(35,200)
Federal Funds	8,379,363	8,418,300	8,453,500	35,200
Total Funds	12,158,100	12,158,100	12,158,100	-
Rural Hospitals Appropriation				
General Fund	7,039,637	6,967,100	6,901,500	(65,600)
Federal Funds	15,610,363	15,682,900	15,748,500	65,600
Total Funds	22,650,000	22,650,000	22,650,000	-

CRITICAL ACCESS HOSPITALS

FEDERAL MEDICAL ASSISTANCE PERCENTAGE (FMAP) ADJUSTMENT

Description of the problem:

The Critical Access Hospitals (CAHs) Program in Arizona is designed to provide supplemental payments to in-state CAHs over and above regular AHCCCS reimbursement for their Medicaid patient services.

To be designated as a critical access hospital, a facility must (1) be located in a rural area; (2) be located more than 35 miles from a hospital or another health care facility; or (3) be certified by the State as being a necessary provider of health care services to residents in the area. In addition, the facility must meet other requirements such as number of beds for Medicare patient services, average annual patient length of stay, 24 hour per day provision of emergency medical services, and referral tertiary hospital.

As of August 2016, there are ten Arizona hospitals that have acquired CAH designations by Medicare and are receiving CAH payments from AHCCCS. They include: Wickenburg Regional Hospital, Benson Hospital, Northern Cochise Community Hospital, Page Hospital, Little Colorado Medical Center, Copper Queen Hospital, Holy Cross Hospital, Cobre Valley Community Hospital, White Mountain Regional Medical Center, and La Paz Regional Hospital. An eleventh hospital, Cochise Regional Hospital, closed in July 2015; however, they were eligible for payments in SFY 2016.

During a given State Fiscal Year, CAH payments are made in equal payments using the current Federal Fiscal Year FMAP (prior to SFY 2010 CAH payments were made quarterly, beginning in SFY 2010 only two payments are made).

For FY 2017, the Critical Access Hospital allocation is $10,491,900 Total Fund ($3,227,300 General Fund) with the federal share based on the FFY 2017 FMAP of 69.24%. For FFY 2018, AHCCCS is assuming the FMAP increases to 69.53% based on FFIS estimates (Issue Brief 16-14, March 25, 2016)

Proposed solution to the problem:

Decrease the General Fund for FY 2016 by $30,400 to $3,196,900 and increase Federal Expenditure authority by $30,400 to $7,295,000.

Performance Measures to quantify the success of the solution:

- Increase the number of transactions processed online monthly by 0.5%.
- Maintain the percentage of claims submitted electronically at ≥95%.

Impact of not funding this issue:

If this funding adjustment is not made, there will be a General Fund surplus of $30,400 in this budget line.

Statutory Authority:

42 CFR 485, Subpart F
A.R.S. § 36-2903.01(U) – Laws 2015, Chapter 14, Section 4
Arizona Section 1115 Research and Demonstration Waivers (CNOM #8) (December 15, 2014 Amendment)

RURAL HOSPITAL REIMBURSEMENT

FEDERAL MEDICAL ASSISTANCE PERCENTAGE (FMAP) ADJUSTMENT

Description of the problem

Rural hospitals are a critical element of the AHCCCS provider network. In many areas of the state there is only one hospital available. As the AHCCCS population has expanded, Medicaid has become a primary payer in some of these areas. Due to smaller patient populations compared to urban hospitals along with competition for physicians, nurses, and other medical personnel, rural hospitals are required to spread costs over a smaller revenue base.

Pursuant to Laws 2001, Chapter 344, Section 109, AHCCCS and the Arizona Hospital Association conducted an inpatient hospital reimbursement study. One of the major findings from that study was that AHCCCS "payments overall cover 94% of hospitals' costs for serving AHCCCS members." However, there were some significant variances in the payments by peer groups, and AHCCCS reimbursed just 57% of the costs for hospitals with fewer than 75 beds. The workgroup concluded that "small rural hospitals face unique fiscal challenges that need to be addressed either through the AHCCCS tier rates, outside the rates but funded through AHCCCS, or outside AHCCCS altogether."

A.R.S. §36-2905.02 authorizes AHCCCS to distribute supplemental payments for inpatient hospital services provided by qualifying rural hospitals based on utilization or adjusted tier rates. To qualify for this supplemental payment, the facility must be either (1) an acute care hospital that is not an Indian Health Services (IHS) hospital or a tribally owned and operated facility with 100 or fewer beds and located in a county with a population of less than 500,000; or (2) licensed as a critical access hospital.

This supplemental payment would be in addition to the payments made by AHCCCS or the health plans and would not be tied to the requirements for Critical Access Hospital (CAH) designation. The Centers for Medicare and Medicaid Services (CMS) did not approve the proposed methodology of making supplemental hospital payments directly to the rural hospitals, therefore, the payments are made via capitation to the AHCCCS Health Plans which then reimburse the hospitals. This one-time payment is made at the end of the fiscal year, therefore the federal fiscal year FMAP rate is used to calculate the requested amount of General Fund.

For FY 2017, the Rural Hospital Reimbursement allocation is $12,158,100 Total Fund ($3,739,800 General Fund) with the federal share based on the FFY 2017 FMAP of 69.24%. For FFY 2018, AHCCCS is assuming the FMAP increases to 69.53% based on FFIS estimates (Issue Brief 16-14, March 25, 2016)

Proposed solution to the problem:

Decrease the General Fund for FY 2018 by $35,200 to $3,704,600 and increase Federal Expenditure authority by $35,200 to $8,453,500.

Performance Measures to quantify the success of the solution:

- Increase the number of transactions processed online monthly by 0.5%.
- Maintain the % of overall Health Plan compliance with key indicators at ≥99%.

Impact of not funding this issue:

If this funding adjustment is not made, there will be a General Fund surplus of $35,200 in this budget line.

STATUTORY AUTHORITY:

A.R.S. § 36-2905.02

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
RURAL HOSPITALS APPROPRIATION

	FY16 Actual	FY17 Approp	FY18 Request	FY18 Inc/(Dec)
Critical Access Hospitals				
General Fund	3,260,900	3,227,300	3,196,900	(30,400)
Federal Funds	7,231,000	7,264,600	7,295,000	30,400
Total Funds	10,491,900	10,491,900	10,491,900	-
Rural Hospital Reimbursement				
General Fund	3,778,737	3,739,800	3,704,600	(35,200)
Federal Funds	8,379,363	8,418,300	8,453,500	35,200
Total Funds	12,158,100	12,158,100	12,158,100	-
Rural Hospitals Appropriation				
General Fund	7,039,637	6,967,100	6,901,500	(65,600)
Federal Funds	15,610,363	15,682,900	15,748,500	65,600
Total Funds	22,650,000	22,650,000	22,650,000	-

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 Critical Access Hospital — Issue Category: Decision Package

Justification: see attached justification

Program: 3-3003 Critical Access Hospitals
Fund: 1000-A General Fund (Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	(30.4)
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	(30.4)

Program: 3-3003 Critical Access Hospitals
Fund: 2120-N AHCCCS Fund (Non-Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	30.4
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	30.4

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 Rural Hospital Reimbursement

Issue Category: Decision Package

Justification: see attached justification

Program: 3-3011 SLI Rural Hospital Reimbursement
Fund: 1000-A General Fund (Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	(35.2)
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	(35.2)

Program: 3-3011 SLI Rural Hospital Reimbursement
Fund: 2120-N AHCCCS Fund (Non-Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	35.2
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	35.2

ESTABLISH DELIVERY SYSTEM REFORM INCENTIVE PAYMENTS (DSRIP) PROGRAM

Description of problem or issue and how this furthers the agency mission or goals:

Overview

AHCCCS is engaged in a number of initiatives to modernize and transform the health care delivery system in Arizona. Together, these projects are critical components of the agency's strategy to reach the following goals:

- Bending the cost curve while improving member's health outcomes.
- Pursuing continuous quality improvement.
- Reducing fragmentation in health care delivery to develop an integrated system of healthcare.
- Maintaining core organizational capacity, infrastructure, and workforce.

In July 2016, AHCCCS submitted a Delivery System Reform Incentive Payment (DSRIP) application to the Centers for Medicare and Medicaid Services (CMS) to request funding for focused, time-limited projects aimed at building necessary infrastructure to improve multi-agency, multi-provider care delivery for the following populations[1 2 3]:

- Children with behavioral health needs, including children with or at risk for Autism Spectrum Disorder (ASD), and children engaged in the child welfare system.
- Adults with behavioral health needs.
- Individuals transitioning from incarceration who are AHCCCS-eligible.

These projects will improve care coordination and case management for AHCCCS members by providing infrastructure investments and incentives for providers to collaborate in the development of shared clinical and administrative protocols. They will enable patient care management across provider systems and networks, specifically integrating and linking the provision of physical health and behavioral health services.

[1] AHCCCCS Delivery System Reform Incentive Payment (DSRIP) Portal: https://www.azahcccs.gov/AHCCCS/Initiatives/DSRIP/
[2] AHCCCS Delivery System Transformation Concept Paper (July 2016), https://www.azahcccs.gov/AHCCCS/Downloads/Initiatives/DSRIP/DSRIPConceptPaperFinal071516.pdf
[3] There is a separate non-DSRIP component of these efforts targeting American Indian Health Plan members that will be funded entirely with federal monies.

Examples

One integration project is to facilitate the integration of primary care and community behavioral health services at a primary care site. This project would require providers to i) utilize a commonly accepted behavioral health integration practice self-assessment instrument; (ii) conduct a root cause analysis to determine why certain practice patients are frequent ED and/or inpatient service utilizers and identifying the barriers to reducing the frequency of ED and inpatient use, including those that may be practice-based; and (iii) enhance EHR capabilities between physical health providers and behavioral health providers to support coordination, foster efficient clinical practice and reduce administrative duplication.

Another project example is to improve the care for children engaged in the child welfare system. This project would require, for treatment at a primary care site, i) ensuring that all practice pediatricians, family physicians, advanced-practice clinicians, and case managers who treat children engaged in the child welfare system complete a training program in Trauma-informed Care and in Child and Family Team Practice that offers continuing education credits, unless having done so in the past three years; (ii) developing and implementing policies that allow for patients, in particular teens, to participate in shared decision making using the skills and techniques developed through Trauma-Informed Care training; and (iii) completing a comprehensive after-visit summary that is shared with the foster parents/guardians and the child welfare case worker, which can assist in guiding the foster parents/guardians and case worker in following-up on referrals and recommendations. If the treatment is provided at a community behavioral health site, the providers must (i) conduct a comprehensive behavioral health assessment within the timeframe established by AHCCCS for patients referred by the RBHA, a primary care provider, or when a case worker, patient or a patient's parent/guardian requests an appointment, and (ii) actively outreach to any known past and current medical and behavioral health providers to obtain and share records for the purposes of better care management.

These reforms require providers to make fundamental changes in practice and operational patterns, make investments in infrastructure to support data analytics and sharing and build partnerships with other providers including social services providers.

Other states that have implemented DSRIP include California, Kansas, Massachusetts, New Jersey, New Mexico, New York, Oregon, and Texas.

Funding

CMS will provide federal Medicaid Title XIX funds to support Delivery System Reform Incentive Payments (DSRIP) and state matching funds will be provided by Intergovernmental Transfers (IGTs) and Designated State Health Programs (DSHPs).

IGTs are transfers of public funds from counties or universities that are used to leverage federal Medicaid matching funds. DSHPs are a financing mechanism allowed by CMS for select waiver initiatives, including DSRIP, wherein Arizona identifies state-only spending on qualifying health care programs, claims a certified public expenditure (CPE), and receives federal funds based on total computable expenditures. There are no changes

required to the state-only expenditures and utilizing those programs as a DSHP source does not affect the level of spending for those programs. Both funding from IGTs and DSHPs are deposited into the DSRIP Fund, which was created in FY 2017 and continuously appropriated for this purpose.[4]

Table A below identifies estimated annual DSRIP Fund expenditures from these state match fund sources.

Table A. DSRIP State Match Fund Sources – SFY 2018 Estimate

SFY 2018			
DSHP Program	Total Computable	CPE Federal Share	Source
Smoking Cessation	16,900,000	11,738,300	Tobacco Tax
Prevention Services	19,600,000	13,613,700	Tobacco Tax
Trauma Services	25,000,000	17,364,400	Tribal Gaming
DD/HCBS Funding	16,100,000	11,182,700	General Fund
Individuals with SMI	50,000,000	34,728,700	General & County Funds
	$127,600,000	$88,627,800	
IGT Funding		$13,988,900	
Total Available State Match		$102,616,700	

Expenditures from the DSRIP Fund are matched with additional federal Medicaid dollars to support DSRIP payments to providers (see Table B below). AHCCCS has requested CMS approval of a five year plan for time-limited, one-time strategic investments for each of the focus areas identified above. The expenditures are eligible to receive the regular FMAP and will be separately tracked by AHCCCS and reported to CMS. These additional funding amounts do not have a State General Fund impact, do not affect existing payments for services, and will not become a part of ongoing programmatic expenditures.

The payments approved by CMS for FFY 2017 through FFY 2021 will occur in SFY 2017 through SFY 2022 (see Table C below).

[4] Laws 2016, Chapter 122 (HB2704)

Table B. DSRIP Payments to Providers – Federal Fiscal Year

Programs	FFY 2017 DY 1	FFY 2018 DY 2	FFY 2019 DY 3	FFY 2020 DY 4	FFY 2021 DY 5	Totals
Transitioning from Incarceration	22,000,000	22,000,000	22,000,000	18,000,000	16,000,000	100,000,000
Adult BH Integration	156,990,000	156,990,000	156,990,000	116,000,000	92,000,000	678,970,000
Pediatric BH Integration	156,990,000	156,990,000	156,990,000	116,000,000	92,000,000	678,970,000
	$335,980,000	$335,980,000	$335,980,000	$250,000,000	$200,000,000	$1,457,940,000
FMAP	69.24%	69.53%	69.53%	69.53%	69.53%	
Fund Sources						
DSRIP DSHP	88,350,200	88,720,300	88,720,300	76,175,000	60,940,000	402,905,800
DSRIP IGT	14,997,200	13,652,800	13,652,800	-	-	42,302,800
State Match	$103,347,400	$102,373,100	$102,373,100	$76,175,000	$60,940,000	$445,208,600
Federal Funds	$232,632,600	$233,606,900	$233,606,900	$173,825,000	$139,060,000	$1,012,731,400
Total	$335,980,000	$335,980,000	$335,980,000	$250,000,000	$200,000,000	$1,457,940,000

Note: AHCCCS projects the FMAP will increase from 69.24% in FFY 2017 to 69.53% in FFY 2018 based on the estimate in Federal Funds Information for States (FFIS) Issue Brief 16-14 (March 25, 2016). Future year FMAPs are also shown as 69.53% for illustrative purposes.

Table C. DSRIP Payments to Providers – State Fiscal Year

Fund Sources	SFY 2017	SFY 2018	SFY 2019	SFY 2020	SFY 2021	SFY 2022	Total
DSRIP DSHP	66,262,600	88,627,800	88,720,300	79,311,300	64,748,700	15,235,100	402,905,800
DSRIP IGT	11,247,900	13,988,900	13,652,800	3,413,200	-	-	42,302,800
State Match	$77,510,500	$102,616,700	$102,373,100	$82,724,500	$64,748,700	$15,235,100	$445,208,600
Federal Funds	$174,474,500	$233,363,300	$233,606,900	$188,770,500	$147,751,300	$34,764,900	$1,012,731,400
Total	$251,985,000	$335,980,000	$335,980,000	$271,495,000	$212,500,000	$50,000,000	$1,457,940,000
	69.24%	69.46%	69.53%	69.53%	69.53%	69.53%	

Proposed solution to the problem or issue:

AHCCCS proposes funding of $335,980,000 Total Fund, including $102,616,700 DSRIP Fund State Match in FY 2018. The DSRIP Fund and associated federal expenditures are continuously appropriated.

Performance Measures to quantify the success of the solution:

AHCCCS is still working with CMS on performances measures for this project, but below are examples of measures under consideration:

- Increase the % of newly-enrolled CMDP Children who receive a behavioral health service at least once per month to 60%.
- Increase the % of children ages 0-17 with a behavioral health diagnosis who have appropriate EPSDT (wellness) visits.
- Increase depression remission as evidenced by scores on a standard rating tool.
- Increase the % of individuals transitioning from incarceration who are connected to a primary care provider.

Alternatives considered and reasons for rejection:

No other federal funding is available to support these projects.

Impact of not funding this fiscal year:

AHCCCS will not be able to implement this program to make critical investments in infrastructure that will allow it to meet its strategic goals.

Statutory Reference:

Laws 2016, Chapter 122 (HB2704)

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
STATE FISCAL YEAR 2018 BUDGET
DELIVERY SYSTEM REFORM INCENTIVE PAYMENTS

	FY2016 Actual	FY2017 Approp	FY2017 Estimate	FY2018 Request	FY2018 Increase/ (Decrease)
DSHP	-	-	66,262,600	88,627,800	88,627,800
IGT Political Subdivision	-	-	11,247,900	13,988,900	13,988,900
Federal Funds	-	-	$174,474,500	$233,363,300	233,363,300
Total Funds	-	-	251,985,000	335,980,000	247,352,200
Effective FMAP			69.24%	69.46%	

Notes:
1. DSRIP Fund is non-appropriated and includes federal funds deposited as CPEs for DSHP and IGT funds.
2. Proposal is based on July 2016 submission to CMS to be effective October 1, 2016.

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 Delivery System Reform Incentive Payments

Issue Category: Decision Package

Justification: see attached justification

Program: 3-3015 Delivery System Reform Incentive Payments
Fund: 2120-N AHCCCS Fund (Non-Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	233,363.3
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	233,363.3

Program: 3-3015 Delivery System Reform Incentive Payments
Fund: 2130-N Delivery System Reform Incentive Payment Fund(Non-Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	102,616.7
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	102,616.7

CHILDREN'S HEALTH INSURANCE PROGRAM

PROGRAMATIC DECISION PACKAGE

DESCRIPTION OF THE PROBLEM:

AHCCCS offers health insurance through its Children's Health Insurance Program (CHIP), called KidsCare, for children (under age 19) who are not eligible for other AHCCCS programs. For those who qualify, there are monthly premiums.

On March 15, 2010, the Centers for Medicare and Medicaid Services (CMS) approved an enrollment freeze and cap for KidsCare with the effective date of January 1, 2010. Since the enrollment freeze State Plan Amendment (SPA) was approved prior to the President signing the Patient Protection and Affordable Care Act of 2010 (ACA), the freeze was not considered a violation of the maintenance of effort (MOE) provisions of the ACA.

On July 22, 2016, CMS approved a SPA to remove the enrollment cap on the programs, per Laws 2016, Chapter 112. Coverage for new applicants will begin effective September 1, 2016. AHCCCS provided an enrollment and financial impact analysis to CMS as part of the SPA approval process – this request reflects those estimates, and so does not include the same capitation assumptions made for other programs, as preliminary CYE 17 rates were not yet available at that time.

KidsCare expenditures are funded by Arizona's Title XXI CHIP allotment at an enhanced 100% FMAP. CMS has indicated to AHCCCS that Arizona's CHIP allotment will be sufficient to cover expenditures for both KidsCare and the Newly Eligible Child (MCHIP) populations.

In FY 2018, AHCCCS requests an increase of $109,706,700 CHIP Fund associated with the reopening of enrollment in the program.

	FY16 Actual	FY17 Approp	FY17 Rebase	FY18 Request	FY18 Inc./(Dec)
General Fund	$25,261	$0	$0	$0	$0
CHIP Fund	$2,025,463	$1,955,000	$74,172,100	$111,661,700	$109,706,700
Total	$2,050,724	$1,955,000	$74,172,100	$111,661,700	$109,706,700

MEMBER GROWTH

AHCCCS projected member growth in KidsCare by estimating the number of children in Arizona who are without health insurance coverage, do not qualify for other Medicaid programs, and would likely be eligible for KidsCare. Census and health insurance data was reviewed and analyzed from the U.S. Census Bureau's 2014 Annual Social and Economic Supplement (ASEC) of the Current Population Survey (CPS) to estimate the number of children, by household income level, that were uninsured in 2014. AHCCCS then assumed that a portion of those individuals became insured via the Federally Facilitated Marketplace (FFM) and Arizona's overall population experienced underlying annual average growth of 1.5%.

As of July 2016, AHCCCS estimates that 43,155 children could be eligible for KidsCare. Assuming a presentation rate of 80% and a 9 month phase-in for enrollment beginning September 2016, it is estimated that 33,922 members will be enrolled by June 2017. The KidsCare population is assumed to increase at an annual average rate of 1.5% thereafter, reflecting underlying population growth.

SFY 2017

	Phase-In	Members
Sep-16	20.37%	6,901
Oct-16	61.91%	20,975
Nov-16	79.71%	27,007
Dec-16	81.93%	27,759
Jan-17	86.04%	29,151
Feb-17	88.52%	29,990
Mar-17	90.65%	30,711
Apr-17	95.37%	32,311
May-17	100.00%	33,880
Jun-17	-	33,922

SFY 2018

	Phase-In	Members
Jul-17	-	33,964
Aug-17	-	34,006
Sep-17	-	34,049
Oct-17	-	34,091
Nov-17	-	34,133
Dec-17	-	34,176
Jan-18	-	34,218
Feb-18	-	34,260
Mar-18	-	34,303
Apr-18	-	34,346
May-18	-	34,388
Jun-18	-	34,431

OTHER ENROLLMENT

KidsCare enrollment in Children's Rehabilitative Services and IHS were projected based on historical averages as a proportion of total KidsCare enrollment.

CRS ENROLLMENT

SFY 2017		SFY 2018	
Jul-16	26	Jul-17	1,341
Aug-16	25	Aug-17	1,342
Sep-16	293	Sep-17	1,343
Oct-16	839	Oct-17	1,345
Nov-16	1,073	Nov-17	1,346
Dec-16	1,101	Dec-17	1,348
Jan-17	1,155	Jan-18	1,349
Feb-17	1,188	Feb-18	1,351
Mar-17	1,215	Mar-18	1,352
Apr-17	1,277	Apr-18	1,353
May-17	1,338	May-18	1,355
Jun-17	1,339	Jun-18	1,356

IHS ENROLLMENT

SFY 2017		SFY 2018	
Jul-16	13	Jul-17	839
Aug-16	12	Aug-17	840
Sep-16	183	Sep-17	841
Oct-16	525	Oct-17	842
Nov-16	671	Nov-17	842
Dec-16	689	Dec-17	843
Jan-17	723	Jan-18	844
Feb-17	743	Feb-18	845
Mar-17	761	Mar-18	846
Apr-17	799	Apr-18	847
May-17	837	May-18	848
Jun-17	838	Jun-18	849

PREMIUMS

The collection rate of premiums was 92% in SFY 14 and 96% in SFY 15. Premiums offset both cost of the KidsCare program, however, for appropriation purposes, premiums are loaded into the CHIP Fund.

The following schedule shows current KidsCare premiums by income level and number of children in family:

Household Income	One Child	Two or More Children
0-149% FPL	$10 per month	$15 per month
150-175% FPL	$40 per month	$60 per month
176-200% FPL	$50 per month	$70 per month

Actual premiums paid during SFY15 through SFY16 with estimated premiums for SFY17 and SFY18 are shown in the following table.

SFY	Premiums Paid
SFY15 Actual	$539,500
SFY16 Actual	$305,200
SFY17 Estimate	$9,622,000
SFY18 Actual	$14,486,300

Premiums are forecast based on the average premium per member estimated to be $35.21 in CYE 17 and $35.74 in CYE 18.

RATES

Average KidsCare PMPM rates were developed for capitation, behavioral health, CRS, IHS FFS, and reinsurance based on historical experience. Rates were trended up by 1.5% from CYE 17 to CYE 18.

	Capitation	Behavioral Health	CRS	FFS	Reins.
2016.3	$125.33	$41.42	$830.84	$579.34	$12.80
2016.4	$127.74	$42.04	$843.30	$596.72	$12.80
2017.1	$127.74	$42.04	$843.30	$596.72	$12.80
2017.2	$127.74	$42.04	$843.30	$596.72	$12.80
2017.3	$127.74	$42.04	$843.30	$596.72	$12.80
2017.4	$129.66	$42.67	$855.95	$605.67	$12.99
2018.1	$129.66	$42.67	$855.95	$605.67	$12.99
2018.2	$129.66	$42.67	$855.95	$605.67	$12.99

ACA HEALTH INSURER FEE

The ACA includes an $8.0 billion fee on the health insurance industry beginning in 2014. This health insurer fee (HIF) increases to $14.3 billion by 2018 and is then indexed to the rate of premium growth thereafter as shown in the table below. The previous 2017 fee amount does not shift to 2018; the applicable amount for fee year 2018 remains at $14.3 billion (see Treas. Reg. § 57.4(a)(3)).

Fee Year	Applicable Amount
2014	$ 8,000,000,000
2015	$11,300,000,000
2016	$11,300,000,000
2017 (Moratorium)	$13,900,000,000
2018	$14,300,000,000
2019 and thereafter	The applicable amount in the preceding fee year increased by the rate of premium growth (within the meaning of section 36B(b)(3)(A)(ii).

The fee is considered an excise tax and is nondeductible for income tax purposes. CMS mandates actuarially sound Medicaid managed care capitation rates that allow participating insurers to cover projected expenses. Therefore this fee impacts Medicaid managed care expenditures.

The CMS currently approved payment methodology for this fee is a mass adjustment to capitation payments. It is anticipated that, most if not all, health plans will get tax filing extensions. As a result, AHCCCS makes one payment in the fall that includes an estimate for the tax liability. If there is a material difference in the final tax filings an additional adjustment is made.

The FMAP applied is the FMAP in effect for the month of the capitation adjustment. The payments made in FY 2017 (for the Calendar Year 2016 fee) will adjust capitation for October 2015 and use the FMAP in effect on that date. There will be no payment in FY 2018 because the Consolidated Appropriations Act of 2016, Title II, § 201, Moratorium on Annual Fee on Health Insurance Providers, suspends collection of the health insurance provider fee for the 2017 calendar year. Thus, health insurers are not required to pay these fees for calendar year 2017.

In total funds, the Medicaid system paid $90.4 million in FY 2016 for the 2015 Fee Year. In FY 2017, the fee is projected to increase to $103.1 million due to caseload increases which will increase revenue for Medicaid health plans and, thus, increase the amount required in reimbursement.

The allocation by program for FY 2017 (Acute, CRS, EDP, DD, and BHS, etc.) is based on the corresponding percentage of total FY 2016 actual HIF payments.

Based on projected amounts and allocation methodology, the FY 2017 impact of this fee for KidsCare is $105,000 CHIP Fund. However, the FY 2017 budget rebase amount includes an estimate of $43,200 for HIF, which reflects an anticipated decrease due to declining membership over the prior years.

No health insurer provider fees will be paid in FY 2018 generating a one-time cost savings of $129,100 CHIP Fund. This fee will be back in effect for FY 2019 and generate a cost increase of $132,900 CHIP Fund.

ADHS/AIPO

The Arizona Immunization Program Office (AIPO) of ADHS has an interagency service agreement to provide immunizations to children enrolled in KidsCare under which AHCCCS is invoiced for immunizations performed.

In the past, payments for ADHS/AIPO have been approximately 3.0% of capitation payments excluding behavioral health and CRS. This percentage was use to estimate payments for ADHS/AIPO for SFY 17 and SFY 18.

FMAP

The KidsCare program is eligible for the enhanced Title XXI Federal Matching Assistance Percentage (FMAP). Effective October 1,2015, KidsCare is 100% federally funded under the ACA due to an increase of 23 percentage points, which continues through September 30, 2019.

FFY	Period	Enhanced
2016	October 15 – September 16	100.00%
2017	October 15 – September 16	100.00%
2018	October 15 – September 16	100.00%

PROPOSED SOLUTION TO THE PROBLEM:

AHCCCS requires an increase of $109,706,700 CHIP Fund in FY 2018.

PERFORMANCE MEASURES TO QUANTIFY THE SUCCESS OF THE SOLUTION:

- AHCCCS member enrollment in KidsCare.
- Maintain the % of overall Health Plan compliance with key indicators at ≥99%.

IMPACT OF NOT REDUCING FUNDING:

Without an increase to the CHIP Fund authority will not be aligned with anticipated expenditures and the Title XXI CHIP Allotment.

STATUTORY AUTHORITY:

Social Security Act, Title XXI.
A.R.S. Title 36, Chapter 29, Article 4.
A.R.S. 36-2985(A)
Laws 2016, Chapter 112

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
CHILDREN'S HEALTH INSURANCE PROGRAM

	FY16 Actual	FY17 Approp	FY17 Rebase	FY18 Request	FY18 Inc./(Dec)
General Fund	$25,261	$0	$0	$0	$0
CHIP Fund	$2,025,463	$1,955,000	$74,172,100	$111,661,700	$109,706,700
Total	$2,050,724	$1,955,000	$74,172,100	$111,661,700	$109,706,700

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 KidsCare

Issue Category: Decision Package

Justification: see attached justification

Program: 6-6002 Children's Health Insurance Program Services

Fund: 2409-A Children's Health Insurance Program (Appropriated)

Calculated ERE: $0.00

Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	109,706.7
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	109,706.7

CHILDREN'S REHABILITATIVE SERVICES

PROGRAMATIC DECISION PACKAGE

Description of problem or issue and how this furthers the agency mission or goals:

AHCCCS is requesting an increase of $5,963,100 Total Fund ($984,300 General Fund) for the Children's Rehabilitative Services (CRS) compared to the FY 2018 appropriation.

AHCCCS has implemented an integrated health model for children with rehabilitative service needs. The previous CRS program was "carved out" from the AHCCCS Acute managed care model. Previously, AHCCCS children receiving CRS services were enrolled in a minimum of three separate systems of care. Children with overlying conditions, including developmental disabilities or behavioral health needs, potentially required care delivered by four or five separate systems. Effective October 1, 2013, the old model was replaced by a payer integration model that requires one contractor/payer to assume responsibility for the delivery, care management, and payment of multiple services (i.e. services related specifically to CRS conditions as well as services related to primary care and, potentially, other needs like behavioral health). Ultimately, the purpose of such a model is to ensure optimal access to important specialty care as well as effective coordination of all service delivery.

It is worth noting that not all CRS members are fully integrated. The four levels of integration are described below:

- **Fully Integrated** – 68.5% of the population (based on FY 2016 actuals) - These members will receive physical health, behavioral health, and CRS services from the integrated contractor.
- **Acute Semi-Integrated** – 0.7% of the population (based on FY 2016 actuals) – These members are Native Americans who elect to continue receiving behavioral health services from the Tribal Regional Behavioral Health Authority (TRBHA) network. They will receive physical health and CRS services from the integrated contractor.
- **CRS Behavioral Health Semi-Integrated** – 26.2% of the population (based on FY 2016 actuals) – These are primarily Comprehensive Medical and Dental Program (CMDP) members who will continue to receive physical health through CMDP, but will have their behavioral health and CRS services provided by the integrated contractor.
- **CRS Only** – 4.6% of the population (based on FY 2016 actuals) – These members are Native Americans who elect to continue receiving physical health services from the Fee-for-Service network and behavioral health services through the TRBHA network. They only receive CRS services from the integrated provider.

CRS Budget Methodology:

Member Growth

The following table shows actual and projected member months for CRS as of June of each year for FY 2016 through FY 2018.

Fiscal Year	Fully Integrated	BHS Semi-Integrated	Acute Semi-Integrated	CRS only	Total CRS
June 2016 (actual)	16,931	6,567	181	1,149	24,828
June 2017 (projected)	17,387	6,655	186	1,176	25,404
June 2018 (projected)	17,703	6,776	189	1,198	25,866

Member months are forecast based on the proportion that CRS represents of various programs, applied to the projected growth for these programs.

CRS Rates

The changes in rates for SFY 2017 through SFY 2018 are shown below.

	1/1/16-9/30/16 Rates	10/1/16-12/31/16 Rates	1/1/17-9/30/17 Rates		10/1/17-9/30/18 Rates	
			Rate	Chg %	Rate	Chg %
Fully Integrated	$830.84	$841.21	$851.82	1.26	$877.37	3.00
BHS Partially-Integrated	$755.20	$793.20	$801.25	1.02	$825.29	3.00
Acute Partially-Integrated	$800.81	$587.16	$587.16	0.00	$604.77	3.00
CRS only	$477.12	$475.31	$481.28	1.26	$495.72	3.00

Rates were increased on April 1, 2015 to incorporate Federally Qualified Health Center/Rural Health Clinic (FQHC/RHC) services into the capitation rate. Prior to this, FQHC/RHC services were reimbursed by a combination of fee-for-service claims payments and quarterly supplemental payments, along with an annual reconciliation to the Prospective Payment System (PPS) rates.

On January 1, 2016, AHCCCS addressed the costs associated with high-acuity pediatric cases by using an adjustment factor of 1.60 in place of the above pediatric policy adjustor in the following instances only: for inpatient stays, where an APR-DRG assignment of level 3 or 4 Severity of Illness is indicated. Effective January 1, 2017, AHCCCS will change the adjustment factor of 1.60 established January 1, 2016 to 1.945. The estimated nine month impact to the CRS program is an increase of approximately $4.3 million.

Reinsurance

Beginning in CYE 2009, a CRS reinsurance (RI) offset was added to the capitation rate, and CRS members became eligible for reinsurance payments. The reinsurance arrangement covers inpatient claims exceeding $75,000 at 75 percent reimbursement. It also covers the high-cost biotech drugs Aldurazyme, Elaprase, Fabrazyme, Kuvan, Myozyme and Orfadin at 85 percent reimbursement (with no deductible). The integration of physical health effective October 1, 2013 contributed to an increase in reinsurance costs.

The PMPM for CYE 2017 Acute CRS RI is calculated based on October 2015 through June 2016 actuals inflated by 3% in October 2016, resulting in an overall PMPM of $73.71 for CYE 2017. In October 2018, the PMPMs are inflated by an additional 3% and used to project the final three quarters of FY 2017. The overall PMPM projected for FY 2018 is $75.92.

ACA HEALTH INSURER FEE

The ACA includes an $8.0 billion fee on the health insurance industry beginning in 2014. This health insurer fee (HIF) increases to $14.3 billion by 2018 and is then indexed to the rate of premium growth thereafter as shown in the table below. The previous 2017 fee amount does not shift to 2018; the applicable amount for fee year 2018 remains at $14.3 billion (see Treas. Reg. § 57.4(a)(3)).

Fee Year	Applicable Amount
2014	$ 8,000,000,000
2015	$11,300,000,000
2016	$11,300,000,000
2017 (Moratorium)	$13,900,000,000
2018	$14,300,000,000
2019 and thereafter	The applicable amount in the preceding fee year increased by the rate of premium growth (within the meaning of section 36B(b)(3)(A)(ii).

The fee is considered an excise tax and is nondeductible for income tax purposes. CMS mandates actuarially sound Medicaid managed care capitation rates that allow participating insurers to cover projected expenses. Therefore this fee impacts Medicaid managed care expenditures.

The CMS currently approved payment methodology for this fee is a mass adjustment to capitation payments. It is anticipated that, most if not all, health plans will get tax filing extensions. As a result, AHCCCS makes one payment in the fall that includes an estimate for the tax liability. If there is a material difference in the final tax filings an additional adjustment is made.

The FMAP applied is the FMAP in effect for the month of the capitation adjustment. The payments made in FY 2017 (for the Calendar Year 2016 fee) will adjust capitation for October 2015 and use the FMAP in effect on that date. There will be no payment in FY 2018 because the Consolidated Appropriations Act of 2016, Title II, § 201, Moratorium on Annual Fee on Health Insurance Providers, suspends collection of the health insurance provider fee for the 2017 calendar year. Thus, health insurers are not required to pay these fees for calendar year 2017.

In total funds, the Medicaid system paid $90.4 million in FY 2016 for the 2015 Fee Year. In FY 2017, the fee is projected to increase to $103.1 million due to caseload increases which will increase revenue for Medicaid health plans and, thus, increase the amount required in reimbursement.

The allocation by program for FY 2017 (Acute, CRS, EDP, DD, and BHS, etc.) is based on the corresponding percentage of total FY 2016 actual HIF payments.

Based on projected amounts and allocation methodology, the FY 2017 impact of this fee for CRS is $6,806,400 Total Fund ($1,994,100 General Fund).

No health insurer provider fees will be paid in FY 2018 generating a one-time cost savings of $8,372,400 ($2,419,600 General Fund). This fee will be back in effect for FY 2019 and generate a cost increase of $8,613,400 ($2,469,100 General Fund).

The Consolidated Appropriations Act of 2016, Title II, § 201, Moratorium on Annual Fee on Health Insurance Providers, suspends collection of the health insurance provider fee for the 2017 calendar year. Thus, health insurance issuers are not required to pay these fees for 2017.

FMAP

It is assumed that the FMAP will increase from 69.24% in FFY 2017 to 69.53% in FFY 2018 based on Federal Funds Information for States (FFIS) in Issue Brief 16-14 (March 25, 2016).

FFY	FMAP
Oct. 2015 – Sept. 2016	68.92%
Oct. 2016 – Sept. 2017	69.24%
Oct. 2017 – Sept. 2018	68.53%

PROPOSED SOLUTION:

AHCCCS is requesting an increase of $5,963,100 Total Fund ($984,300 General Fund) for the Children's Rehabilitative Services (CRS) compared to the FY 2018 appropriation.

Performance Measures to quantify the success of the solution:

- AHCCCS member enrollment in Children's Rehabilitative Services.
- Maintain the % of overall Health Plan compliance with key indicators at ≥99%.

Statutory Authority:

A.R.S Title 36, Chapter 2, Article 3.

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 CRS **Issue Category:** Decision Package

Justification: see attached justification

Program: 7-1 SLI Children's Rehabilitative Services **Calculated ERE:** $0.00
Fund: 1000-A General Fund (Appropriated) **Uniform Allowance:** $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	979.3
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	5.0
Program / Fund Total:	984.3

Program: 7-1 SLI Children's Rehabilitative Services **Calculated ERE:** $0.00
Fund: 2120-N AHCCCS Fund (Non-Appropriated) **Uniform Allowance:** $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	4,953.5
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	25.3
Program / Fund Total:	4,978.8

AFFORDABLE CARE ACT

MEDICAID ELIGIBILITY EXPANSION – NEWLY ELIGIBLE ADULTS

DESCRIPTION OF THE PROBLEM:

AHCCCS is requesting an additional $51,717,300 in Total Funds ($20,922,200 State Match is funded by the Hospital Assessment) for ACA Newly Eligible Adult population over the FY 2016 Appropriation.

On March 23, 2010, President Obama signed into law the Patient Protection and Affordable Care Act (ACA). The ACA includes the largest eligibility expansion in the history of the Medicaid program. Beginning in 2014, the ACA extends Medicaid coverage to all individuals between ages 19 and 64 with incomes up to 133% of FPL. Note that the ACA also includes an eligibility "simplification" by relying on a single "Modified Adjusted Gross Income" (MAGI) standard for determining eligibility which, in the case of Arizona, effectively makes the new standard 138% of FPL.

Laws 2013, First Special Session, Chapter 10 established a new a new category of eligibility for persons between 100%-133% FPL and established the Hospital Assessment Fund as the state match source for the Proposition 204 and Newly Eligible Adult populations, when necessary.

The estimated cost of adult expansion for SFY 2016 was $405,687,600 Total Fund. This program is funded 100% with federal funds through December 31, 2016. Beginning January 1, 2017, the federal matching rate decreases to 95%. For SFY 2017 costs are estimated at $467,867,300 of which $11,463,900 will be State Match paid from the Hospital Assessment. For SFY 2018, the cost of this program is estimated at $514,001,900 Total Fund ($27,183,700 SM from Hospital Assessment).

		FY 2016 Actual	FY 2017 Appropriation	FY 2017 Rebase	FY 2018 Request	FY 2018 Increase
Capitation	(SM)	-	5,320,600	10,153,900	24,076,300	18,755,700
	(TF)	333,338,300	392,817,700	395,565,900	436,910,300	44,092,600
Fee-for-Service	(SM)	-	867,000	1,169,000	2,771,500	1,904,500
	(TF)	59,951,700	64,011,800	64,459,600	70,998,600	6,986,800
Reinsurance	(SM)	-	73,900	141,000	335,900	262,000
	(TF)	4,871,500	5,455,100	5,493,300	6,093,000	637,900
Integrated Phys. Health	(SM)	-	-	-	-	-
	(TF)	5,121,000	-	-	-	-
Reconciliations	(SM)	-	-	-	-	-
	(TF)	-	-	-	-	-
Medicare PCP Rate Incrase	(SM)	-	-	-	-	-
	(TF)	344,800	-	-	-	-
ACA Health Insurer Fee	(SM)	-	-	-	-	-
	(TF)	2,060,300	-	2,348,500	-	-
	(SM)	-	6,261,500	11,463,900	27,183,700	20,922,200
Grand Total	(TF)	405,687,600	462,284,600	467,867,300	514,001,900	51,717,300

Note: The FY17 appropriation was allocated based on the percentage of each expenditure line in the SFY 17 rebase excluding reconciliations, HIF, and Medicare PCP Rate Increase.

Newly Eligible Adults - Methodology

MEMBER GROWTH

After a lower than anticipated initial presentation rate, this program continues to grow rapidly. From June 2015 to June 2016 capitated members grew from 60,543 to 79,895, an increase of 32.0%. This is far slower than the growth during the period from June 2014 to June 2015 of 182.6%, but still far exceeding our initial expectations. Still, growth has slowed in recent months and even declined from 82,697 in May 2016 to 79,895 in June 2016. We believe that this population has reached saturation and therefore feel comfortable using a conservative exponential smoothing method (Holt-Winters) which forecasts an annual growth rate of 6.40% from June 2016 to June 2017 and an annual growth rate of 6.56% from June 2017 to June 2018.

During the period of rapid growth during phase-in, the ratio of prior period to regular member months was also far higher than usual. Since this time, prior period member months have reverted to a more usual 2.8% of prospective member months. This percentage was applied to prospective member month projections for this population in order to project prior period member months through FY 2018.

The original forecast assumed a 70% presentation of the total uninsured adults between 100% and 133% of the federal poverty level based on US Census Bureau, Current Population Survey (CPS) Annual Social and Economic Supplement, 2009-2011 (adjusted for citizenship using the CPS "Nativity" indicator). The presentation rate resulted in a total presentation of 58,030. Approximately 92.71% of these new enrollees were expected to be capitated in Managed Care Organizations, with the remaining 7.29% enrolling in the fee-for-service American Indian Health Plan (AIHP). Because of the growth experienced in this population, it is now believed that the presentation rate is much higher than 70%, perhaps as high as 90%. Also, income disregards under MAGI increase the effective eligibility level for this program to 138% of the federal poverty level per 42 CFR §435.603(d)(1).

CAPITATION RATES

AHCCCS anticipates the Newly Eligible Adults population to differ from the current risk groups, thus AHCCCS actuaries established a new risk group and capitation rate for this population. Capitation rates for this program are shown in the table below:

	Prospective	Prop %	PPC	PPC%
Jan. 2016-Sept. 2016	370.43		330.86	
CY 17 estimate	389.40	5.12%	330.43	-0.13%
CY 18 estimate	401.08	3.00%	340.34	3.00%

The following assumptions were employed in the FY18 Budget Development:

1) AHCCCS has experienced some births within this population, even though, once reported, the individual will be shifted to the SOBRA Pregnant women category. These births were projected by using historical ratios of births per one thousand for the childless adult population and distributing them according to seasonal factors from CY 14 and CY 15.

2) The Fee-for-Service costs for newly eligible adults being served through the AIHP are based on the average PMPMs for both IHS Facilities and Non-Facilities for October 2015 through June 2016. The average IHS Facility rate of $408.31 is increased by 4.71%, the weighted inpatient/outpatient Prop. 204 IHS Facility inflation rate, in January of FY 2017 and FY 2018. The average Non-Facility rate of $261.03 is increased by 2.71% in October FY 2017 and by 2.81% in October 2018; these percentages are based on the weighted inpatient/outpatient Prop. 204 IHS Non-Facility inflation rates for Prop. 204. The total FFS estimate includes Prior Quarter.

3) Childless Adult FES is included in this eligibility category since this population was not previously eligible for services prior to the expansion. Total expenditures are based on the combined monthly forecast growth rates of NEA member months and medical cost inflation.

4) The reinsurance portion of the NEA population are based on the average PMPM for this population for CY 2016 of $5.39 inflated by 3.9% in October 2016 to $5.60 and by an additional 3.9% to $5.82 in October 2017. CY 17 and CY 18 inflation rates are based on DHCM estimates.

ACA HEALTH INSURER FEE

The ACA includes an $8.0 billion fee on the health insurance industry beginning in 2014. This health insurer fee (HIF) increases to $14.3 billion by 2018 and is then indexed to the rate of premium growth thereafter as shown in the table below. The previous 2017 fee amount does not shift to 2018; the applicable amount for fee year 2018 remains at $14.3 billion (see Treas. Reg. § 57.4(a)(3)).

Fee Year	Applicable Amount
2014	$ 8,000,000,000
2015	$11,300,000,000
2016	$11,300,000,000
2017 (Moratorium)	$13,900,000,000
2018	$14,300,000,000
2019 and thereafter	The applicable amount in the preceding fee year increased by the rate of premium growth (within the meaning of section 36B(b)(3)(A)(ii).

The fee is considered an excise tax and is nondeductible for income tax purposes. CMS mandates actuarially sound Medicaid managed care capitation rates that allow participating insurers to cover projected expenses. Therefore this fee impacts Medicaid managed care expenditures.

The CMS currently approved payment methodology for this fee is a mass adjustment to capitation payments. It is anticipated that, most if not all, health plans will get tax filing extensions. As a result, AHCCCS makes one payment in the fall that includes an estimate for the tax liability. If there is a material difference in the final tax filings an additional adjustment is made.

The FMAP applied is the FMAP in effect for the month of the capitation adjustment. The payments made in FY 2017 (for the Calendar Year 2016 fee) will adjust capitation for October 2015 and use the FMAP in effect on that date. There will be no payment in FY 2018 because the Consolidated Appropriations Act of 2016, Title II, § 201, Moratorium on Annual Fee on Health Insurance Providers, suspends collection of the health insurance provider fee for the 2017 calendar year. Thus, health insurers are not required to pay these fees for calendar year 2017.

In total funds, the Medicaid system paid $90.4 million in FY 2016 for the 2015 Fee Year. In FY 2017, the fee is projected to increase to $103.1 million due to caseload increases which will increase revenue for Medicaid health plans and, thus, increase the amount required in reimbursement.

The allocation by program for FY 2017 (Acute, CRS, EDP, DD, and BHS, etc.) is based on the corresponding percentage of total FY 2016 actual HIF payments.

Based on projected amounts and allocation methodology, the FY 2017 impact of this fee for Newly Eligible Adults is $2,348,500 Total Fund (100% Federal Funds).

No health insurer provider fees will be paid in FY 2018 generating a one-time cost savings of $2,888,900 100% Federal Funds). This fee will be back in effect for FY 2019 and generate a cost increase of $2,972,000 ($148,600 General Fund).

The Consolidated Appropriations Act of 2016, Title II, § 201, Moratorium on Annual Fee on Health Insurance Providers, suspends collection of the health insurance provider fee for the 2017 calendar year. Thus, health insurance issuers are not required to pay these fees for 2017.

Newly Eligible FMAP

Beginning in January 2017 the Newly Eligible FMAP will no longer be 100%. For each Calendar Year after 2007, the Newly Eligible FMAP is decremented by 1 percentage point, until 2020 when it has a final reduction of 3 percentage points to a floor of 90%.

PROPOSED SOLUTION:

AHCCCS requires an additional $48,957,300 in Total Funds ($20,767,500 State Match is funded by the Hospital Assessment) for ACA Newly Eligible Adult population in FY 2018.

Performance Measures to quantify the success of the solution:

- AHCCCS member enrollment in Newly Eligible Adults.
- Maintain the % of overall Health Plan compliance with key indicators at ≥99%.

STATUTORY AUTHORITY:

Patient Protection and Affordable Care Act (ACA)
Laws 2013, First Special Session, Chapter 10

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
NEWLY ELIGIBLE ADULT EXPANSION SERVICES APPROPRIATION
FISCAL YEAR 2018 DECISION PACKAGE
TABLE A

	FY17 Approp	FY18 Request	FY18 Inc/(Dec)
Newly Eligible Adult Expansion Services			
Hospital Assessment	6,261,500	27,183,700	20,922,200
Federal Funds	456,023,100	486,818,200	30,795,100
Total Funds	462,284,600	514,001,900	51,717,300

	FY17 Approp	FY18 Request	FY18 Inc/(Dec)
Newly Eligible Adult Expansion BH Services			
General Fund	831,900	4,901,500	4,069,600
Hospital Assessment	-	358,500	358,500
Federal Funds	76,870,400	90,248,400	13,378,000
Total Funds	77,702,300	95,508,400	17,806,100

Notes:
1) Newly Eligible Adult Expansion Acute and Behavioral Health both shown to identify net program impact.

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 ACA

Issue Category: Decision Package

Justification: see attached justification

Program: 9-9001 ACA Expansion
Fund: 2120-N AHCCCS Fund (Non-Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	30,795.1
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	30,795.1

Program: 9-9001 ACA Expansion
Fund: 2576-N Hospital Assessment (Non-Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	20,922.2
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	20,922.2

ARIZONA LONG TERM CARE SYSTEM APPROPRIATION

For FY 2017, AHCCCS was appropriated $1,316,838,800 Total Fund for ALTCS Services. This appropriation includes funding for the ALTCS EPD lump sum and ALTCS Medicare Part D Clawback subprograms. In FY 2018, AHCCCS requests a Total Fund increase of $84,769,800 (General Fund increase of $16,097,100; County Fund increase of $14,367,700; Prescription Drug Rebate State Fund increase of $2,259,000; Prescription Drug Rebate Federal Fund increase of $14,505,900; and a Federal Fund increase of $37,540,100. Note that Nursing Facility Assessment and Adult Dental funding is included in separate Decision Packages. Table A shows the requested amounts by component and a description of each issue follows.

ARIZONA LONG-TERM CARE SYSTEM EPD LUMP SUM

Description of the Problem:
AHCCCS is requesting an increase for FY 2018 over the FY 2017 appropriation for the Arizona Long Term Care System (ALTCS) lump sum appropriation due to rate increases and demographic growth. In FY 2018, AHCCCS requires an additional $84,769,800 in Total Funds ($32,723,800 increase in State Match). The General Fund portion of state match increased by $14,367,700. The SFY 2018 funding request is shown below (these amounts exclude Medicare Clawback funding). The ALTCS-EPD share of Prescription Drug Rebate (PDR) collections are included as part of the State Match (for additional information on the PDR, see the separate Decision Package).

	FY17 Approp	FY18 Request	FY18 Increase
General	$153,746,400	$169,843,500	$16,097,100
PDR State	$7,441,300	$9,700,300	$2,259,000
County	$230,509,000	$244,876,700	$14,367,700
Subtotal SM	$391,696,700	$424,420,500	$32,723,800
PDR FF	$21,600,300	$36,106,200	$14,505,900
Federal	$903,541,800	$941,081,900	$37,540,100
Subtotal FM	$925,142,100	$977,188,100	$52,046,000
Total	$1,316,838,800	$1,401,608,600	$84,769,800

PERFORMANCE MEASURES TO QUANTIFY THE SUCCESS OF THE SOLUTION:

- AHCCCS member enrollment in ALTCS.
- Maintain the % of overall Health Plan compliance with key indicators at ≥99%.

COUNTY SPLIT:

The split of State Match between General Fund and County Funds is prescribed by A.R.S. §11-292 (known internally as the "County Model"), which specifies that at least 50% of any increase in overall non-federal expenditures will be covered by the state. In addition, there are various circuit breakers specified in this law such as utilization, property tax rates, Native American population, and statutory growth caps which may further shift expenditures from the counties to the state. If after the application of all relevant circuit breakers, an individual county's contributions divided by the most recent population estimate for that county approved by the Office of Employment and Population Statistics (EPS) exceeds the same per capita contribution for the state as a whole, the county's contribution shall be reduced so that it is equal to the statewide average and the difference shall be paid by the state. At the time of this budget submittal, the most recent population figures approved by EPS were for July 1, 2015. It is anticipated that July 1, 2016 population estimates will be available in mid-December 2016.

MEMBER GROWTH

Demographic growth is expected in both FY 2017 and FY 2018 due to population growth and an aging population. The following table presents ALTCS member month growth for FY 2015 through FY 2018. FY 2015 and FY 2016 figures are actuals.

	Caseload Growth - July 2016 Projections					
	EPD		**Tribal**		**Total**	
SFY	Y-o-Y	J-o-J	Y-o-Y	J-o-J	Y-o-Y	J-o-J
2015	2.13%	1.83%	(0.10%)	(2.45%)	1.93%	1.44%
2016	0.28%	0.92%	(1.03%)	1.02%	0.17%	0.93%
2017	1.82%	1.23%	0.63%	0.16%	1.72%	1.14%
2018	1.22%	1.22%	0.16%	0.16%	1.13%	1.13%

AHCCCS estimates that the ALTCS population will continue to grow in FY 2017 and FY 2018. For both the EPD population and the Tribal Case Management population, the growth rates above are based on a 48 month regression model.

CAPITATION RATES

Effective April 1, 2015, ALTCS Capitation rates were increased to include reimbursement for Federally Qualified Health Center/Rural Health Clinic (FQHC/RHC) services. Prior to this, FQHC/RHC services were reimbursed by a combination of fee-for-service claims payments and quarterly supplemental payments, along with an annual reconciliation to the Prospective Payment System rates. On October 1, 2016, the rates will increase for the new contract year.

Overall, the CYE 2017 rates represent an approximate increase of 3.84% (384 basis points) over the CYE 2016 rates that took effect January 1, 2016. CYE 2017 capitation rates were developed as a rate update from the previously approved CYE 2016 capitation rates.

Primary drivers of the CYE 2017 ALTCS rate increase include:

- Effective October 1, 2016, HCBS providers will receive a 2% rate increase in order to alleviate difficulties in retaining staff due to improving economic conditions, and to offset federally-mandated cost increases to providers. The expected impact contributes 0.73% (73 basis points) to the total 3.84% capitation rate increase.

- Nursing Facility Fee Schedule rates will rise, uniformly, by 1% on October 1, 2016 to address concerns in retaining staff and to ensure adequate access to care. The estimated impact contributes 0.49% (49 basis points) to the total 3.84% capitation rate increase.

- As part of the implementation of the Value-Based Purchasing initiative (VBP), participating providers that meet improved patient care criteria will receive augmented payment rates (1.0% for qualified AHCCCS-registered Nursing Facilities, and 0.5% for AHCCCS-registered Hospital providers). The estimated impact contributes 0.34% (34 basis points) to the total 3.84% capitation rate increase.

- The restoration of non-emergency adult dental services during the 2016 legislative session will take effect October 1, 2016, and will provide all ALTCS-enrolled adults with an annual dental benefit of $1,000. The estimated impact contributes 0.20% (20 basis points) to the total 3.84% capitation rate increase.

- Approximately 1.98% (198 basis points) of the overall capitation rate increase is attributable to medical trend and HCBS mix changes.

- The remaining 0.10% (10 basis points) of the total 3.84% capitation rate increase is due to various medical policy changes including, but not limited to, the restoration of Podiatric services, the relaxing of clinical criteria for usage of some Hepatitis C medications, and an increase to the High Acuity Pediatric Adjustor (effective January 1, 2017).

In CYE 2018, AHCCCS expects that utilization and medical inflation increases will require a 3.0% increase in prospective capitation rates to remain actuarially sound. Prior period capitation rates are also projected to increase by 3.0% in CYE 2018 due to utilization and medical inflation. Tribal case management rates are not expected to increase in CYE 2017 but will likely increase by 5.00% in CYE 2018.

CAPITATION RATES:			
Contract Year	**EPD Rates**		**Tribal Case Management**
	Regular	Prior Period	
1/1/16-9/30/16	$3,275.95	$958.94	$148.45
2017 (Eff. 10/1/16)	$3,402.50	$972.15	$148.45
2018 (Eff. 10/1/17)	$3,504.91	$1,001.31	$155.87

The CYE 2017 EPD rate shown above is a blended rate that represents 81.9353% of the Prospective Dual Full Services rate, 16.4733% of the Prospective Non-Dual Full Services rate, and 1.5914% of the Acute Care Only rate. The statewide weighted Prospective Dual Full Services rate for January through September of 2016 is $2,954.90, the statewide weighted Prospective Non-Dual Full Services rate for this period is $5,136.29, and the statewide weighted Acute Care only rate is $548.27, so the statewide blended rate for January through September of 2016 is $3,275.95.

Tribal Case Management is considered an administrative expense by CMS, and therefore, matched at the FFP rate of 50% rather than the regular FMAP rate.

Rates vary by health plan and by region, so the statewide average rate paid during a contract year may differ from the statewide weighted average for that same year that would result from using weights from a different contract year. This is one reason why the percentage increase in rates reflected in the budget submittal may differ from that in the actuarial memo.

ACA HEALTH INSURER FEE

The ACA includes an $8.0 billion fee on the health insurance industry beginning in 2014. This health insurer fee (HIF) increases to $14.3 billion by 2018 and is then indexed to the rate of premium growth thereafter as shown in the table below. The previous 2017 fee amount does not shift to 2018; the applicable amount for fee year 2018 remains at $14.3 billion (see Treas. Reg. § 57.4(a)(3)).

Fee Year	Applicable Amount
2014	$ 8,000,000,000
2015	$11,300,000,000
2016	$11,300,000,000
2017	HIF Moratorium
2018	$14,300,000,000
2019 and thereafter	The applicable amount in the preceding fee year increased by the rate of premium growth (within the meaning of section 36B(b)(3)(A)(ii).

The fee is considered an excise tax and is nondeductible for income tax purposes. CMS mandates actuarially sound Medicaid managed care capitation rates that allow participating insurers to cover projected expenses. Therefore this fee impacts Medicaid managed care expenditures.

The CMS currently approved payment methodology for this fee is a mass adjustment to capitation payments. It is anticipated that, most if not all, health plans will get tax filing extensions. As a result, AHCCCS makes one payment in the fall that includes an estimate for the tax liability. If there is a material difference in the final tax filings an additional adjustment is made.

The FMAP applied is the FMAP in effect for the month of the capitation adjustment. The payments made in FY 2017 (for the Calendar Year 2016 fee) will adjust capitation for October 2015 and use the FMAP in effect on that date. There will be no payment in FY 2018 because the Consolidated Appropriations Act of 2016, Title II, § 201, Moratorium on Annual Fee on Health Insurance Providers, suspends collection of the health insurance provider fee for the 2017 calendar year. Thus, health insurers are not required to pay these fees for calendar year 2017.

In total funds, the Medicaid system paid $90.4 million in FY 2016 for the 2015 Fee Year. In FY 2017, the fee is projected to increase to $103.1 million due to caseload increases which will increase revenue for Medicaid health plans and, thus, increase the amount required in reimbursement.

The allocation by program for FY 2017 (Acute, CRS, EDP, DD, and BHS, etc.) is based on the corresponding percentage of total FY 2016 actual HIF payments.

Based on projected amounts and allocation methodology, the FY 2017 impact of this fee for ALTCS is $1,093,600 Total Fund ($339,900 General Fund).

No health insurer provider fees will be paid in FY 2018 generating a one-time cost savings of $1,345,300 Total Fund ($413,800 General Fund). This fee will be back in effect for FY 2019 and generate a cost increase of $1,384,000 ($421,700 General Fund).

FEE-FOR-SERVICE

ALTCS FFS expenditures are estimated based on multiplying the PMPMs for IHS facilities and non-facility claims by projected member months for ALTCS Tribal Case Management since this is the ALTCS population that is paid FFS. The base PMPMs for both facilities and non-facility claims are calculated by dividing the total FFS expenditures for each category by Tribal Case Management member months. IHS facilities are paid at 100% FMAP, while non-facility claims are paid at the regular FMAP, which necessitates forecasting expenditures for these populations separately. Non-facility services include: Acute Care, HCBS, Nursing Facility, and Behavioral Health claims.

Non-facility rates are adjusted for inflation at the beginning of each federal fiscal year, unless legislation dictates otherwise. The inpatient and outpatient inflation rates used in the forecast for CY 2016 and CY 2017 were based on Global Insight's Health-Care Cost Review - Hospital Market Basket, *First Quarter 2016.* For 2017, the Global Insight forecast was 3.11% for inpatient and 2.54% for outpatient; a weighted average of inpatient and outpatient inflation of 2.70% was used to adjust the PMPMs for inflation in October of 2016. For 2018, the Global Insight forecast was 3.29% for inpatient and 2.60% for outpatient; a weighted average of inpatient and outpatient inflation of 2.79% was used to adjust the PMPMs for inflation in October of 2017. More detail regarding this calculation can be found in the "Traditional Fee-For-Service" section of this submittal.

The FFS PMPM for October 2015 through June 2016 for IHS non-facility claims was $3,995.30. This PMPM was used to estimate the first quarter of FY 2017. It was then inflated by 9.54%, (based on the average percentage increase for the previous two contract years) resulting in a PMPM of $4,376.29, which was used for the remainder of FY 2017 and the first quarter of FY 2018. The same inflation rate of 9.54% was then applied to arrive at the PMPM of $4,793.61 used for the remainder of FY 2018

The Indian Health Services, an agency of the U.S. Department of Health and Human Services, publishes rates in the Federal Register annually. The IHS rates are used to calculate the IHS Facility expenditure forecast. The most recent five year average inpatient/outpatient rate changes of 5.50% and 4.61% respectively, were used for CY 2017 and CY 2018 budget calculations. A weighted average of inpatient/outpatient of 4.73% is applied to IHS PMPMs in January of each projected year. Historical rates and calculations can be viewed in the included schedule entitled "IHS Facilities Inflation Developed" within the "Traditional Fee-For-Service" section of this submittal.

The FFS PMPM for IHS facilities for January 2016 through June 2016 was $458.67. This PMPM was used to estimate the first two quarters of FY 2017. This rate was increased by the weighted average inflation of 4.73% resulting in a rate of $480.34 which was used for the final two quarters of FY 2017 and the first two quarters of FY 2018. This same inflation factor of 4.73% was applied again in January of 2018 yielding a rate of $503.04 which was used to estimate the final two quarters of FY 2018.

PRIOR QUARTER

As part of an effort to standardize Medicaid enrollment procedures across the nation, CMS required AHCCCS to reinstitute Prior Quarter Coverage for new enrollees in the program beginning January 1, 2014. AHCCCS had been exempt from this federal requirement due to the 1115 Waiver initially granted by CMS in 2001. CMS would not renew the waiver for periods after December 31, 2013. Prior Quarter Coverage will require AHCCCS to make eligibility for Medicaid effective no later than the third month before the month of application if the individual received medical services, at any time during that period, of a type covered by the health plan; and would have been eligible for Medicaid at the time he/she received services if he/she had applied. AHCCCS must specify the effective eligibility date and may make eligibility for Medicaid effective on the first day of the month if the applicant was eligible at any time during that month.

Example: An applicant applies April 15 and is determined to be eligible back to April 1. Under prior quarter coverage, AHCCCS would evaluate the member's eligibility for Medicaid during any one of the three months (January, February, March) preceding April 1, if the applicant notifies AHCCCS that they had received services.

Prior Quarter began in January 2014 and member months are paid at the regular EPD Capitation rate. Prior Quarter member months paid in FY 2016 were estimated by dividing the total dollars paid for Prior Quarter for each quarter of FY 2016 by the regular EPD capitation rate for that same quarter. Prior Quarter member months for FY 2017 were estimated by taking the average number of prior quarter member months paid per month in FY 2016 and assuming that this number would be paid in each month during FY 2017. Prior Quarter member months for FY 2018 are also based on this same monthly average.

RECONCILIATIONS

There are a number of reconciliations, including Share of Cost, PPC and HCBS, summarized in the tables below, which will result in additional payments to Program Contractors during FY 2018. It is not expected that any material reconciliations will occur in FY 2017.

FY 2018 Estimated Reconciliations:

	SM	FF	TF
Share of Cost for CY17:	$229,200	$516,000	$745,200
PPC Recon. for CY17:	$261,800	$589,200	$851,000
HCBS Recon. For CY 17:	$196,300	$441,800	$638,100
Total	$687,300	$1,547,000	$2,234,300

It is estimated that the FY 2018 reconciliation will be $2,234,300 ($687,300 State Match).

REINSURANCE

ALTCS Reinsurance includes High Cost Behavioral Health (HCBH), as well as transplants and other reinsurance. The RI PMPM for FY 2016 was $86.81. This PMPM was trended by 3% and then applied to forecast EPD member months for FY 2017 to estimate total dollars for the year. For SFY 2018 this PMPM was increased by another 3%. The quarterly distribution of payments for FY 2016 was used to seasonally allocate dollars by quarter within each State Fiscal Year.

HCBH REINSURANCE

Effective October 1, 2007 no new HCBH reinsurance cases are being created by AHCCCS, however, existing cases are continuing to be paid as reinsurance. The cost of new HCBH cases are now incorporated into the ALTCS capitation rates. The rate of decrease in HCBH cases is approximately one case per quarter with the presentation rate of remaining cases is close to 100%. Projections of future HCBH expenditures are based on the cost per eligible cases.

It is estimated, based on 231 existing HCBH cases as of June 30, 2016 and an anticipated decrease in active HCBH cases by one case per quarter, that there will be 2,746 HCBH case payments during SFY 2017 and 2,698 HCBH case payments during FY 2018. The average cost per active case for Contract Year 2016 was $4,012.66; this cost per case was inflated by 3.00% to yield a cost per case of $4,133.04 for the remaining three quarters of SFY 2017 and the first quarter of FY 2018. This rate was then inflated by an additional 3.00% to yield a cost per case of $4,257.03 for the remaining three quarters of FY 2018.

MEDICARE PREMIUMS

PMPM costs for Medicare Premiums are calculated by dividing Medicare Part A expenditures and Medicare Part B expenditures by ALTCS member months for January through June of 2015 to calculate the PMPM for this period. Medicare premium rates increase in January of each year.

(1) The Medicare Part A premium projected for Calendar Years 2017 and 2018 was based on an average of the most recent five years percentage increase (excluding years in which the rate decreased) or 2.63%.

(2) The Medicare Part B premium projected for Calendar Year 2017 was based on the 2016 Annual Report of the Boards of Trustees of the Federal Hospital Insurance and Federal Supplementary Medical Insurance Trust Funds which recommended a 22.33% increase in Medicare Part B premiums. This increase must still be approved by Congress. If Congress were not to approve this large increase for Calendar Year 2017 and instead increased rates by an average of the most recent five years percentage increase, excluding years in which the rate decreased (5.11%), this would reduce SFY 2017 expenses by $3,508,700 TF ($1,079,300 SM) and SFY 2018 expenses by $7,277,700 TF ($2,222,500 SM).

(3) The Medicare Part B premium projected for Calendar Year 2018 was based on an average of the most recent five years percentage increase (excluding years in which the rate decreased and excluding the large proposed increase in Calendar Year 2017) or 5.11%.

STATUTORY AUTHORITY:

A.R.S. § 36-2931 to 2960.
A.R.S. § 11-291 to 309.

MEDICARE PART D "CLAWBACK" PAYMENTS

DESCRIPTION OF THE PROBLEM:

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA) established the Medicare Part D prescription drug program, which provides prescription drug coverage to Medicaid recipients who are Medicare eligible (dual eligible members). The Medicare Part D prescription drug benefit resulted in a reduction to capitation rates and fee-for-service payments since Medicaid no longer pays prescription drug expenditures (with certain exceptions as defined in the AHCCCS Medical Policy Manual) for those who are eligible for the Part D benefit, but states have to reimburse the federal government for this savings according to a prescribed formula.

In FY 2018, AHCCCS will require additional resources for this state only expenditure. The Acute Care and BHS Clawback is all General Fund. The ALTCS Clawback payment is split between General Fund and County Funds.

	SFY16 Actual	SFY17 Allocation	SFY17 Rebase	SFY18 Request	SFY18 Inc.(Dec)
AHCCCS ACUTE	40,657,468	42,527,100	47,029,500	53,262,300	10,735,200
AHCCCS ALTCS					
General Fund	11,555,498	14,094,700	14,201,400	15,687,700	1,593,000
County Fund	17,681,929	19,471,000	19,618,300	22,614,100	3,143,100
TOTAL ALTCS	29,237,427	33,565,700	33,819,700	38,301,800	4,736,100
BHS	15,112,173	17,349,400	17,480,600	19,797,300	2,447,900
DES-DD	3,110,553	3,370,600	3,598,100	4,074,900	704,300
Grand Total	88,117,621	96,812,800	101,927,900	115,436,300	18,623,500

METHODOLOGY:

CLAWBACK PMPM:

In accordance with the law, calendar year 2003 is the base year for the development of the clawback payment. CMS used a combination of fee-for-service claim information and encounter data provided through MSIS and/or PMMIS to develop the 2003 base PMPM. The PMPM calculated for 2003 was then trended forward using the National Health Expenditure (NHE) inflation factor to 2006. CMS will only be billing one rate for all full benefit dual eligible members regardless of enrollment (Acute Care, Behavioral Health, ALTCS, and DDD) or eligibility (managed care or fee-for-service). The CMS rates used as the basis for the clawback payments are shown below.

	Actual 1/1/2013 to 9/30/2013	Actual 10/1/2013 to 12/31/2013	Actual 1/1/2014 to 9/30/2014	Actual 10/1/2014 to 12/31/2014	Actual 1/1/2015 to 9/30/2015	Actual 10/1/2015 to 12/31/2015	Actual 1/1/2016 to 9/30/2016	Estimate 10/1/2016 to 12/31/2016	Estimate 1/1/2017 to 9/30/2017	Estimate 10/1/2017 to 12/31/2017	Estimate 1/1/2018 to 9/30/2018
Total Fund PMPM	201.12	201.13	193.01	193.01	200.04	200.04	223.29	223.28	249.54	249.51	259.45
FMAP	65.68%	67.23%	67.23%	68.46%	68.46%	68.92%	68.92%	69.24%	69.24%	69.53%	69.53%
State Match PMPM	69.03	65.91	63.25	60.87	63.09	62.17	69.40	68.68	76.76	76.03	79.05
Clawback %	78.33%	78.33%	76.67%	76.67%	75.00%	75.00%	75.00%	75.00%	75.00%	75.00%	75.00%
Clawback PMPM	54.07	51.63	48.49	46.67	47.32	46.63	52.05	51.51	57.57	57.02	59.29

The following factors impact the PMPM paid by the state:

- The total fund PMPM is adjusted every calendar year in January. Beginning with CY 2009, the annual increases were based on Part D program data. In addition, CMS adjusts the annual percentage increase to reflect prior-year revisions to previous percentage increases, based on subsequent data and projections. As a result of this methodology, the re-benchmarking and recalculations of prior-year NHE data continue to have an impact on future state costs.

- Average growth in the PMPM going back to the program's inception is 3.29%. The actual increase for CY 2016 was 11.62%. The announced parameters that will guide the Calendar Year 2017 PMPM change reflect a projected increase of 11.76%. AHCCCS is using the projected PMPMs published by Federal Funds Information for States (FFIS) in Issue Brief 16-19 (April 7, 2016) as the basis for the CY 2017 PMPM. For the January 2018 PMPM increase estimates, AHCCCS is using the average of the five most recent years which equates to a 3.98% growth rate.

- The State Match PMPM is calculated by taking the total fund PMPM multiplied by the state's Federal Matching Assistance Percentage (FMAP), which changes every October. For SFY 2017, the first quarter FMAP is 68.92%. Effective 10/1/16 it increases to 69.24%.

- It is assumed that the FMAP will increase from 69.24% in FFY 2017 to 69.53% in FFY 2018 based on Federal Funds Information for States (FFIS) in Issue Brief 16-14 (March 25, 2016).

- The percentage of estimated savings paid back to CMS has now stabilized at 75% beginning with Calendar Year 2015.

As a result of an initial invoicing lag when the program began in January 2006, the 12 payments made by the state each year are for the period of May through April, rather than the traditional July through June.

PROGRAM DISTRIBUTION:

The total clawback payment, which is calculated by multiplying the number of dual eligible members by the applicable PMPM rates, is then distributed to the various AHCCCS and Pass-Through programs using the fixed percentages used to calculate the calendar year 2003 drug costs used in the calculation of the above rates. These percentages will remain constant over the life of the clawback payment and will not be impacted by changes to enrollment. The percentages are as follows:

AHCCCS Acute	46.14%
ALTCS-EPD	33.18%
ALTCS-DD (DES)	3.53%
DHS BHS	17.15%

DUAL ELIGIBLE MEMBERSHIP:

AHCCCS is projecting full benefit dual eligible members using a 24 month regression for the current month enrollment plus an average amount of retro enrollment based on the last 12 months of invoices. The average amount of retro member months is 4,993. The methodology results in projected annual year over year growth of 4.85% in SFY 2017 and 4.96% in SFY 2017. Using this methodology, AHCCCS is forecasting that the 154,965 full benefit dual members (billed for clawback) in June 2016 will grow to 162,856 by June 2017 and 170,747 by June 2018.

PROPOSED SOLUTION TO THE PROBLEM:

Within the ALTCS Clawback line item, AHCCCS requests a state match increase of $4,736,100 consisting of a General Fund increase of $1,593,000 and a County Fund increase of $3,143,100.

PERFORMANCE MEASURES TO QUANTIFY THE SUCCESS OF THE SOLUTION:

- AHCCCS member enrollment in ALTCS.
- Maintain the % of overall Health Plan compliance with key indicators at ≥99%.

STATUTORY AUTHORITY:

Section 103(f), Medicare Prescription Drug, Improvement, and Modernization Act (MMA) of 2003 (P.L. 108-173)
Social Security Act, Section 1935(42 U.S.C. 1396u-5)
Consolidated Appropriations Act of 2016, Title II, § 201

ALTCS FMAP

Unless otherwise noted above, ALTCS members are eligible for the regular Title XIX FMAP. It is assumed that the FMAP will increase from 69.24% in FFY 2017 to 69.53% in FFY 2018 based on Federal Funds Information for States (FFIS) in Issue Brief 16-14 (March 25, 2016).

FFY	FMAP
Oct. 2015 – Sept. 2016	68.92%
Oct. 2017 – Sept. 2018	69.24%
Oct. 2017 – Sept. 2018	69.53%

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
ALTCS SERVICES APPROPRIATION
TABLE A

		FY17 Approp	FY18 Request	FY18 Inc/(Dec)
EPD Lump Sum				
	General Fund	153,746,400	169,843,500	16,097,100
	County Fund	230,509,000	244,876,700	14,367,700
	PDR State	7,441,300	9,700,300	2,259,000
	PDR Federal	21,600,300	36,106,200	14,505,900
	Federal	903,541,800	941,081,900	37,540,100
	Total Funds	1,316,838,800	1,401,608,600	84,769,800
Medicare Clawback				
	General Fund	14,094,700	15,687,700	1,593,000
	County Fund	19,471,000	22,614,100	3,143,100
	Total Funds	33,565,700	38,301,800	4,736,100
ALTCS Services Appropriation				
	General Fund	167,841,100	185,531,200	17,690,100
	County Fund	249,980,000	267,490,800	17,510,800
	PDR State	7,441,300	9,700,300	2,259,000
	PDR Federal	21,600,300	36,106,200	14,505,900
	Federal	903,541,800	941,081,900	37,540,100
	Total Funds	1,350,404,500	1,439,910,400	89,505,900

Notes:
1) Nursing Facility Assessment is tracked in a separate subprogram.

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 ALTCS Issue Category: Decision Package

Justification: see attached justification

Program: 2-2001 SLI EPD ALTCS Services
Fund: 1000-A General Fund (Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	16,097.1
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	16,097.1

Program: 2-2001 SLI EPD ALTCS Services
Fund: 2223-N Long Term Care System Fund (Non-Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	37,540.1
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	37,540.1

Program: 2-2001 SLI EPD ALTCS Services
Fund: 2546-A Prescription Drug Rebate Fund (Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 ALTCS Issue Category: Decision Package

Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	2,259.0
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	2,259.0

Program: 2-2001 SLI EPD ALTCS Services
Fund: 2546-N Prescription Drug Rebate Fund (Non-Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	14,505.9
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	14,505.9

Program: 2-2001 SLI EPD ALTCS Services
Fund: 9691-N County Funds (Non-Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	14,367.7
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	14,367.7

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 ALTCS Clawbacks

Issue Category: Decision Package

Justification: see attached justification

Program: 2-2004 SLI Long Term Care Clawback Payments
Fund: 1000-A General Fund (Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	1,593.0
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	1,593.0

Program: 2-2004 SLI Long Term Care Clawback Payments
Fund: 9691-N County Funds (Non-Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	3,143.1
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	3,143.1

NURSING FACILITY ASSESSMENT DECISION PACKAGE

Description of problem or issue and how this furthers the agency mission or goals:

Laws 2012, Chapter 213 amended Title 36, Chapter 29 by adding Article 6, establishing an assessment on the nursing facilities within the state beginning October 1, 2012. Since the assessment is neither uniform nor broad-based, Arizona was required to obtain a waiver from CMS of these requirements. A State Plan Amendment (SPA) that describes the assessment structure was also required. On June 21, 2012, AHCCCS submitted a waiver to CMS which outlined the specifics of the assessment. CMS approval was granted on October 23, 2012. The SPA was approved by CMS on November 1, 2012.

The enacting legislation included a delayed repeal date of September 30, 2015. Laws 2015, Chapter 39 amended the legislation to extend the repeal date to September 30, 2023. This decision package assumes that the assessment is continued with the same general provisions as the existing assessment, including the application of the assessment (to all Nursing facilities except for Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/ID) facilities, Continuing Care Retirement Centers, tribally owned facilities, and facilities with 58 or fewer beds), the amount of the assessment, payment provisions (based on AHCCCS bed days), etc.

Actual Experience/Methodology

The first assessment revenues were recorded in March 2013 for the period October 1, 2012 to December 31, 2012, with the first payments also going out in March. Revenues and payments for the quarter January 1, 2013 to March 31, 2013 were made in May 2013. Therefore, there is a lag of approximately one quarter. Since the inception in SFY 2013, the assessment has collected over $66.9 million which has enabled the state to draw in an additional $126.2 million in federal funding.

Effective September 6, 2014, an updated rule increased the assessment from $7.50 per non-Medicare bed day or $1.00 per non-Medicare bed day for facilities with high Medicaid utilization to $10.50 and $1.40 respectively.

Currently, there is a proposed rule to increase the assessment amounts effective 01/01/2017. The high volume providers would increase from $1.40 to $1.80 per NF-day, and all other non-exempt providers from $10.50 to $15.63. It is estimated the assessment increase the assessment by approximately $10.8 million on an annualized basis. Half of this increase would impact the FY 2017 rebase and the fully annualized impact would be realized in FY 2018.

The FY 2017 and FY 2018 estimates for revenue generation are based on prior year experience adjusted for the increased rate of collection. There will always be a rolling fund balance that will be paid out in reconciliation the following year. The federal matching funds are based on the regular Title XIX FMAP rate. For FY 2017 this is a blended rate of one quarter at the FFY 2016 rate of 68.92% and three quarters at the FFY 2017 rate of 69.24% for an average SFY 2017 rate of 69.16%. For FY 2018 this is a blended rate of one quarter at the FFY 2017 rate of 69.23% and three quarters at the FFY 2018 rate of 69.53% for an average SFY 2018 rate of 69.46%.

	FY 2016 Actual	FY 2017 Approp	FY 2017 Rebase	FY 2018 Request	FY 2018 Inc.(Dec)
NF Assessment Fund State	$18,011,934	$22,189,400	$27,589,400	$32,989,400	$10,800,000
NF Assessment Fund Fed	$43,286,150	$49,760,700	$61,870,400	$75,022,100	$25,261,400
Total Funds	**$61,298,085**	**$71,950,100**	**$89,459,800**	**$108,011,500**	**$36,061,400**

Proposed solution to the problem or issue:

Increase the Nursing Facility Assessment program by $36,061,400 TF (consisting of an increase to the state/assessment share of the fund of $10,800,000 and increase to the federal share of the fund of $25,261,400).

AHCCCS requests that the footnote language allowing AHCCCS to increase the appropriation for payments in excess of the published appropriation be continued in FY 2018.

Performance Measures to quantify the success of the solution:

- Maintain the % of overall Health Plan compliance with key indicators at ≥99%.

Statutory Authority:

Title 36, Chapter 29, Article 6
A.R.S. 36-2999.51 through A.R.S. 36-2999.57

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
NURSING FACILITY ASSESSMENT
FISCAL YEAR 2018 BUDGET REQUEST

	FY 2016 Actual	FY 2017 Approp	FY 2017 Rebase	FY 2018 Request	FY 2018 Inc.(Dec)
NF Assessment Fund State	$18,011,934	$22,189,400	$27,589,400	$32,989,400	$10,800,000
NF Assessment Fund Fed	$43,286,150	$49,760,700	$61,870,400	$75,022,100	$25,261,400
Total Funds	**$61,298,085**	**$71,950,100**	**$89,459,800**	**$108,011,500**	**$36,061,400**

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 Nursing Facility Assessment

Issue Category: Decision Package

Justification: see attached justification

Program: 2-2005 Nursing Facility Assessment

Fund: 2567-N Nursing Facility Provider Assessment Fund (Non-Appropriated)

Calculated ERE: $0.00

Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	36,061.4
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	36,061.4

BEHAVIORAL HEALTH SERVICES APPROPRIATIONS

Description of Problem or Issue and how this Furthers the Agency Mission or Goals:

Effective July 1, 2016 the Arizona Department of Health Services' (ADHS) Division of Behavioral Health Services (DBHS) and the programs that it manages formally transitioned to AHCCCS.

AHCCCS forecasts expenditures will require an increase to appropriated funds of $433,806,400 Total Funds, consisting of $89,470,400 General Fund, $22,105,500 Proposition 204 Protection Account, $358,500 Hospital Assessment, and $321,872,000 Federal Title XIX fund. This request funds changes to caseload and capitation that will impact the Medicaid Behavioral Health line items.

The request also reflects the realignment of funding for integrated capitation payments between Acute and Behavioral Health line items. In FY 2016, when the physical health and behavioral health portions of capitation were separately appropriated to ADHS and AHCCCS, respectively, integrated capitation payments were manually split between the agencies. In FY 2017, funding for all integrated payments has been appropriated to AHCCCS and will be paid from single appropriations. Payments to Regional Behavioral Health Authorities (RBHAs) for Seriously Mentally Ill (SMI) Integrated care will be made from the Behavioral Health appropriations and payments to Acute Managed Care Organizations (MCOs) for General Mental Health and Substance Abuse (GMH/SA) dual eligibles will be made from the Acute appropriations.

- The net impact of the shift of SMI Integrated physical health expenditures to the Behavioral Health lines and GMH/SA duals behavioral health expenditures to the Acute lines is an increase of $266,353,700 Total Fund, including $41,455,800 General Fund, $22,105,500 Proposition 204 Protection Account Fund, and $358,500 Hospital Assessment.

Programmatic member growth and capitation rate assumptions are generally aligned with the corresponding Traditional, CMDP, Proposition 204, and Adult Expansion line items and are outlined below. Beginning October 2016, prior period member months will be paid for children and adults using the same behavioral PMPM as prospective regular member month payments.

TRADITIONAL

AHCCCS is requesting an additional $207,110,300 Total Funds ($69,175,200 General Fund) for the Medicaid Behavioral Health – Traditional program over the FY 2017 allocation. This line includes the following assumptions:

- Behavioral Health Clawback is estimated at $19,797,300 General Fund in FY 18, an increase of $2,447,900 over the FY 17 appropriation.
- The net impact of the shift of SMI Integrated physical health expenditures to the Traditional Behavioral Health line and GMH/SA duals behavioral health expenditures to the Traditional Acute line is an increase of $135,764,700 Total Fund ($41,455,800 General Fund).
- Health Insurance Fee (HIF) FY17 cost of $7,940,400 Total Fund ($2,415,800 GF), FY18 savings of $9,767,400 ($2,941,100 GF) due to moratorium, and FY19 cost of $10,048,500 ($2,997,200 GF).

Member Growth

Member month forecasts are based on the same methodologies utilized for the Traditional Acute programmatic line and reflect annualization of GAZ SMI Integration, which began in October 2015 and the shift of adults from the Traditional category to Proposition 204.

Projected Year-over-Year growth of member months:

SFY	Child	Child Exp.	Adult	MMIC Reg	MMIC NEC	GAZ Reg	GAZ NEC	DD	Total
2016-17	2.63%	17.85%	-8.48%	3.67%	3.67%	35.00%	35.00%	3.52%	1.04%
2017-18	2.32%	-1.61%	2.11%	3.41%	3.41%	3.41%	3.41%	4.06%	2.05%

Capitation Rates

Behavioral Health capitation rates were adjusted on July 1, 2016 to reflect the transition to AHCCCS and the removal of ADHS administrative funding.

In CYE 2018, AHCCCS expects that utilization and medical inflation increases will require an increase in capitation rates to remain actuarially sound. AHCCCS estimates a CYE 2017 rate increase of 3.0% for all risk pools.

	Capitation Rate Forecast			Oct. to Oct.
Group	**7/1/2016**	**10/1/2016**	**10/1/2017**	**Change %**
Child	$40.93	$42.78	$44.06	3.00%
Child Expansion	$40.93	$42.78	$44.06	3.00%
Adult	$59.16	$66.05	$68.03	3.00%
SMI Int.	$1,855.28	$1,879.40	$1,935.78	3.00%

PROPOSITION 204

AHCCCS is requesting an additional $185,796,000 Total Funds, including $9,414,800 General Fund and $22,105,500 Proposition 204 Protection Account Fund, for the Medicaid Behavioral Health – Proposition 204 program over the FY 2017 allocation. This line assumes the following:

- The net impact of the shift of SMI Integrated physical health expenditures to the Prop 204 Behavioral Health line and GMH/SA duals behavioral health expenditures to the Prop 204 Acute line is an increase of $124,080,600 Total Fund, including $22,105,500 Proposition 204 Protection Account Fund.

- Health Insurance Fee (HIF) FY17 cost of $4,288,600 Total Fund ($839,900 GF), FY18 savings of $5,275,300 ($922,700 GF) due to moratorium, and FY19 cost of $5,427,200 ($972,000 GF).

Member Growth

Member month forecasts are based on the same methodologies utilized for the Prop 204 Acute programmatic line and reflect annualization of GAZ SMI Integration, which began in October 2015 and the shift of adults from the Traditional category to Proposition 204.

SFY	Adult Reg	Adult ESA	MMIC Reg	MMIC ESA	GAZ Reg	GAZ ESA	Total
2016-17	11.54%	3.26%	3.67%	3.67%	35.00%	35.00%	6.67%
2017-18	2.50%	2.00%	3.41%	3.41%	3.41%	3.41%	2.24%

Capitation Rates

Behavioral Health capitation rates were adjusted on July 1, 2016 to reflect the transition to AHCCCS and the removal of ADHS administrative funding.

In CYE 2018, AHCCCS expects that utilization and medical inflation increases will require an increase in capitation rates to remain actuarially sound. AHCCCS estimates a CYE 2017 rate increase of 3.0% for all risk pools.

	Capitation Rate Forecast			Oct. to Oct.
Group	**7/1/2016**	**10/1/2016**	**10/1/2017**	**Change %**
Adult	$59.16	$66.05	$68.03	3.00%
Adult ESA	$59.16	$66.05	$68.03	3.00%
SMI Int.	1,855.28	$1,879.40	$1,935.78	3.00%

CMDP

AHCCCS is requesting an additional $23,094,000 Total Funds ($6,810,800 General Fund) for the CMDP – Behavioral Health program over the FY 2017 allocation. Children enrolled in the Arizona Department of Economic Security (ADES) Comprehensive Medical and Dental Program (CMDP) are currently paid at a single rate regardless of age, sex, or program type, which is higher than a comparable statewide weighted rate for other AHCCCS populations. This population is also anticipated to experience year over year growth of 8.34% in FY 2017 and 9.00% in FY 2018.

	Capitation Rate Forecast			Oct. to Oct.
Group	**7/1/2016**	**10/1/2016**	**10/1/2017**	**Change %**
CMDP	997.29	903.55	930.65	3.00%

The capitation rate is anticipated to be adjusted downward in October 2016 based on contractor experience. In CYE 2018, AHCCCS expects that utilization and medical inflation increases will require an increase in capitation rates to remain actuarially sound. AHCCCS estimates a CYE 2017 rate increase of 3.0% for all risk pools.

NEWLY ELIGIBLE ADULTS

AHCCCS is requesting an additional $17,806,100 Total Funds, including $4,069,600 General Fund and $358,500 Hospital Assessment for the Newly Eligible Adult (NEA) – Behavioral Health program over the FY 2017 allocation.

On March 23, 2010, President Obama signed into law the Patient Protection and Affordable Care Act (ACA). The ACA includes the largest eligibility expansion in the history of the Medicaid program. Beginning in 2014, the ACA extends Medicaid coverage to all individuals between ages 19 and 64 with incomes up to 133% of FPL. Note that the ACA also includes an eligibility "simplification" by relying on a single "Modified Adjusted Gross Income" (MAGI) standard for determining eligibility which, in the case of Arizona, effectively makes the new standard 138% of FPL. Laws 2013, First Special Session, Chapter 10 established a new a new category of eligibility for persons between 100%-133% FPL.

This line assumes the following:

- The net impact of the shift of SMI Integrated physical health expenditures to the NEA Behavioral Health line and GMH/SA duals behavioral health expenditures to the NEA Acute line is an increase of $6,508,400 Total Fund, $358,500 Hospital Assessment.
- Health Insurance Fee (HIF) FY17 cost of $303,200 Total Fund, FY18 savings of $372,900 Total Fund due to moratorium, and FY19 cost of $383,700 ($19,200 GF).

Member Growth

Member month forecasts are based on the same methodologies utilized for the NEA Acute programmatic line and reflect annualization of GAZ SMI Integration, which began in October 2015 and growth in the Adult NEA population that occurred in FY 2016.

SFY	Adult NEA	MMIC NEA	GAZ NEA	Total
2016-17	9.29%	3.67%	35.00%	9.39%
2017-18	3.59%	3.41%	3.41%	3.59%

In CYE 2017, AHCCCS expects that utilization and medical inflation increases will require an increase in capitation rates to remain actuarially sound. AHCCCS estimates a CYE 2017 rate increase of 1.5% for all risk pools.

Capitation Rates

In CYE 2018, AHCCCS expects that utilization and medical inflation increases will require an increase in capitation rates to remain actuarially sound. AHCCCS estimates a CYE 2017 rate increase of 3.0% for all risk pools.

	Capitation Rate Forecast			Oct. to Oct.
Group	**7/1/2016**	**10/1/2016**	**10/1/2017**	**Change %**
Adult	$59.16	$66.05	$68.03	3.00%
SMI Int.	1,855.28	$1,879.40	$1,935.78	3.00%

Proposed Solution to the Problem or Issue:

AHCCCS requests an increase to appropriated funds of $433,806,400 Total Funds, consisting of $89,470,400 General Fund, $22,105,500 Proposition 204 Protection Account, $358,500 Hospital Assessment, and $321,872,000 Federal Title XIX fund.

Performance Measures to quantify the success of the solution:

- AHCCCS member enrollment in Traditional, CMDP, Proposition 204, and Newly Eligible Adult programs.

- Maintain the % of overall Health Plan compliance with key indicators at ≥99%.

Alternatives Considered and Reasons for Rejection / Impact of Not Funding this Fiscal Year:

Without additional funding for Medicaid Behavioral Health services, AHCCCS would face several objectionable options, all of which are detrimental to its mission of *Reaching across Arizona to provide comprehensive, quality healthcare for those in need.* One option would be capping enrollment to reduce costs, however, this program is considered an entitlement and AHCCCS is prohibited by CMS from capping enrollment. This option could jeopardize the state's CMS Section 1115 managed care waiver. Instituting a cap would also be a violation of the maintenance of effort (MOE) requirement of the Patient Protection and Affordable Care Act of 2010 (PPACA).

A second option would be to not increase capitation rates, however, this also would have several negative impacts. Most providers have seen rates reduced severely over the past four years. Several years in a row without increases in capitation rates could jeopardize health plan networks and could result in lawsuits from providers due to insufficient rates. If health plans incur losses this endangers their financial viability. In addition, the Balanced Budget Act of 1997 (BBA) requires that capitation rates be actuarially sound. If the rates were not actuarially established to reflect true cost and utilization increases, the State could be in jeopardy of violating the BBA and may face disallowances of federal match by CMS. Such action can potentially force a health plan into financial insolvency and deter other providers from providing services to AHCCCS members. Loss of the managed care network would force Arizona to provide services on a Fee-for-Service basis. This would be substantially more expensive than the AHCCCS managed-care model.

MEDICAID BEHAVIORAL HEALTH FMAP RATES

Unless otherwise noted above, Traditional and Proposition 204 TANF and SSI members are eligible for the regular Title XIX FMAP, Newly Eligible Children (MCHIP) are eligible for the enhanced CHIP FMAP, Expansion State Adults are eligible for the higher Expansion State FMAP, and Newly Eligible Adults are eligible for the Newly Eligible FMAP.

Regular FMAP

It is assumed that the FMAP will increase from 69.24% in FFY 2017 to 69.53% in FFY 2018 based on Federal Funds Information for States (FFIS) in Issue Brief 16-14 (March 25, 2016).

FFY	FMAP
Oct. 2015 – Sept. 2016	68.92%
Oct. 2016 – Sept. 2017	69.24%
Oct. 2017 – Sept. 2018	69.53%

Impact of Expansion State FMAP and Newly Eligible FMAP

As an early expansion state (since Arizona had previously expanded eligibility up to 100% FPL), Arizona would not be eligible for the 100% "Newly Eligible" federal match offered to most states for adults who were made eligible by Proposition 204. However, the ACA does offer early expansion states an enhanced FMAP for Childless Adults known as the Expansion State FMAP.

For Arizona this Expansion State FMAP started at 83.62% in Calendar Year 2004 representing the Regular MAP (67.23%) plus 50% of the difference between the Regular FMAP and the Newly Eligible FMAP (100%). Each Calendar Year, this adjustment is incremented by 10 percentage points of the difference between these two FMAP rates. For example, the Expansion State FMAP for Calendar Year 2015 was calculated by adding 60% of the difference between the Regular FMAP of 68.46% and the Newly Eligible FMAP of 100% to the Regular FMAP, while in Calendar Year 2016, 70% of the difference between the Regular FMAP of 68.92% and the Newly Eligible FMAP of 100% was added to the Regular FMAP. In Calendar Year 2017, while the adjustment percentage increases to 80%, the Newly Eligible FMAP decreases from 100% to 95% in January 2017, resulting in a net decrease in the calculated Expansion State FMAP.

For each Calendar Year after 2007, the Newly Eligible FMAP is decremented by 1 percentage point, until 2020 when it has a final reduction of 3 percentage points to a floor of 90%. By Calendar Year 2019, both the Expansion State FMAP and the Newly Eligible FMAP will be equal since the percentage adjustment to the Regular FMAP is then 100% of the difference between them. In Calendar Year 2019 both rates will by 93% and in Calendar Year 2020 both rates will be 90%.

Period	Exp. FMAP
Jan. 2015 – Dec. 2015	87.38%
Jan. 2016 – Dec. 2016	90.68%
Jan. 2017 – Dec. 2017	89.78%

ACA HEALTH INSURER FEE

The ACA includes an $8.0 billion fee on the health insurance industry beginning in 2014. This health insurer fee (HIF) increases to $14.3 billion by 2018 and is then indexed to the rate of premium growth thereafter as shown in the table below. The previous 2017 fee amount does not shift to 2018; the applicable amount for fee year 2018 remains at $14.3 billion (see Treas. Reg. § 57.4(a)(3)).

Fee Year	Applicable Amount
2014	$ 8,000,000,000
2015	$11,300,000,000
2016	$11,300,000,000
2017 (Moratorium)	$13,900,000,000
2018	$14,300,000,000
2019 and thereafter	The applicable amount in the preceding fee year increased by the rate of premium growth (within the meaning of section 36B(b)(3)(A)(ii).

The fee is considered an excise tax and is nondeductible for income tax purposes. CMS mandates actuarially sound Medicaid managed care capitation rates that allow participating insurers to cover projected expenses. Therefore this fee impacts Medicaid managed care expenditures.

The CMS currently approved payment methodology for this fee is a mass adjustment to capitation payments. It is anticipated that, most if not all, health plans will get tax filing extensions. As a result, AHCCCS makes one payment in the fall that includes an estimate for the tax liability. If there is a material difference in the final tax filings an additional adjustment is made.

The FMAP applied is the FMAP in effect for the month of the capitation adjustment. The payments made in FY 2017 (for the Calendar Year 2016 fee) will adjust capitation for October 2015 and use the FMAP in effect on that date. There will be no payment in FY 2018 because the Consolidated Appropriations Act of 2016, Title II, § 201, Moratorium on Annual Fee on Health Insurance Providers, suspends collection of the health insurance provider fee for the 2017 calendar year. Thus, health insurers are not required to pay these fees for calendar year 2017.

In total funds, the Medicaid system paid $90.4 million in FY 2016 for the 2015 Fee Year. In FY 2017, the fee is projected to increase to $103.1 million due to caseload increases which will increase revenue for Medicaid health plans and, thus, increase the amount required in reimbursement.

The allocation by program for FY 2017, FY 2018, and FY 2019 that is detailed by program above is based on the corresponding percentage of total FY 2016 actual HIF payments.

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
BEHAVIORAL HEALTH TITLE XIX SUMMARY

Appropriation:		FY16 Actual	FY17 Approp	FY17 Rebase	FY18 Request	FY18 Increase
	(SM)	-	294,922,700	346,367,600	364,097,900	69,175,200
BHS Traditional	(TF)	-	960,228,100	1,105,701,800	1,167,338,400	207,110,300
	(SM)	-	63,770,500	65,122,200	70,581,300	6,810,800
BHS CMDP	(TF)	-	208,027,400	211,148,900	231,121,400	23,094,000
	(SM)	-	109,250,500	135,191,500	140,770,800	31,520,300
BHS Prop 204	(TF)	-	612,844,800	750,461,400	798,640,800	185,796,000
	(SM)	-	831,900	2,287,000	5,260,000	4,428,100
BHS NEA	(TF)	-	77,702,300	88,207,400	95,508,400	17,806,100
	(SM)	-	468,775,600	548,968,300	580,710,000	111,934,400
TOTAL	(TF)	-	1,858,802,600	2,155,519,500	2,292,609,000	433,806,400

Notes:

1. Appropriations transferred to AHCCCS in FY17, previously appropriated to ADHS/DBHS.
2. BHS Traditional includes BHS Clawback and ALTCS DD BHS.
3. Includes all payments to RBHAs for SMI Integrated, including physical health.
4. Does not include payments to Acute MCOs for GMH/SA dual eligible behavioral health.
5. Effective 10/1/16, PPC member months are paid using same PMPMs as regular member months.
6. FY17 Rebase includes HIF; FY18 Request does not include HIF, which is not in effect for CY 2017.

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
TRADITIONAL MEDICAID SERVICES APPROPRIATION
FISCAL YEAR 2018 DECISION PACKAGE
TABLE A

	FY17 Approp	FY18 Request	FY18 Inc/(Dec)
Traditional Behavioral Health			
General Fund	229,264,600	292,936,100	63,671,500
Tobacco MNA	35,565,800	35,565,800	-
Federal Funds	635,543,900	767,308,700	131,764,800
Total Funds	900,374,300	1,095,810,600	195,436,300
ALTCS DD Behavioral Health			
General Fund	12,742,900	15,798,700	3,055,800
Federal Funds	29,761,500	35,931,800	6,170,300
Total Funds	42,504,400	51,730,500	9,226,100
BHS Medicare Clawback			
General Fund	17,349,400	19,797,300	2,447,900
Traditional Behavioral Health Services			
General Fund	259,356,900	328,532,100	69,175,200
Tobacco MNA	35,565,800	35,565,800	-
Federal Funds	665,305,400	803,240,500	137,935,100
Total Funds	960,228,100	1,167,338,400	207,110,300

	FY17 Approp	FY18 Request	FY18 Inc/(Dec)
CMDP Behavioral Health Services			
General Fund	63,770,500	70,581,300	6,810,800
Federal Funds	144,256,900	160,540,100	16,283,200
Total Funds	208,027,400	231,121,400	23,094,000

	FY17 Approp	FY18 Request	FY18 Inc/(Dec)
Prop 204 Behavioral Health			
General Fund	109,250,500	118,665,300	9,414,800
Prop 204 Protection	-	22,105,500	22,105,500
Federal Funds	503,594,300	657,870,000	154,275,700
Total Funds	612,844,800	798,640,800	185,796,000

	FY17 Approp	FY18 Request	FY18 Inc/(Dec)
Newly Eligible Adult Expansion BH Services			
General Fund	831,900	4,901,500	4,069,600
Hospital Assessment	-	358,500	358,500
Federal Funds	76,870,400	90,248,400	13,378,000
Total Funds	77,702,300	95,508,400	17,806,100

	FY17 Approp	FY18 Request	FY18 Inc/(Dec)
Total Behavioral Health Services			
General Fund	433,209,800	522,680,200	89,470,400
Tobacco MNA	35,565,800	35,565,800	-
Prop 204 Protection	-	22,105,500	22,105,500
Hospital Assessment	-	358,500	358,500
Federal Funds	1,390,027,000	1,711,899,000	321,872,000
Total Funds	1,858,802,600	2,292,609,000	433,806,400

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 BHS Traditional

Issue Category: Decision Package

Justification: see attached justification

Program: 10-100 Medicaid Behavioral Health - Traditional
Fund: 1000-A General Fund (Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	66,613.0
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	2,562.2
Program / Fund Total:	69,175.2

Program: 10-100 Medicaid Behavioral Health - Traditional
Fund: 2120-N AHCCCS Fund (Non-Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	132,826.1
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	5,109.0
Program / Fund Total:	137,935.1

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 BHS CMDP

Issue Category: Decision Package

Justification: see attached justification

Program: 10-100 Medicaid Behavioral Health - CMDP
Fund: 1000-A General Fund (Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	6,810.8
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	6,810.8

Program: 10-100 Medicaid Behavioral Health - CMDP
Fund: 2120-N AHCCCS Fund (Non-Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	16,283.2
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	16,283.2

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 BHS Prop 204 Issue Category: Decision Package

Justification: see attached justification

Program: 10-100 Medicaid Behavioral Health - Prop 204
Fund: 1000-A General Fund (Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	9,414.8
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	9,414.8

Program: 10-100 Medicaid Behavioral Health - Prop 204
Fund: 1303-N Proposition 204 Protection Account (TPTF) (Non-Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	22,105.5
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	22,105.5

Program: 10-100 Medicaid Behavioral Health - Prop 204
Fund: 2120-N AHCCCS Fund (Non-Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 BHS Prop 204 Issue Category: Decision Package

Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	154,275.7
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	154,275.7

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 BHS Expansion — Issue Category: Decision Package

Justification: see attached justification

Program: 10-100 Medicaid Behavioral Health - Expansion
Fund: 1000-A General Fund (Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	4,069.6
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	4,069.6

Program: 10-100 Medicaid Behavioral Health - Expansion
Fund: 2120-N AHCCCS Fund (Non-Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	13,378.0
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	13,378.0

Program: 10-100 Medicaid Behavioral Health - Expansion
Fund: 2576-N Hospital Assessment (Non-Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 BHS Expansion Issue Category: Decision Package

Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	358.5
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	358.5

REINSTATE ADULT EMERGENCY DENTAL BENEFIT

Description of problem or issue and how this furthers the agency mission or goals:

Currently, AHCCCS provides dental coverage to all members under age 21 as part of the Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) program. Effective October 1, 2016 a capped benefit will be reinstated for adults in the Arizona Long Term Care System (ALTCS) program to cover medically necessary basic and preventive dental services up to $1,000 per contract year. Prior to October 1, 2010, AHCCCS covered emergency dental services for adults. Due to budget constraints the benefit was eliminated September 30, 2010.

As a result of lack of access to emergency dental services, the AHCCCS adult population is at risk for experiencing negative health outcomes caused by tooth decay and dental infections. These negative impacts can be mitigated by providing emergency dental services such as extractions and root canals. An emergency extraction can limit the spread of oral infection that may otherwise result in a more significant infection, inpatient hospitalization, follow-up physician visits, and prescription medications. The infection and subsequent treatment also increase susceptibility to other illnesses like pneumonia, which can result in additional indirect costs and other risks to the member.

Proposed solution to the problem or issue:

Reinstate coverage of emergency dental services for adults in the Acute and ALTCS programs. Implement the change on October 1, 2017 to align with the new contract year. Increase Acute and ALTCS capitation rates by an estimated $1.90 PMPM for adult members to cover the cost of the benefit. This request is for increases to programmatic appropriations to provide funding for this benefit.

In FY 2018, AHCCCS requests increases to the following appropriations (see Table A below):

- Acute Traditional – $4,336,300 Total Fund; $1,321,300 General Fund
- Acute Proposition 204 – $7,934,800 Total Fund; $1,490,200 Hospital Assessment
- Acute Newly Eligible Adults – $1,397,200 Total Fund; $79,200 Hospital Assessment
- Behavioral Health Traditional – $107,800 Total Fund; $32,900 General Fund
- Behavioral Health Proposition 204 – $285,300 Total Fund; $52,500 General Fund
- Behavioral Health Newly Eligible Adults – $14,600 Total Fund; $800 General Fund
- ALTCS Elderly & Physically Disabled – $455,400 Total Fund; $75,300 General Fund; $63,500 County Funds

Note – There is also an estimated impact to the Department of Economic Security (DES), ALTCS Division of Developmental Disabilities (DDD) program of $216,500 Total Fund, $66,000 General Fund. Funding for ALTCS DDD is separately appropriated directly to DES.

Table A. FY 2018 Funding Request

Program	GF	County	Hospital Assessment	Federal	Total	Est. Members
Traditional Acute	1,321,300	-	-	3,015,000	4,336,300	253,586
Traditional BH	32,900	-	-	74,900	107,800	6,305
Prop 204 Acute	-	-	1,101,800	2,514,300	3,616,100	211,466
Prop 204 BH	38,100	-	-	86,900	125,000	7,312
ESA Acute	-	-	388,400	3,930,300	4,318,700	252,558
ESA BH	14,400	-	-	145,900	160,300	9,372
NEA Acute	-	-	79,200	1,318,000	1,397,200	81,705
NEA BH	800	-		13,800	14,600	853
ALTCS EPD	75,300	63,500	-	316,600	455,400	26,633
	$1,482,800	$63,500	$1,569,400	$11,415,700	$14,531,400	849,790

The FY 2018 AHCCCS request is $14,531,400 Total Fund, including $1,482,800 General Fund, $63,500 County Funds, and $1,569,400 Hospital Assessment. Adults enrolled in integrated plans for the Seriously Mentally Ill (SMI) receive both physical and behavioral health services through Regional Behavioral Health Authorities (RBHAs), which are funded by the Behavioral Health appropriations. Therefore, the costs for the emergency dental benefit associated with these populations are requested for the Traditional, Proposition 204, and Newly Eligible Adult Behavioral Health line items. AHCCCS anticipates that nearly 850,000 adults will receive emergency dental coverage as a result of this request.

Performance Measures to quantify the success of the solution:

The provision of these services is anticipated to decrease the frequency of avoidable medical conditions and improve health outcomes for members. Success will be measured by identifying and tracking key health indicators for this population and how they are impacted by the change. The performance of the program will also be measured by tracking impacts on the utilization of other services and estimating the net programmatic effect.

- Maintain the % of overall Health Plan compliance with key indicators at ≥99%.

Alternatives considered and reasons for rejection:

Maintaining the status quo does not mitigate the negative health impacts to members. The request is to reinstate a benefit that was previously provided and for which no reasonable alternative has been identified.

Impact of not funding this fiscal year:

If this request is not funded in FY 2018 the status quo will be maintained negative health impacts to members will not be addressed.

Statutory Reference:

A.R.S. § 36-2907.

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
FY 2018 - EMERGENCY DENTAL RESTORATION
FISCAL IMPACT ANALYSIS

All Acute and ALTCS members greater than 20

PMPM	$ 1.90			Member-Months	7,762,035
Full Cost	GF	County	Hosp Assess	Fed	Total
Traditional Acute	1,321,300	-	-	3,015,000	4,336,300
Traditional BH	32,900	-	-	74,900	107,800
Prop 204 Acute	-	-	1,101,800	2,514,300	3,616,100
Prop 204 BH	38,100	-	-	86,900	125,000
ESA Acute	-	-	388,400	3,930,300	4,318,700
ESA BH	14,400	-	-	145,900	160,300
NEA Acute	-	-	79,200	1,318,000	1,397,200
NEA BH	800	-		13,800	14,600
ALTCS EPD	75,300	63,500	-	316,600	455,400
ALTCS DDD	66,000	-	-	150,500	216,500
	1,548,800	63,500	1,569,400	11,566,200	14,747,900

Notes
1. Restoration for all adult members, Acute and ALTCS, 21 years of age and older, effective 10/1/17.
2. Net Change Per Enrollee based on actual change from CYE 2010 to CYE 2011, adjusted for inflation.
3. Estimate adult % of populations based on Sept 2016 enrollment report.

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 Reinstate Adult Emergency Dental — Issue Category: Decision Package

Justification: see attached justfication

Program: 3-3006 Capitation
Fund: 1000-A General Fund (Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	1,321.3
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	1,321.3

Program: 3-3006 Capitation
Fund: 2120-N AHCCCS Fund (Non-Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	3,015.0
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	3,015.0

Program: 10-100 Medicaid Behavioral Health - Traditional
Fund: 1000-A General Fund (Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 Reinstate Adult Emergency Dental — Issue Category: Decision Package

Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	32.9
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	32.9

Program: 10-100 Medicaid Behavioral Health - Traditional — Calculated ERE: $0.00
Fund: 2120-N AHCCCS Fund (Non-Appropriated) — Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	74.9
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	74.9

Program: 4-4007 Proposition 204 - Capitation — Calculated ERE: $0.00
Fund: 2120-N AHCCCS Fund (Non-Appropriated) — Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	6,444.6
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	6,444.6

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 Reinstate Adult Emergency Dental — Issue Category: Decision Package

Program: 4-4007 Proposition 204 - Capitation — Calculated ERE: $0.00
Fund: 2576-N Hospital Assessment (Non-Appropriated) — Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	1,490.2
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	1,490.2

Program: 10-100 Medicaid Behavioral Health - Prop 204 — Calculated ERE: $0.00
Fund: 1000-A General Fund (Appropriated) — Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	52.5
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	52.5

Program: 10-100 Medicaid Behavioral Health - Prop 204 — Calculated ERE: $0.00
Fund: 2120-N AHCCCS Fund (Non-Appropriated) — Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 Reinstate Adult Emergency Dental — Issue Category: Decision Package

Food (Library for Universities)	0.0
Aid to Organizations & Individuals	232.8
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	232.8

Program: 9-9001 ACA Expansion — Calculated ERE: $0.00
Fund: 2120-N AHCCCS Fund (Non-Appropriated) — Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	1,318.0
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	1,318.0

Program: 9-9001 ACA Expansion — Calculated ERE: $0.00
Fund: 2576-N Hospital Assessment (Non-Appropriated) — Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	79.2
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	79.2

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 Reinstate Adult Emergency Dental

Issue Category: Decision Package

Program: 10-100 Medicaid Behavioral Health - Expansion
Fund: 1000-A General Fund (Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	0.8
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	0.8

Program: 10-100 Medicaid Behavioral Health - Expansion
Fund: 2120-N AHCCCS Fund (Non-Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	13.8
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	13.8

Program: 2-2001 SLI EPD ALTCS Services
Fund: 1000-A General Fund (Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 Reinstate Adult Emergency Dental — Issue Category: Decision Package

Food (Library for Universities)	0.0
Aid to Organizations & Individuals	75.3
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	75.3

Program: 2-2001 SLI EPD ALTCS Services — Calculated ERE: $0.00
Fund: 2223-N Long Term Care System Fund (Non-Appropriated) — Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	316.6
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	316.6

Program: 2-2001 SLI EPD ALTCS Services — Calculated ERE: $0.00
Fund: 9691-N County Funds (Non-Appropriated) — Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	63.5
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	63.5

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM (AHCCCS)

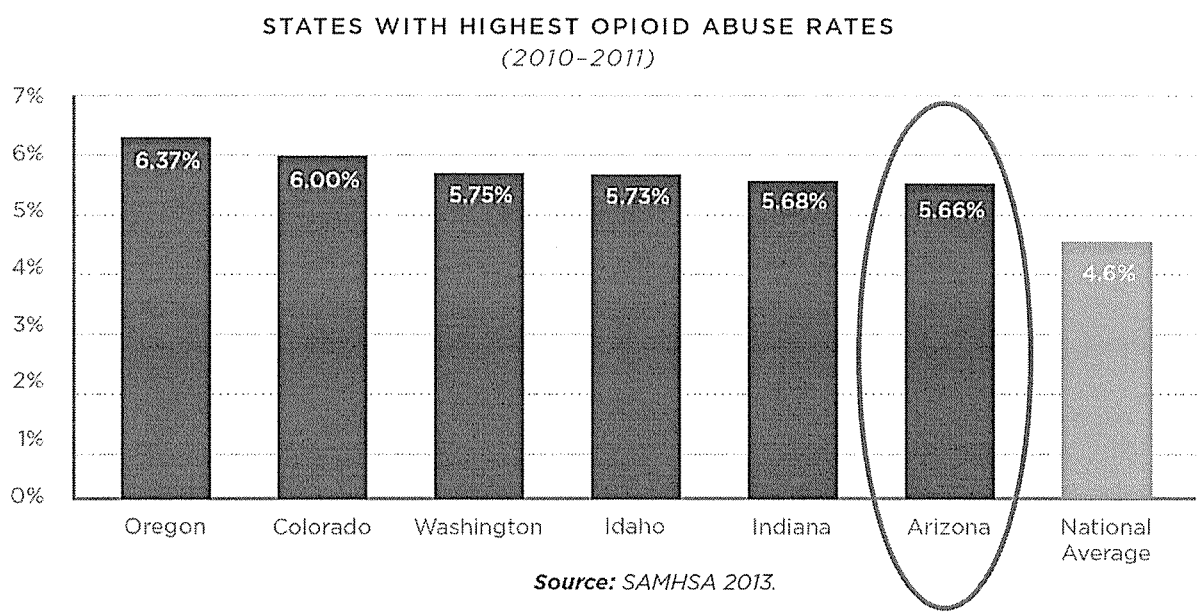
DIVISION: CHIEF MEDICAL OFFICE & OFFICE OF THE INSPECTOR GENERAL

TITLE OF ISSUE: PRESCRIPTION DRUG REVIEW INITIATIVE

Description of problem or issue and how this furthers the agency mission or goals:

Prescription drug abuse is a complex problem that results in negative health outcomes, adversely impacts treatment of other health conditions, has significant societal consequences, and can lead to death from overdose. Arizona is among the most affected states in the nation; Medicaid members experience higher rates of substance use disorder and Medicaid is a significant payer of substance use disorder treatment services. Therefore, AHCCCS plays a critical role in supporting efforts to combat the opioid epidemic.

- The national opioid epidemic resulted in 47,055 deaths in 2014 alone.[1]
- Of 1,099 drug-related deaths in Arizona in 2013, 41% involved opioids/opiates.[2]
- Arizona is ranked sixth in the country for opioid abuse, with estimated health care costs of $699 million from abuse.[3]
- The opioid epidemic disproportionately impacts Medicaid beneficiaries, who are prescribed painkillers at twice the rate of



[1] Opioid Addiction 2016 Facts & Figures. http://www.asam.org/docs/default-source/advocacy/opioid-addiction-disease-facts-figures.pdf
[2] The Arizona Prescription Drug Misuse and Abuse Initiative, http://www.azcjc.gov/acjc.web/rx/toolkit.aspx
[3] "Health Care Costs from Opioid Abuse: A State-by-State Analysis" April 2015, http://www.drugfree.org/wp-content/uploads/2015/04/Matrix_OpioidAbuse_040415.pdf.

other patients and are at three-to-six times the risk of overdose.[4 5]

- Enough prescription opioids are prescribed each year in Arizona to medicate every Arizona adult around the clock for more than two weeks.[6]
- Between 2010 and 2015, there has been a 115% increase in Opioid-Related Hospital Admissions in Arizona.[7]
- Between 2010 and 2015, there has been a 92% increase in Opioid-Related Emergency Department Encounters in Arizona.[8]
- Between 2008 and 2014, there has been a 235% increase in rates per 1,000 births for Neonatal Abstinence Syndrome (NAS) in Arizona; AHCCCS represents 51% of the hospital births, but was the payer for 79% of the NAS cases during this time frame.[9]
- In the last decade (2005-2015), there has been a 44% increase in the number of overdose deaths involving prescription opioids in Arizona and a 693% increase in deaths related to heroin.[10]
- Between 2007 and 2014, medical services for people with opioid dependence diagnoses increased by more than 3,000 percent.[11]

Successful efforts must include reducing illicit acquisition and diversion, promoting responsible prescribing and dispensing policies, enhancing enforcement, increasing public awareness, and enhancing assessment and referral to treatment. In order to address this evolving issue, Governor Ducey has established the Arizona Substance Abuse Task Force – a coalition of leading substance abuse experts, providers, and community members focused on addressing and reversing the growing epidemic of drug abuse and addiction in Arizona communities by finding the best treatments and reducing barriers to care.

Overseeing the provision of physical health and behavioral health services to 1.8 million Arizonans, AHCCCS is uniquely positioned to launch an integrated and multi-pronged Prescription Drug Review Initiative that will align resources and efforts across the agency in order to drive better

[4] Sharp MJ, Melnik TA. Poisoning deaths involving opioid analgesics-New York State, 2003-2012. *Morb Mortal Wkly Rep* 2015; 64:377-380.
[5] Coolen P, Lima A, Savel J, et al. Overdose deaths involving prescription opioids among Medicaid enrollees—Washington, 2004-2007. *Morb Mortal Wkly Rep.* 2009; 58:1171-1175.
[6] Controlled Substances Prescription Monitoring Program data.
[7] Arizona Department of Health Services Vital Statistics Data.
[8] Ibid.
[9] Ibid.
[10] Ibid.
[11] "The Opioid Crisis Among the Privately Insured." http://www.fairhealth.org/servlet/servlet.FileDownload?file=01532000001nwD2

outcomes for members. AHCCCS in engaging in a number of system-wide efforts to combat the opioid epidemic but requires additional resources to enhance our capability to prevent and respond to these issues. Specifically, AHCCCS intends to align medical management and quality of care activities overseen by the Chief Medical Officer (CMO) with enhanced data analytics in order to identify opportunities for member interventions through health plans and providers, and coordinate with the Office of the Inspector General (OIG) to address cases of waste, fraud, and abuse.

Proposed solution to the problem or issue:

AHCCCS proposes to implement a multi-disciplinary, agency-wide Prescription Drug Review Initiative with the following goals:

- Utilize data analytics to proactively identify drug utilization patterns that should trigger medical management and quality of care reviews.
- Define best practices for health plans and providers to assist in the identification, prevention, and treatment of prescription drug abuse.
- Coordinate reviews with the OIG to identify opportunities to audit providers and refer issues for investigation.

The anticipated outcomes of this initiative are:

- More robust data sets and data analysis tools that will provide discrete metrics for members and providers.
- Increasing the number of targeted member referrals to substance abuse services.
- Decreasing the number of deaths from opioid overdose.
- Containing costs by reducing waste, fraud, and abuse related to prescription drug abuse.

In order to implement this initiative, AHCCCS requests the following resources:

- Medical Management Pharmacy Reviewers – These positions are responsible for defining specific medical management and case review processes and procedures, including working directly with health plans and providers. (2 FTEs)

- OIG Data Analysts – In coordination with Medical Management staff, these positions develop and implement data analysis tools and processes in order to build and maintain a database that connects member and provider data with other sources of data provided by outside agencies, including law enforcement. (1 FTE)

- OIG Auditors/Investigators – These positions utilize medical, audit, investigative, and statistical backgrounds to conduct reviews of physicians, pharmacies, and other providers. Referrals and data analysis are used to identify member utilization anomalies, billing practices, prescription histories, and referral patterns that should be more closely reviewed and assessed. Findings are referred to other law enforcement entities as appropriate. (2 FTEs)

In FY 2018, AHCCCS requests $441,600 Total Fund ($220,900 GF) for these five additional positions.

Performance Measures to quantify the success of the solution:

- Maintain the % of overall Health Plan compliance with key indicators at Targeted member referrals to substance abuse services.
- Maintain the combined costs avoided and costs recovered at the annualized amounts.
- Targeted member referrals to substance abuse services.
- Number of members with negative health outcomes related to opioid abuse.
- Number of provider audits with findings leading to action.

Alternatives considered and reasons for rejection:

Current administrative resources are not sufficient to fund the increased capacity needed to support this inter-disciplinary agency initiative.

Impact of not funding this fiscal year:

While the agency will continue to work on strategies to address this significant national epidemic, in the absence of funding for these dedicated staff in FY 2018, AHCCCS will have only limited resources to do the hands-on work of data analytics and medical management needed to truly combat these complex issues and improve member health outcomes related to prescription drug abuse, decrease deaths from opioid overdose, and control health care costs by reducing waste, fraud, and abuse.

Arizona Health Care Cost Containment System

FY 2018 Budget Request

Office of the Director

ADDITIONAL MEDICAL MANAGEMENT STAFF - Decision Package Justification

Attachment 1

Position	Grade	FTE Salary	FTE Request	PS Total	ERE	OOE @ $6,200	Non-Cap @ $3,700	Totals
Health Program Manager 3	22	58,000	2.0	116,000	38,300	12,400	7,400	174,100
Total			2.0	116,000	38,300	12,400	7,400	174,100
Fund Source:								
AHCCCS OLS - GF			0.7	42,000	13,900	4,500	2,700	63,100
AHCCCS OLS - AF			0.7	42,000	13,800	4,500	2,700	63,000
Total Operating Lump Sum			1.4	84,000	27,700	9,000	5,400	126,100
Prop 204 - GF			0.3	16,000	5,300	1,700	1,000	24,000
Prop 204 - AF			0.3	16,000	5,300	1,700	1,000	24,000
Total Prop 204			0.6	32,000	10,600	3,400	2,000	48,000
Total			2.0	116,000	38,300	12,400	7,400	174,100

Arizona Health Care Cost Containment System

FY 2018 Budget Request

Office of Inspector General

ADDITIONAL INVESTIGATIVE & ANALYTICS STAFF - Decision Package Justification

Attachment 2

Position	Grade	FTE Salary	FTE Request	PS Total	ERE	OOE @ $6,200	Non-Cap @ $3,700	Totals
Business Analyst	24	65,000	1.0	65,000	27,600	6,200	3,700	102,500
Program Compliance Auditor 3	20	51,000	2.0	102,000	43,200	12,400	7,400	165,000
Total			3.0	167,000	70,800	18,600	11,100	267,500
Fund Source:								
AHCCCS OLS - GF			1.1	60,500	25,700	6,700	4,100	97,000
AHCCCS OLS - AF			1.1	60,500	25,700	6,700	4,000	96,900
Total Operating Lump Sum			2.2	121,000	51,400	13,400	8,100	193,900
Prop 204 - GF			0.4	23,000	9,700	2,600	1,500	36,800
Prop 204 - AF			0.4	23,000	9,700	2,600	1,500	36,800
Total Prop 204			0.8	46,000	19,400	5,200	3,000	73,600
Total			3.0	167,000	70,800	18,600	11,100	267,500

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 Prescription Drug Review Initiative — Issue Category: Decision Package

Justification: see attached justification

Program: 1-1001 Central Administration — Calculated ERE: $57.40
Fund: 1000-A General Fund (Appropriated) — Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	3.3
Personal Services	102.5
Employee Related Expenses	39.6
Subtotal Personal Services and ERE:	142.1
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	0.0
Other Operating Expenditures	11.2
Equipment	6.8
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	160.1

Program: 1-1001 Central Administration — Calculated ERE: $41.40
Fund: 2120-N AHCCCS Fund (Non-Appropriated) — Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	1.8
Personal Services	102.5
Employee Related Expenses	39.5
Subtotal Personal Services and ERE:	142.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	0.0
Other Operating Expenditures	11.2
Equipment	6.7
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	159.9

Program: 4-4001 SLI AHCCCS Administration — Calculated ERE: $15.90
Fund: 1000-A General Fund (Appropriated) — Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.7
Personal Services	39.0
Employee Related Expenses	15.0
Subtotal Personal Services and ERE:	54.0
Professional & Outside Services	0.0

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 Prescription Drug Review Initiative

Issue Category: Decision Package

Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	0.0
Other Operating Expenditures	4.3
Equipment	2.5
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	60.8

Program: 4-4001 SLI AHCCCS Administration

Fund: 2120-N AHCCCS Fund (Non-Appropriated)

Calculated ERE: $15.90

Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.7
Personal Services	39.0
Employee Related Expenses	15.0
Subtotal Personal Services and ERE:	54.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	0.0
Other Operating Expenditures	4.3
Equipment	2.5
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	60.8

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM (AHCCCS)

DIVISION: ADOA DATA CENTER

TITLE OF ISSUE: CONTRACTUAL OBLIGATION SHORTFALL

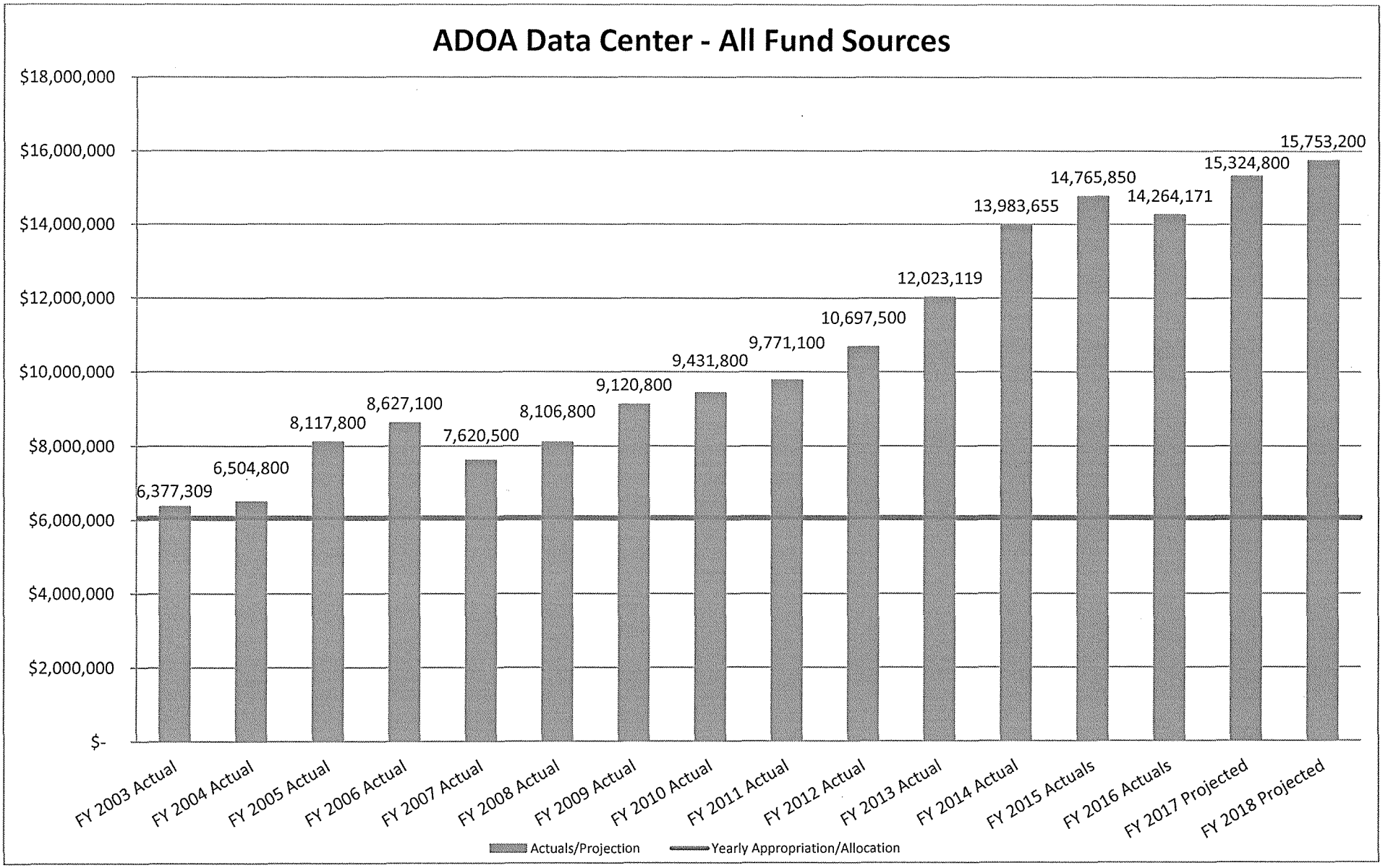
Description of problem or issue and how this furthers the agency mission or goals:

AHCCCS has an interagency service agreement with the Arizona Department of Administration (ADOA) Information Services Division to provide information technology services, including mainframe-computing services as part of the ADOA Data Center. AHCCCS members each have medical records that are stored and archived electronically under this agreement. In recent years, AHCCCS enrollment has risen significantly – from December 1, 2013 to August 1, 2016 it experienced a 45% increase or 564,748 new members due to Medicaid program growth trends and expansion. As a result of this increase in membership, more records must be stored and archived, and usage of mainframe computing services by AHCCCS has also increased.

Another factor driving mainframe usage is the federally mandated Health Insurance Portability and Accountability Act (HIPAA) requirements. As part of the AHCCCS HIPAA remediation plan, AHCCCS is required to store healthcare information in two different formats, effectively doubling the amount of direct-access storage devices (DASD) required. AHCCCS projections for FY 2018 are significantly higher than the ADOA Data Center funding allotment within the AHCCCS Operating Lump Sum appropriation.

Since FY 2003, the ADOA Data Center funding allotment has been fixed at $5,717,500 Total Fund ($1,724,700 General Fund). Enrollment at the start of FY 2003 was approximately 800,000 members; under half of the August 1, 2016 enrollment levels. In every year since FY 2003, actual data center costs have exceeded the allotment. In FY 2016, the Data Center charges continued to exceed the funding level by a substantial amount, totaling $14,249,726 Total Fund ($4,542,960 General Fund). This resulted in a shortfall of $8,532,226 Total Fund ($2,818,260 General Fund) in the ADOA Data Center allotment. This shortfall was funded by a transfer from the programmatic budget lines, an option that may not be available in the future.

In addition to the ADOA Data Center funding allotment, AHCCCS pays Data Center charges within the KidsCare operating budget. In FY 2016, total Data Center payments, including these additional fund sources, were $14,264,171. For FY 2017 and FY 2018, AHCCCS is anticipating total ADOA Data Center (ADOADC) charges of $15,324,800 and $15,753,200 respectively. Please refer to Table 1 for details.


ADOA Data Center - All Fund Sources
$18,000,000
$16,000,000
$14,000,000
$12,000,000
$10,000,000
$8,000,000
$6,000,000
$4,000,000
$2,000,000
$-
6,377,309
6,504,800
8,117,800
8,627,100
7,620,500
8,106,800
9,120,800
9,431,800
9,771,100
10,697,500
12,023,119
13,983,655
14,765,850
14,264,171
15,324,800
15,753,200
FY 2003 Actual
FY 2004 Actual
FY 2005 Actual
FY 2006 Actual
FY 2007 Actual
FY 2008 Actual
FY 2009 Actual
FY 2010 Actual
FY 2011 Actual
FY 2012 Actual
FY 2013 Actual
FY 2014 Actual
FY 2015 Actuals
FY 2016 Actuals
FY 2017 Projected
FY 2018 Projected
Actuals/Projection
Yearly Appropriation/Allocation

The chart on the previous page displays the magnitude by which the actual ADOADC costs have exceeded the funded level since FY 2003. In each year, from FY 2003 to FY 2016, actual costs have exceeded allocated funding, resulting in total unfunded costs of $54.3 million for the period. Costs will continue to exceed the funded level and are unsustainable if no additional funds are appropriated.

Proposed solution to the problem or issue:

In FY 2018, AHCCCS requires an additional $10,008,700 Total Fund ($3,289,000 General Fund) to cover projected shortfalls. Please refer to Table 2 for details. These amounts should be added to the following lines:

	General Fund	CHIP Fund	AHCCCS Fund	Total Fund
ADOA Data Center Funding Allotment	$3,289,000	$0	$6,719,700	$10,008,700

Performance Measures to quantify the success of the solution:

- Maintain network mainframe availability at ≥99%.
- Maintain mainframe availability at ≥99%.

Alternatives considered and reasons for rejection:

Do not fund this issue. This option is rejected because it would result in not meeting Federal mandates on reporting or could result in the ADOA Data Center providing services for which AHCCCS may not be able to pay.

Impact of not funding this fiscal year:

AHCCCS will be unable to meet its obligation to ADOA for computer services with the current appropriation. The ADOA Data Center and the State would not receive revenue that has an effective Federal match rate of 67%.

Failure to implement required HIPAA mandates may result in sanctions from CMS including, but not limited to, the loss of federal financial participation (FFP). It also may impede electronic communications with AHCCCS's providers and health plans, which could result in providers not receiving prompt payments or members being denied care.

AHCCCS FY 2018 Budget Request
ADOA Data Center Contractual Obligation Shortfall
FY 2015 - FY 2016 Actual, FY 2017 - FY 2018 Projected
Decision Package Justification - Table 1

	FY 2015 Actual	FY 2016 Actual [1]	FY 2017 Projected	FY 2018 Projected
Data Center:				
General Fund	4,353,330	4,542,960	4,877,100	5,013,700
Federal Fund	10,390,219	9,706,766	10,420,700	10,712,500
ADOA DC Subtotal	**14,743,549**	**14,249,726**	**15,297,800**	**15,726,200**
Other Fund Sources:				
KidsCare GF	-	-	-	-
KidsCare CHIP	22,301	14,446	27,000	27,000
Healthcare Group Fund	-	-	-	-
Subtotal Other	**22,300**	**14,446**	**27,000**	**27,000**
Grand Total ADOA DC Payments	**14,765,850**	**14,264,171**	**15,324,800**	**15,753,200**

[1]The FY 2016 amount reported in BUDDIES does not match this amount. The $14,264,200 shown above includes the June 2016 payment made in the administrative adjustment period. The amount reported in BUDDIES for the Data Center SLI $13,022,500 does not include the June 2016 payment.

AHCCCS FY 2018 Budget Request
ADOA Data Center Contractual Obligation Shortfall
Decision Package Justification - Table 2

	FY 2017 Funded Allocation	FY 2018 Projected	Shortfall
Data Center:			
General Fund	1,724,700	5,013,700	(3,289,000)
Federal Fund	3,992,800	10,712,500	(6,719,700)
ADOA DC Subtotal	**5,717,500**	**15,726,200**	**(10,008,700)**
Other Fund Sources:			
KidsCare GF	-	-	-
KidsCare CHIP	27,000	27,000	-
Subtotal Other	**27,000**	**27,000**	**-**
Grand Total ADOA DC Payments	**5,744,500**	**15,753,200**	**(10,008,700)**

Note: All fund sources are now appropriated as Operating Lump Sum, however they are shown here and entered into Buddies in their original cost centers.

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 ADOA Data Center

Issue Category: Decision Package

Justification: see attached justification

Program: 1-1002 ADOA Data Center
Fund: 1000-A General Fund (Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	0.0
Other Operating Expenditures	3,289.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	3,289.0

Program: 1-1002 ADOA Data Center
Fund: 2120-N AHCCCS Fund (Non-Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	0.0
Other Operating Expenditures	6,719.7
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	6,719.7

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM (AHCCCS)

DIVISION: INDIAN ADVISORY COUNCIL (IAC)

TITLE OF ISSUE: INDIAN ADVISORY COUNCIL STAFF INCREASE

Description of problem or issue and how this furthers the agency mission or goals:

Status of Indian Health in Arizona – The 22 tribes in the state of Arizona experience excessive health disparities in comparison to the general population of the state of Arizona and the nation. Numerous health disparities exist for many reasons including limited access to health care services, language barriers, transportation, lower economic-socio status, etc. Specific measures of health disparities include:

- In 2013, the median age of death for American Indians in Arizona is 60 years compared to all Arizonans at 77 years.[i]
- Suicide is the 2nd leading cause of death for American Indian & Alaska Native (AI/AN) ages 10-34.[i]
- Leading causes of death for AI/AN are heart disease, cancer and accidents (unintentional injuries).[ii]
- Prevalence of overt periodontal disease is higher among AI diabetic patients than non-diabetic patients (34% vs. 19%).[iii]
- Percent increase in diabetes from 1994-2004 in AI/AN Native youth aged 15-19 years is 68%.[iv]

IAC Goals and Objectives – The mission of the Advisory Council on Indian Health Care, also known as the Indian Advisory Council (IAC), is to advocate for increasing access to high quality health care programs for all American Indians in Arizona. The IAC utilizes its knowledge of Indian healthcare issues and tribal sovereignty, serves as a resource for Tribal Governments and the State of Arizona, and supports prevention, training, education, and policy development as the key to meet the unique health care needs of the Arizona Indian population.

Per A.R.S. § 36-2902.02, the IAC is charged to assist Tribes and Urban Indian Health Organizations (UIHO) to develop comprehensive medical and public health care delivery and financing systems to meet their needs. The IAC shall accomplish this by:

1. Recommending new Title XIX and XXI programs, services, funding options, polices and demonstration projects, to meet the needs of American Indian Tribes and UIHO, both on and off reservation in cooperation with this State and the Federal Government;
2. Facilitating communications, planning, advocacy and discussion among Tribes and UIHO in this state and with this state and federal agencies regarding operation, financing, policy and legislation relating to Indian medical and public health care;
3. Recommending and advocating Tribal, State and Federal policy and legislation that support the design and implementation of medical and public health care delivery and financing systems for Tribes and UIHO;
4. Conducting and commissioning studies and research to further the purpose of the council and to address identified Indian health care disparities;
5. Conducting periodic public hearings to gather input and recommendations from tribal populations on their health care issues and concerns;
6. Applying for and seeking grants, contract and funding to further the purpose of the council,

7. Requesting a federal waiver from the United States Department of Health and Human Services that allows tribal governments that perform eligibility determinations for Temporary Assistance for Needy Families programs to perform the Medicaid eligibility determinations; and
8. Performing other duties as requested by the legislature.

The IAC was created in FY 1990 and during the 2016 legislative session this year was successful in amending their statutes. Seven Tribes and the Inter Tribal Association of Arizona provided resolutions of support of the amendments and support the IAC's mission. The new amendments expanded the IAC's duties to be current with new federal Indian health policy and tribal needs as well as expanding the membership of the Advisory Council. Since the inception of the IAC, only two staff, the Executive Director and Administrative Assistant, has carried out this important work. In FY 2007, 3.6 FTEs were authorized, but funding has never been increased to hire additional staff and build capacity of the IAC. Full funding has been requested every year since the authorization of the FTEs were allowed, but funding has remained level.

Proposed solution to the problem or issue:

In order to fulfill its statutory duties, the IAC requests an additional $104,400 Total Fund ($52,200 General fund) in FY 2018. The funding will provide assistance in meeting strategic objectives and improving the healthcare outcomes for American Indians in Arizona. Additional funding will allow the IAC to fully fund 3.0 of the 3.6 approved positions, employee related expenditures (ERE), professional and outside services, travel, other operating expenditures, and non-capital equipment.

The additional funding will provide for a Health Programs Manager II (HPM II) position whose role will be to:

1) Provide assistance to Tribes to identify, develop, and submit demonstration project proposals via the Section 1115 waiver process of the Centers of Medicare and Medicaid Centers, in collaboration with AHCCCS.
2) Create and maintain timely and up to date communications systems to inform Indian health stakeholders such as all 22-Tribal governments of Arizona, 3-Indian Health Service area offices (Navajo, Phoenix, and Tucson), 3-urban Indian health organizations, and the 5-tribally operated health centers in Arizona on health related legislation and policy that have potential impact on Indian Health Care via agency website, email, press releases, fax, etc. (Some Tribes still lack technological infrastructures which require additional outreach.)
3) Provide technical assistance to Indian Health care stakeholders to access state level health data and reports to develop and enhance health care delivery and financing systems as well as to justify policy and legislative recommendations.
4) Lastly, the HPM II will assist in office management, IAC program development, and progress reporting to tribes and the IAC.

Performance Measures to quantify the success of the solution:

- Number of Demonstration Projects identified.
- Number of Data Sources and Reports provided.
- Number of Policy and Legislative Recommendations formulated.
- Increase the number of members in High Needs High Cost (HNHC) management in AIHP care coordination.

Alternatives considered and reasons for rejection:

1. The IAC is at a standstill. This doesn't help the IAC to accomplish their strategic objectives and statutory duties.
2. Contract for technical assistance to develop Tribal Health Plans with each tribe.
    a. Too costly, e.g., average cost per tribe $10,000 x 22 tribes = $220,000.
    b. No assurance the tribes would have specific tribal plan that is truly responsive to their needs.
    c. No continuity in implementation of the plan.
    d. Additional oversight required for the numerous firms providing technical assistance.
3 Providing funding to the tribes to develop/enhance their Tribal Health Plans:
    a. Too costly, utilizing an estimated $220,000 for contracted services
    b. No technical assistance available for most tribes
    c. No assurance that a true comprehensive Tribal Health Plan will be developed
    d. No assurance of implementation

Impact of not funding this fiscal year:

Without the additional funding the IAC's ability to successfully fulfill its statutory responsibilities will be impacted and reduced. The strategic goals and objectives of the IAC that would be threatened are as follows:

1. Providing health care advocacy on behalf of the tribes.
2. Demonstration projects to improve health care, reduce costs, and create more efficient ways to deliver health care will not be proposed.
3. Conducting health care policy analysis in order to make health care recommendation to State and Federal decision makers.

In addition, the IAC would not be able to make serious contributions to improve the following issues:

1. Tribal health disparities.
2. Long term improvement of Tribal Health care delivery systems.
3. Tribal Health care programs lack of technology, continuing education and "state of the art" health care practices.
4. Excessive costs to the health care system, including the State of Arizona, due to gaps in the delivery of health care services to Native Americans in the State of Arizona.

Statutory References:

A.R.S. § 36-2902.01
A.R.S. § 36-2902.02

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[i]Health Status Profile of American Indians in Arizona, 2013 Data Book, Arizona Department of Health Services, June 2015.
[i] RPMS Suicide Reporting Form, Indian Health Service, Office of Information Technology, June 2012.
[ii] Health of American Indian or Alaska Native Population, CDC/National Center Health Statistics, updated June 21, 2013.
[iii]Periodontal Disease in American Indians, J Public Health Dent 2000.
[iv] Native American Complications, American Diabetes Association.

Arizona Health Care Cost Containment System
Advisory Council on Indian Health Care
FY 2018 Request - Table 1

	FY 2016 Actuals			FY 2017 Appropriation			FY 2018 Request			FY 2018 Increase		
	GF	AF	TF	GF	AF	TF	GF	AF	TF	GF	AF	TF
FTE	1.0	1.0	2.0	1.0	1.0	2.0	1.5	1.5	3.0	0.5	0.5	1.0
Personal Services	52,307	52,307	104,614	50,200	50,200	100,400	75,200	75,200	150,400	25,000	25,000	50,000
Employee Related Expenditures	17,581	17,579	35,160	17,600	17,600	35,200	28,600	28,600	57,200	11,000	11,000	22,000
Prof. & Outside Services	887	887	1,775	800	800	1,600	5,800	5,800	11,600	5,000	5,000	10,000
Travel In-State	1,691	1,691	3,382	2,600	2,600	5,200	5,200	5,200	10,400	2,600	2,600	5,200
Travel Out-State	1,107	1,107	2,215	2,400	2,400	4,800	4,800	4,800	9,600	2,400	2,400	4,800
Other Operating Expenditures	14,058	14,058	28,116	29,600	29,600	59,200	33,950	33,950	67,900	4,350	4,350	8,700
Non-Capital Equipment	1,191	1,191	2,383	1,300	1,300	2,600	3,150	3,150	6,300	1,850	1,850	3,700
Capital Equipment	-	-	-	-	-	-	-	-	-	-	-	-
Total	88,823	88,821	177,644	104,500	104,500	209,000	156,700	156,700	313,400	52,200	52,200	104,400
Fund Source												
Indian Advisory Council SLI - GF	88,823	-	88,823	104,500	-	104,500	156,700	-	156,700	52,200	-	52,200
Indian Advisory Council SLI - AF	-	88,821	88,821	-	104,500	104,500	-	156,700	156,700	-	52,200	52,200
Total	88,823	88,821	177,644	104,500	104,500	209,000	156,700	156,700	313,400	52,200	52,200	104,400

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 Indian Advisory Council

Issue Category: Decision Package

Justification: see attached justification

Program: 1-1001 Central Administration
Fund: 1000-A General Fund (Appropriated)

Calculated ERE: $10.70
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.5
Personal Services	25.0
Employee Related Expenses	11.0
Subtotal Personal Services and ERE:	36.0
Professional & Outside Services	5.0
Travel In-State	2.6
Travel Out-of-State	2.4
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	0.0
Other Operating Expenditures	4.4
Equipment	1.8
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	52.2

Program: 1-1001 Central Administration
Fund: 2120-N AHCCCS Fund (Non-Appropriated)

Calculated ERE: $10.70
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.5
Personal Services	25.0
Employee Related Expenses	11.0
Subtotal Personal Services and ERE:	36.0
Professional & Outside Services	5.0
Travel In-State	2.6
Travel Out-of-State	2.4
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	0.0
Other Operating Expenditures	4.4
Equipment	1.8
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	52.2

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM (AHCCCS)

TITLE OF ISSUE: PROPOSITION 204 BEHAVIORAL HEALTH ADMINISTRATION BASE MODIFICATION

Description of the issue and how this furthers the agency mission or goals:

Effective July 1, 2016 the Arizona Department of Health Services' (ADHS) Division of Behavioral Health Services (DBHS) merged with AHCCCS. In FY 2017, administrative funding in the Operating Lump Sum was moved into the AHCCCS Operating Lump Sum, however, funding for Proposition 204 Behavioral Health Administration was transferred to AHCCCS as a separate appropriation and not combined into the existing AHCCCS Proposition 204 Administration appropriation.

AHCCCS does not allocate administrative costs for Proposition 204 to Behavioral Health, as distinguished from other services provided by AHCCCS.

Proposed solution to the issue:

AHCCCS requests a base modification to move funding from the Proposition 204 Behavioral Health Administration appropriation into the existing Proposition 204 AHCCCS Administration appropriation. The requested FY 2018 adjustment $5,832,000 Total Fund ($1,777,800 General Fund), but does not result in a net impact to any fund.

Performance Measures to quantify the success of the solution:

- Decrease the number of days to complete eligibility determinations.
- Reduce regrettable attrition.

Alternatives considered and reasons for rejection:

No reasonable alternative exists.

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 Prop 204 Administration Base Mod — Issue Category: Decision Package

Justification: see attached justification

Program: 4-4001 SLI AHCCCS Administration — Calculated ERE: $215.70
Fund: 1000-A General Fund (Appropriated) — Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	1,000.8
Employee Related Expenses	389.9
Subtotal Personal Services and ERE:	1,390.7
Professional & Outside Services	154.5
Travel In-State	0.7
Travel Out-of-State	1.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	0.0
Other Operating Expenditures	226.6
Equipment	4.3
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	1,777.8

Program: 4-4001 SLI AHCCCS Administration — Calculated ERE: $449.10
Fund: 2120-N AHCCCS Fund (Non-Appropriated) — Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	2,083.5
Employee Related Expenses	828.0
Subtotal Personal Services and ERE:	2,911.5
Professional & Outside Services	488.1
Travel In-State	1.0
Travel Out-of-State	2.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	0.0
Other Operating Expenditures	645.0
Equipment	6.6
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	4,054.2

Program: 4-4003 SLI Behavioral Health Administration — Calculated ERE: ($215.70)
Fund: 1000-A General Fund (Appropriated) — Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	(1,000.8)
Employee Related Expenses	(389.9)
Subtotal Personal Services and ERE:	(1,390.7)
Professional & Outside Services	(154.5)

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 Prop 204 Administration Base Mod — Issue Category: Decision Package

Travel In-State	(0.7)
Travel Out-of-State	(1.0)
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	0.0
Other Operating Expenditures	(226.6)
Equipment	(4.3)
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	(1,777.8)

Program: 4-4003 SLI Behavioral Health Administration — Calculated ERE: ($449.10)

Fund: 2120-N AHCCCS Fund (Non-Appropriated) — Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	(2,083.5)
Employee Related Expenses	(828.0)
Subtotal Personal Services and ERE:	(2,911.5)
Professional & Outside Services	(488.1)
Travel In-State	(1.0)
Travel Out-of-State	(2.0)
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	0.0
Other Operating Expenditures	0.0
Equipment	(645.0)
Capital Outlay	(6.6)
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	(4,054.2)

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM (AHCCCS)

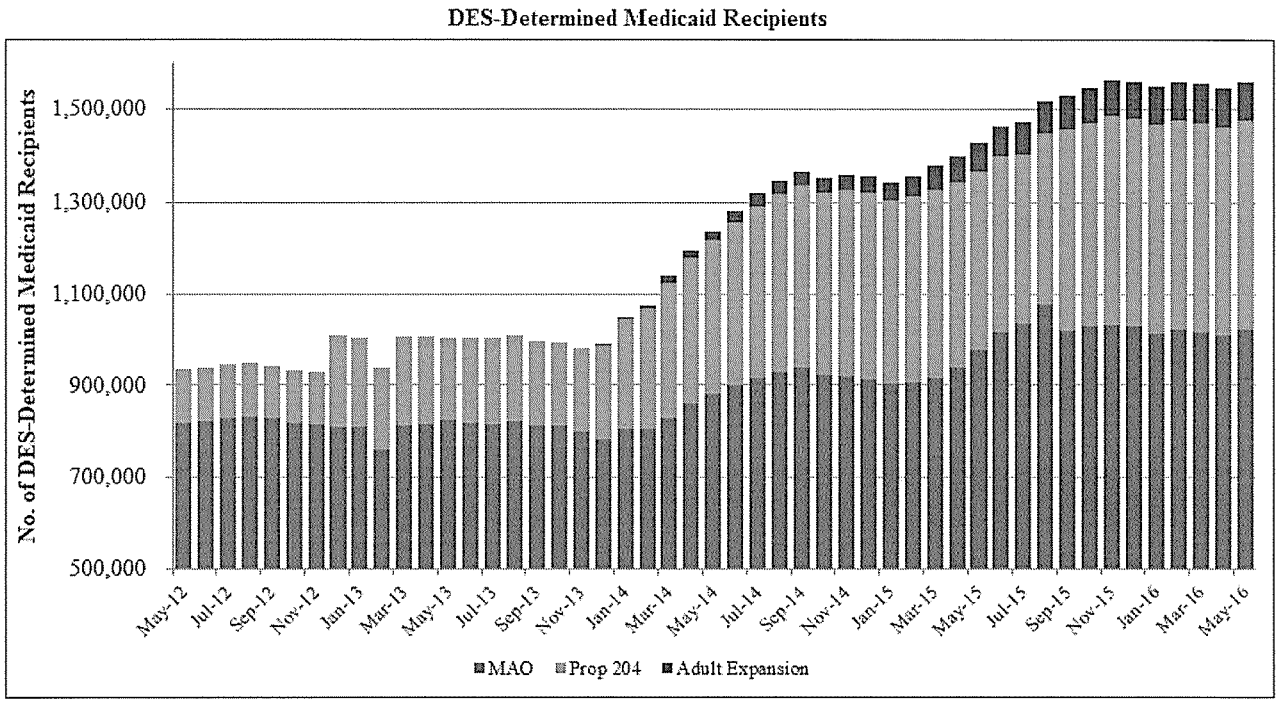
DIVISION: DEPARTMENT OF ECONOMIC SECURITY ELIGIBILITY TITLE XIX PASS-THROUGH

TITLE OF ISSUE: TITLE XIX MEDICAID AND TITLE XXI CHIP AUTHORITY SHORTFALL

Description of problem or issue and how this furthers the agency mission or goals:

The Department of Economic Security (DES), Division of Benefits and Medical Eligibility, performs eligibility determinations for more than 97% of the traditional Medicaid, Proposition 204, and expansion Medicaid populations in Arizona. This work is reimbursed through two AHCCCS line items: DES Eligibility and Proposition 204 – DES Eligibility. With the passage of the Affordable Care Act (P.L. 111-148 & P.L.111-152), federal Medicaid costs in these line items have increased in conjunction with an increase in Medical eligibility determination workload.

Supplemental 'Federal Medicaid Authority' was transferred to the DES Eligibility and Proposition 204 – DES Eligibility special line items to cover increased federal costs every year between fiscal years 2013 and 2016.



The need for supplemental federal authority in FY 2017 and beyond is further increased due to the responsibility shift for the eligibility determination of the Children's Health Insurance Program (CHIP) population from AHCCCS to DES. The estimated cost to perform annual determinations for this group is $4 million. The following tables show the additional Federal Medicaid Authority necessary to cover costs in each fiscal year, as well as estimates for FY 2016, FY 2017, and FY 2018.

DES Eligibility Line Items - Federal Spending Above Original Authority [1]

	FY 2014	FY 2015	FY 2016 [2]	FY 2017 [2,3]	FY 2018 [2,3]
TXIX Federal Medicaid Expenditures	36,144,389	31,499,540	40,000,000	40,000,000	40,000,000
TXXI Federal CHIP Expenditures				4,000,000	4,000,000

Notes:

1. This view represents only actual TXIX and TXXI authority spent beyond the original authority granted in each fiscal year.
2. The fiscal year 2016, 2017 and 2018 expenditure amounts are estimates.
3. In FY 2017, the eligibility determination function for CHIP was transferred from AHCCCS to DES, with an annual estimated cost of $4M.

Proposed solution to the problem or issue:

To ensure that future year spending authority more closely aligns with actual federal expenditures, AHCCCS requests that the DES Eligibility special line item authority be increased by a total of $44 million:

- $34 million in Federal Medicaid Authority and $4 million in Federal CHIP Authority in the DES Eligibility line item and
- $6 million in Federal Medicaid Authority in the Proposition 204 – DES Eligibility line item.

Performance Measures to quantify the success of the solution:

- Decrease the number of days to complete eligibility determinations.

Alternatives considered and reasons for rejection:

No reasonable alternative exists. In prior years AHCCCS has transferred available Title XIX authority from other line items in order to address this shortfall.

Impact of not funding this fiscal year:

If this item is not funded the structural shortfall in authority will continue and excess authority may not be available to transfer.

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 DES Authority — Issue Category: Decision Package

Justification: see attached justification

Program: 1-1004 SLI DES Eligibility — Calculated ERE: $0.00
Fund: 2120-N AHCCCS Fund (Non-Appropriated) — Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	0.0
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	34,000.0
Program / Fund Total:	34,000.0

Program: 4-4002 DES Administration — Calculated ERE: $0.00
Fund: 2120-N AHCCCS Fund (Non-Appropriated) — Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	0.0
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	6,000.0
Program / Fund Total:	6,000.0

Program: 1-1004 SLI DES Eligibility — Calculated ERE: $0.00
Fund: 2409-A Children's Health Insurance Program (Appropriated) — Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 DES Authority

Issue Category: Decision Package

Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	0.0
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	4,000.0
Program / Fund Total:	4,000.0

PRESCRIPTION DRUG REBATE FUNDING

Background

The Patient Protection and Affordable Care Act of 2010 (ACA) made payments under the Medicaid Drug Rebate program available to the state Medicaid programs for drugs purchased through Medicaid Managed Care Organizations (MCOs). Previously, only fee-for-service (FFS) drug purchases were eligible to participate. Prior to the ACA, Arizona's 1115 waiver exempted it from the FFS drug rebate program due to the low volume of FFS drug expenditures.

The resulting rebates are shared between the states and the federal government. The percentage amount for calculating the rebates was also increased, although the entire amount of the increase is returned to the federal government. This percentage (known as the ACA percentage) is currently estimated to be 6.67% (based on actual activity since inception), with the remaining 93.33% being split between the state and federal government based on the Federal Medical Assistance Percentage (FMAP) in effect on the date of service.

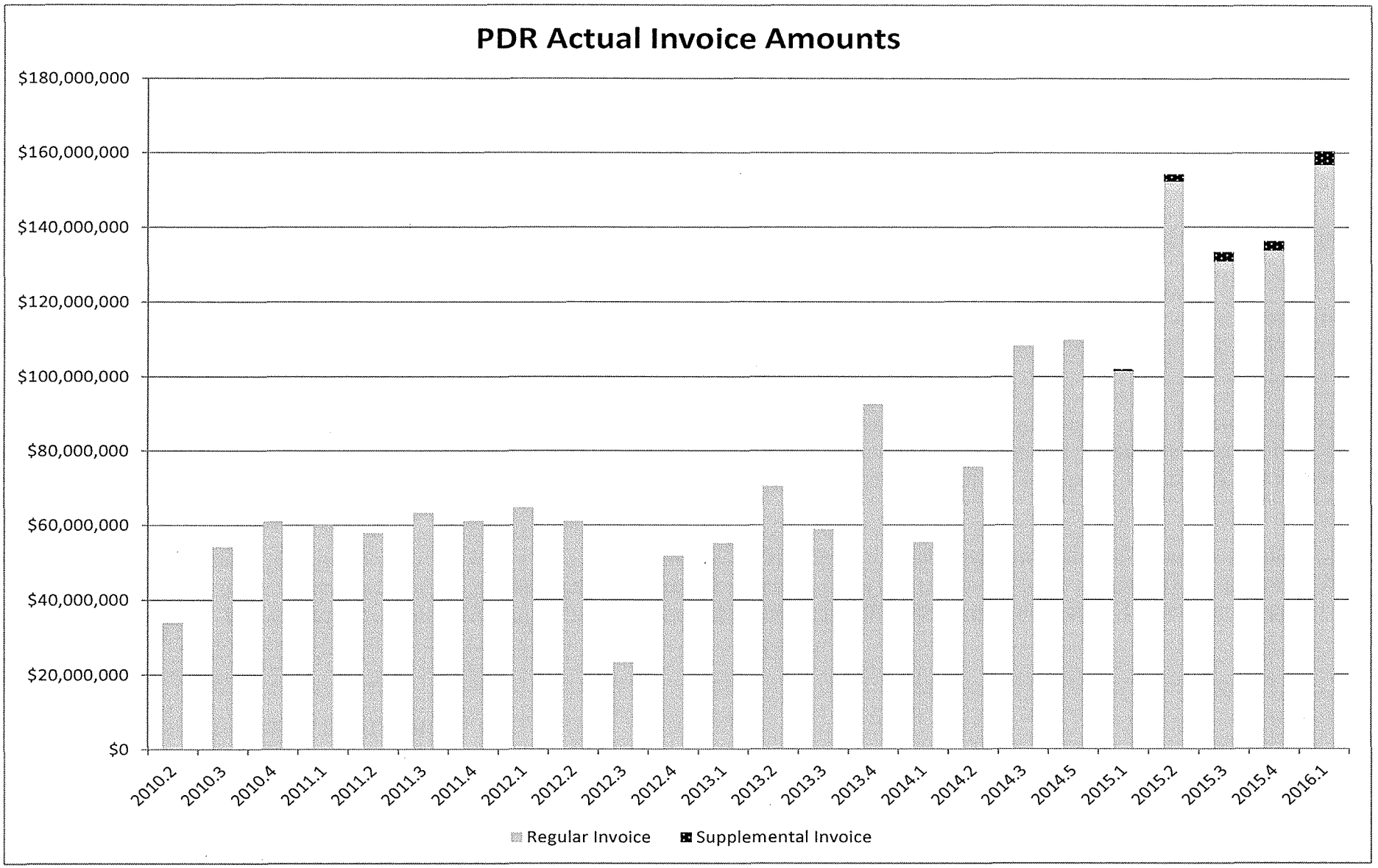
Laws 2011, Chapter 24, Section 14 created the Prescription Drug Rebate (PDR) Fund. In FY 2011, AHCCCS contracted with Magellan Medicaid Administration Inc. (Magellan) to provide drug rebate administrative services. Administrative costs are matched at 50% Federal Financial Participation. AHCCCS was also appropriated 2.0 FTE for SFY 2012 for administrative functions related to the prescription drug rebate program.

In May 2015, CMS approved a state plan amendment to allow AHCCCS to initiate supplemental drug rebate agreements with manufacturers for certain drug classes. The first supplemental drug rebate invoices went out in March 2016.

Collections Experience

Through June 2016, AHCCCS has collected nearly $1.8 billion in Total Fund Prescription Drug Rebates since the program's inception. The collection rate, adjusted for credit balances, is approximately 97%. In the first few years of the program, there were several invoicing/encounter issues that impacted billing and collections, making future projection more difficult. It appears that most of those issues have been rectified. However, since the invoicing is based on encounters and encounter submission can fluctuate, it is possible that there may be future fluctuations in rebate billing. Collections increased substantially in SFY 2016 (see the chart on the following page), which attributed to caseload growth in SFY 2014-2015.

Magellan invoices labelers four times per year in February, May, August, and November for the prior quarter (so the February invoice is for the October-December quarter). The timing of the invoice billing impacts the available cash for each State Fiscal Year. For example, June collections that come in after the monthly capitation invoice is paid are not available as an expenditure fund source in the Fiscal Year in which the monies are actually collected.


PDR Actual Invoice Amounts
$180,000,000
$160,000,000
$140,000,000
$120,000,000
$100,000,000
$80,000,000
$60,000,000
$40,000,000
$20,000,000
$0
2010.2
2010.3
2010.4
2011.1
2011.2
2011.3
2011.4
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2012.4
2013.1
2013.2
2013.3
2013.4
2014.1
2014.2
2014.3
2014.5
2015.1
2015.2
2015.3
2015.4
2016.1
Regular Invoice
Supplemental Invoice

FY 2017 and FY 2018 Methodology

AHCCCS is projecting total fund collections of $583.9 million and $588.6 million in FY 2017 and FY 2018 respectively as shown in the attached Table A.

The projected invoices for FY 2017 and FY 2018 are based on the average of the four most recent invoices of $143.5 million for regular collections and the actual March 2016 of $3.7 million supplemental collections for a total quarterly amount of $147.2 million. This amount is then grown quarterly at the rate of 0.6% based on the projected AHCCCS overall population growth for the same periods.

The state and federal splits are based on the ACA percentage (100% Federal) of 6.67% of collections with the remaining amount split at a weighted FMAP. The projected federal share is expected to increase in future years due to growth in the Newly Eligible Adults (NEA) and Prop 204 Expansion State Adults (ESA) populations which are both eligible for higher than traditional FMAP.

FY 2018 Decision Package

In FY 2018, AHCCCS is requesting an increase in expenditures over the FY 2017 appropriation of $181,891,200 TF (consisting of an increase of $42,429,000 in State expenditures and an increase of $138,462,200 in Federal expenditures). See the attached Table B for additional detail. The State increase is based on the projected FY18 collections, plus 50% of the estimated FY18 beginning fund balance.

The split between Acute and ALTCS disbursements is based on utilization units. These utilization unit percentages vary by quarter. For the FY 2017 request, AHCCCS is using the average split of the last four quarters, which is 92.19% Acute and 7.81% ALTCS. This applies only to the current year collections. The fund balance usage of $31,532,100 is applied entirely to the Acute population costs.

Note that if Federal collections exceed the amount of Prescription Drug Rebate Federal Funds included in the appropriation, AHCCCS is still required to return the full amount collected to the Federal government.

Of the requested increase, $301,900 is in the Administration Operating Lump Sum line associated with increases to the Magellan drug rebate administrative services contract. The Magellan cost associated with administering the supplemental drug rebate program is more than the national drug rebate program because additional services are provided. Under the national drug rebate program, HHS negotiates rebates with manufacturers and the vendor is responsible for manufacturer invoicing. Under the supplemental rebate program, the vendor is responsible for providing financial modeling, making recommendations for the state's preferred drug list, and directly negotiating rebates with drug manufacturers.

Prescription Drug Rebate Fund Balance

The beginning and ending fund balances shown in Table B represent the Total Fund balance. The attached Table C shows the funding flows of State and Federal shares of the Prescription Drug Rebate Fund. Note that collections in the Prescription Drug Rebate Fund are not recorded as revenue, but as non-appropriated contra expenditures. The beginning state fund balance in FY 2017 of $52.8 million is carried forward to be utilized as a potential source for any FY 2017 supplemental requirement or as an offset against variability in future collections. The FY 2018 beginning balance of $63,064,200 is split with 50% being used a fund source in FY 2018 and the remaining 50% being carried forward as a potential offset against variability in future collections.

Performance Measures to quantify the success of the solution:

- Increase supplemental drug rebates received by the State.

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
PRESCRIPTION DRUG REBATE PROJECTIONS
FISCAL YEAR 2017-2018
TABLE A

Actual Based on CMS 64	TF Savings	Fed Savings	State Savings (Note 7)
SFY11 Total	168,562,012	125,837,737	42,724,275
SFY12 Total	290,854,332	203,763,939	87,090,392
SFY13 Total	173,262,803	119,842,481	53,420,322
SFY14 Total	290,468,754	202,483,992	87,984,762
SFY15 Total	376,650,941	280,855,370	95,795,570
SFY16 Total	485,470,170	375,425,880	110,044,290
Grand Total	1,785,269,011	1,308,209,400	477,059,611

Invoice Date	Total Fund	Federal Share	State Share	Date of Service	Effective FMAP with ACA %
May 2016 (Note 3)	80,276,200	63,355,700	16,920,500	FFY16 Q2 (Jan-Apr 2016)	78.92%
August 2016	142,790,600	112,423,600	30,367,000	FFY16 Q3 (Apr-June 2016)	78.73%
November 2016	143,648,500	113,461,000	30,187,500	FFY16 Q4 (July-Sept 2016)	78.99%
February 2017	144,509,200	113,533,900	30,975,300	FFY17 Q1 (Oct-Dec 2016)	78.57%
May 2017 (Note 4)	72,693,400	57,118,500	15,574,900	FFY17 Q2 (Jan-Apr 2017)	78.57%
Total SFY 2017 Projection	583,917,900	459,892,700	124,025,200		

Invoice Date	Total Fund	Federal Share	State Share	Date of Service	Effective FMAP with ACA %
May 2017 (Note 4)	72,693,400	57,118,500	15,574,900	FFY17 Q2 (Jan-Apr 2017)	78.57%
August 2017	146,277,200	114,950,200	31,327,000	FFY17 Q3 (Apr-June 2017)	78.58%
November 2017	147,165,600	115,978,000	31,187,600	FFY17 Q4 (July-Sept 2017)	78.81%
February 2018	148,040,400	117,040,500	30,999,900	FFY18 Q1 (Oct-Dec 2017)	79.06%
May 2018 (Note 4)	74,466,000	58,879,600	15,586,400	FFY18 Q2 (Jan-Apr 2018)	79.07%
Total SFY 2018 Projection	588,642,600	463,966,800	124,675,800		

Notes and Assumptions:
1) Future collections assumes 97% collection rate.
2) Future fund sourcing assumes ACA rate (100% Federal return) of 6.67% (based on average since inception).
3) This represents approximately 50% of the May 2016 invoices which is expected to be received in SFY 2017.
4) While shown as a SFY 2017 collection, a portion of this invoice will be collected in late June 2017, and the funding will be received too late to utilize in SFY 2017. Likewise, a portion of the May 2018 invoice will be received in FY 2018, however, AHCCCS will not be able to utilize it until FY 2019.
5) Beginning 1/1/14 AHCCCS started receiving the expansion state FMAP for the Prop 204 Childless Adult (AHCCCS Care) populations and 100% FMAP for Newly Eligible Adults, therefore, a portion of the drug rebate collections will also need to be returned to the federal government at these higher rates. AHCCCS is estimating this impact by using a weighted FMAP for the projected growth for the respective populations.
6) Invoice amounts are adjusted based on population growth.
7) State savings used to offset state match is subject to legislative appropriation.

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
PRESCRIPTION DRUG REBATE PROJECTIONS
FISCAL YEAR 2016-2018
TABLE B

	FY16 Actual	FY17 Approp	FY17 Rebase	FY18 Request	FY18 DP
Beginning Balance	(86,938,005)	NA	(110,096,300)	(120,182,700)	NA
Total Collections (Non-Approp Fund)	(489,652,668)		(583,917,900)	(588,642,600)	(4,724,700)
Total Available (BB plus Collections)	(576,590,673)	NA	(694,014,200)	(708,825,300)	NA
State Disbursements					
Traditional Capitation	99,840,000	106,139,500	106,139,500	146,007,600	39,868,100
ALTCS	5,475,800	7,441,300	7,441,300	9,700,300	2,259,000
Administration	402,212	198,100	198,100	500,000	301,900
Subtotal State Disbursements	105,718,012	113,778,900	113,778,900	156,207,900	42,429,000
Federal Disbursements					
Traditional Capitation	334,202,200	301,143,200	424,114,600	426,099,500	124,956,300
ALTCS	26,574,200	21,600,300	35,938,000	36,106,200	14,505,900
Subtotal Return of Federal Share	360,776,400	322,743,500	460,052,600	462,205,700	139,462,200
Total Disbursements	466,494,412	436,522,400	573,831,500	618,413,600	181,891,200
Ending Balance	(110,096,261)	NA	(120,182,700)	(90,411,700)	NA

Notes:
1) Collections are recorded as contra expenditures, therefore, a credit balance (shown in parenthesis above) represents a positive cash balance in the fund.
2) See Table C for the Ending Balance breakout of State and Federal Share.

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
PRESCRIPTION DRUG REBATES - FUNDING ANALYSIS
TABLE C

	STATE	FEDERAL	TOTAL
FY16 Fund Balance (June 2016)[1]	52,817,900	57,278,400	110,096,300
Projected FY17 Collections	124,025,200	459,892,700	583,917,900
Less Unable to Utilize June Collections	(15,574,900)	(57,118,500)	(72,693,400)
FY17 Available to Spend in FY17	161,268,200	460,052,600	621,320,800
FY17 Spending Plan	113,778,900	460,052,600	573,831,500
Estimated FY17 Ending Balance	63,064,200	57,118,500	120,182,700
Projected FY18 Collections	124,675,800	463,966,800	588,642,600
Less Unable to Utilize June Collections	(15,586,400)	(58,879,600)	(74,466,000)
FY18 Expenditure Plan	156,207,900	462,205,700	618,413,600
FY17 Appropriation Base	113,778,900	322,743,500	436,522,400
Surplus/Shortfall to Appropriation	42,429,000	139,462,200	181,891,200
Estimated FY18 Ending Balance	31,532,100	58,879,600	90,411,700

NOTES:
1) State beginning balance includes estimated collections in June from the May 25th invoices (for dates of service in January - March). While recorded in the year collected, this funding arrives too late in the fiscal year to be utilized in the year received. This will be an annual phenomena that needs to be taken into account when determining funding utilization by year.
2) Note that if Federal collections exceed the amount of Prescription Drug Rebate Federal Funds included in the appropriation, AHCCCS is still required to return the full amount collected to the Federal government.

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 Prescription Drug Rebate Collections

Issue Category: Decision Package

Justification: see attached justification

Program: 3-3006 Capitation

Fund: 2546-N Prescription Drug Rebate Fund (Non-Appropriated)

Calculated ERE: $0.00

Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	(4,724.7)
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	(4,724.7)

Program: 1-1001 Central Administration

Fund: 2546-A Prescription Drug Rebate Fund (Appropriated)

Calculated ERE: $0.00

Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	301.9
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	0.0
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	301.9

LONG TERM CARE PASS-THROUGH

DEPARTMENT OF ECONOMIC SECURITY DEVELOPMENTALLY DISABLED (DES DD) – PASS-THROUGH

DESCRIPTION OF THE PROBLEM

The Developmentally Disabled program budget is appropriated within the Department of Economic Security Long Term Care budget unit. As the single state Medicaid Agency for Arizona, AHCCCS passes through the Title XIX Federal funding for this program. The funding flows through the AHCCCS financial systems as follows:

1) DES transfers the state match (General Fund) to AHCCCS via the Intergovernmental/Interagency Service fund (IGA and ISA Fund 2500).
2) AHCCCS draws down the federal match based on the Title XIX FMAP into the LTC System Fund (2223).
3) AHCCCS transfers both the federal match and state match back to DES in the respective funds.

The official budget request for this program will come from ADES. ADES provided the following figures to AHCCCS to more accurately reflect the revenue, sources, and uses schedule:

LTC - 2003		FY16 Actual	FY17 Approp/Est	FY18 Request	FY18 DP
DES DD	2500	373,803,278	406,647,300	490,435,400	83,788,100
	2223	826,093,392	788,690,800	995,947,400	207,256,600
	TF	1,199,896,670	1,195,338,100	1,486,382,800	291,044,700

PROPOSED SOLUTION

Increase the DES DD Pass-through line item by $127,774,200 Total Fund ($39,438,800 State Match).

Performance Measures to quantify the success of the solution:

- AHCCCS member enrollment in the ALTCS DD program.

STATUTORY AUTHORITY

A.R.S. §41-1954.

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
FY2015-FY2017
PROGRAMMATIC PASS-THROUGH LINES

LTC - 2003		FY16 Actual	FY17 Approp/Est	FY18 Request	FY18 DP
DES DD	2500	373,803,278	406,647,300	490,435,400	83,788,100
	2223	826,093,392	788,690,800	995,947,400	207,256,600
	TF	1,199,896,670	1,195,338,100	1,486,382,800	291,044,700

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 LTC Pass-Through DD

Issue Category: Decision Package

Justification: see attached justification

Program: 2-2003 Programmatic Pass Through Funding
Fund: 2223-N Long Term Care System Fund (Non-Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	207,256.6
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	207,256.6

Program: 2-2003 Programmatic Pass Through Funding
Fund: 2500-N IGA and ISA Fund (Non-Appropriated)

Calculated ERE: $0.00
Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	83,788.1
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	83,788.1

SCHOOL BASED SERVICES – PROGRAMMATIC PASS-THROUGH

DIRECT SERVICE CLAIMS (DSC) PROGRAM DESCRIPTION/BACKGROUND

Under the Individuals with Disabilities Education Act (IDEA), Part B, states are required to make available special education and related services that are necessary for students with disabilities to obtain a free and appropriate public education. Some of these services provided to Title XIX eligible children by the school under IDEA are covered by Title XIX, which reimburses schools as qualified providers.

AHCCCS, in cooperation with the Arizona Department of Education (ADOE), launched the program in January 2001. Under the program, the local education agencies (LEAs) which include public school districts, certain charter schools and the Arizona School for the Deaf and Blind, are allowed to bill AHCCCS directly on a cost-based methodology for the provision of certain AHCCCS covered services. These services must be provided to Title XIX and IDEA eligible children.

As a result of the CMS approved Arizona State Plan Amendment (SPA) No. 11-007, the reimbursement methodology for school-based claiming was revised in order to enhance the identification of actual costs and improve the accuracy of claims reimbursement. Prior to July 1, 2011, LEAs billed AHCCCS using a fee-for-service fee schedule; it is now paid on a cost-based methodology. The cost-based methodology includes an interim fee-for-service payment and a reconciliation of final costs versus estimated costs within a two-year period after the end of a fiscal year. The SFY2017 reconciliation payment estimate of $16,435,900 is for SFY2014. The SFY2018 reconciliation payment estimate of $17,180,000 is for SFY2015.

At the end of June 2015, there were roughly 104 LEAs participating in the program. The LEAs submit their claims through a third party vendor. The Centers for Medicare and Medicaid Services (CMS) reimburses LEAs according to the applicable FMAP for the contract year the Medicaid services are provided and also 50% of the third party vendor's administrative charges.

It is assumed that the FMAP will increase from 69.24% in FFY 2017 to 69.53% in FFY 2018 based on Federal Funds Information for States (FFIS) in Issue Brief 16-14 (March 25, 2016).

FFY	FMAP
Oct. 2015 – Sept. 2016	68.92%
Oct. 2016 – Sept. 2017	69.24%
Oct. 2017 – Sept. 2018	69.53%

As the single state Medicaid Agency for Arizona, AHCCCS draws down the Title XIX Federal Match for this program and passes those dollars through to the LEAs. Although AHCCCS only passes-through the Federal portion of the claims to the LEAs, by contract, each LEA must certify that it has met the state match requirement.

DSC METHODOLOGY

Based on recent data collections, AHCCCS assumes that the DSC program expenditures will grow but at a 2.5% annual rate for FY2017 and FY2018.

FY 2018 DSC EXPENDITURES

The DSC program Federal share expenditures are expected to decrease by $15,454,900 compared to the FY2016 estimate. The primary cause of the decrease is the later-than-expected payment of the 2013 Reconciliation in FY2016. See the table below for further explanation.

	FY 2016 Actual	FY 2017 Rebase	FY 2018 Request	FY 2018 Change
Direct Service	22,504,308	23,066,900	23,643,600	576,700
TPA Fee	2,179,146	2,233,600	2,289,500	55,900
Reconciliation Pymnts	15,542,590	16,435,900	17,180,000	744,100
DSC Total	40,226,044	41,736,400	43,113,100	1,376,700

MEDICAID ADMINISTRATIVE CLAIMING (MAC) PROGRAM DESCRIPTION/BACKGROUND

The Federal government permits state Medicaid agencies to claim reimbursement for activities that are necessary for the proper and efficient administration of the Medicaid state plan. Children receiving appropriate health services are better prepared to succeed in school, and in life, since poor health can interfere with the learning process.

The program, which was initiated in May 1997, reimburses LEAs for the cost of administrative activities, such as outreach, which support the Medicaid program. Schools are often involved in informing families of their potential eligibility for Medicaid or in helping them arrange medical appointments for the children. These activities are considered "administrative," and schools are able to receive reimbursement through Medicaid.

In May 2003, CMS published a comprehensive guide, entitled: "Medicaid School-Based Administrative Claiming Guide." The purpose of the guide was to inform schools, state Medicaid agencies, and other interested parties on the appropriate methods for claiming federal reimbursement for the costs of Medicaid administrative activities performed in the school setting.

The CMS guide, which was effective October 1, 2003, contains many significant changes related to the definition of claimable administrative costs and the time study procedure. AHCCCS experienced a significant decrease in claims following implementation of the guide.

MAC METHODOLOGY

MAC expenditures have been volatile since FY2005; therefore, AHCCCS assumed the MAC cost to be maintained at the FY2016 amount for both FY2017 and FY2018.

FY 2018 MAC EXPENDITURES

The following table summarizes cost estimates (Federal share only):

	FY 2016 Actual	FY 2017 Rebase	FY 2018 Request	FY 2018 Change
MAC	4,089,662	4,089,700	4,089,700	-

SCHOOL BASED SERVICES - FY 2018 REQUEST

The school based services programs are expected to require $1,376,700 more in federal authority compared to the rebased FY2017 estimate. This is a non-appropriated program that utilizes continuously appropriated funding.

Performance Measures to quantify the success of the solution:

- Increase the % of newly-enrolled CMDP Children who receive a behavioral health service at least once per month to 60%.

STATUTORY AUTHORITY

Individuals with Disabilities Education Act (IDEA)
Section 504 of the Rehabilitation Act of 1973
EPSDT (42 CFR Part 441, subpart B)
Allowable administrative claiming procedures (45 CFR parts 74 and 75)
SPA Amendment No. 11-007

- Attachment 3.1-A Limitations, pages 3-5(b)
- Attachment 4.19-B, pages 10-16

Arizona Health Care Cost Containment System
Fiscal Year 2018 Budget Submittal
School Based Services Program

	FY 2016 Actual	FY 2017 Rebase	FY 2018 Request	FY 2018 Change
Direct Service	22,504,308	23,066,900	23,643,600	576,700
TPA Fee	2,179,146	2,233,600	2,289,500	55,900
Reconciliation Pymnts	15,542,590	16,435,900	17,180,000	744,100
DSC Total	40,226,044	41,736,400	43,113,100	1,376,700
MAC	4,089,662	4,089,700	4,089,700	-
Total	44,315,705	45,826,100	47,202,800	1,376,700

Notes:
1) Budget is federal funds only.

Funding Issue Detail

Agency: HCA Arizona Health Care Cost Containment System

Issue: 1 School Based Services

Issue Category: Decision Package

Justification: see attached justification

Program: 8-1 Medicaid in the Public Schools

Fund: 2120-N AHCCCS Fund (Non-Appropriated)

Calculated ERE: $0.00

Uniform Allowance: $0.00

Justification:

Expenditure Categories	FY 2018
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
Subtotal Personal Services and ERE:	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food (Library for Universities)	0.0
Aid to Organizations & Individuals	1,376.7
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	1,376.7

Program Summary of Expenditures and Budget Request

Agency: HCA Arizona Health Care Cost Containment System
Program: 1 Administration

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Summary					
1-1001	Central Administration	77,814.4	95,784.8	726.3	96,511.1
1-1002	ADOA Data Center	13,009.1	5,717.5	10,008.7	15,726.2
1-1004	SLI DES Eligibility	71,172.9	54,874.5	38,000.0	92,874.5
1-1006	Title XIX Pass-Through - DHS	8.7	0.0	0.0	0.0
1-1011	Children's Health Insurance Program Administratio	420.5	1,719.9	0.0	1,719.9
	Program Summary Total:	162,425.6	158,096.7	48,735.0	206,831.7
Expenditure Categories					
0000	FTE Positions	0.0	0.0	4.6	4.6
6000	Personal Services	39,630.7	50,482.1	255.0	50,737.1
6100	Employee Related Expenses	16,576.7	20,642.8	101.1	20,743.9
6200	Professional and Outside Services	6,399.6	10,414.0	311.9	10,725.9
6500	Travel In-State	66.8	78.7	5.2	83.9
6600	Travel Out of State	27.0	34.0	4.8	38.8
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	5.8	0.0	0.0	0.0
7000	Other Operating Expenses	28,008.7	22,508.5	10,039.9	32,548.4
8000	Equipment	1,763.2	124.2	17.1	141.3
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	69,947.1	53,812.4	38,000.0	91,812.4
	Expenditure Categories Total:	162,425.6	158,096.7	48,735.0	206,831.7
Fund Source					
Appropriated Funds					
1000-A	General Fund (Appropriated)	52,177.4	55,004.1	3,501.3	58,505.4
2409-A	Children's Health Insurance Program (Appropriate	398.6	1,719.9	4,000.0	5,719.9
2546-A	Prescription Drug Rebate Fund (Appropriated)	402.3	198.1	301.9	500.0
		52,978.3	56,922.1	7,803.2	64,725.3
Non-Appropriated Funds					
2000-N	Federal Grant (Non-Appropriated)	1,116.1	2,014.6	0.0	2,014.6
2120-N	AHCCCS Fund (Non-Appropriated)	97,157.5	88,995.1	40,931.8	129,926.9
2438-N	AHCCCS Intergovernmental Service Fund (Non-Ap	7,965.0	7,920.3	0.0	7,920.3
2449-N	Employee Recognition Fund (Non-Appropriated)	1.8	1.8	0.0	1.8
2500-N	IGA and ISA Fund (Non-Appropriated)	3,179.6	2,215.5	0.0	2,215.5

All dollars are presented in thousands (not FTE).

Program Summary of Expenditures and Budget Request

Agency: HCA Arizona Health Care Cost Containment System
Program: 1 Administration

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
2567-N Nursing Facility Provider Assessment Fund (Non-A	27.3	27.3	0.0	27.3
	109,447.3	101,174.6	40,931.8	142,106.4
Fund Source Total:	162,425.6	158,096.7	48,735.0	206,831.7

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 1 Administration

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Fund: 1000-A General Fund (Appropriated)				
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
1-1001 Central Administration	22,204.6	27,788.2	212.3	28,000.5
1-1002 ADOA Data Center	4,149.9	1,724.7	3,289.0	5,013.7
1-1004 SLI DES Eligibility	25,801.0	25,491.2	0.0	25,491.2
1-1011 Children's Health Insurance Program Administrati	21.9	0.0	0.0	0.0
Total	52,177.4	55,004.1	3,501.3	58,505.4
Appropriated Funding				
Expenditure Categories				
FTE Positions	0.0	0.0	2.3	2.3
Personal Services	12,098.1	15,919.3	127.5	16,046.8
Employee Related Expenses	5,068.3	6,364.5	50.6	6,415.1
Professional and Outside Services	1,522.8	2,376.3	5.0	2,381.3
Travel In-State	18.7	20.8	2.6	23.4
Travel Out of State	10.6	12.3	2.4	14.7
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	2.9	0.0	0.0	0.0
Other Operating Expenses	6,782.1	5,617.8	3,304.6	8,922.4
Equipment	712.4	50.9	8.6	59.5
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	25,961.5	24,642.2	0.0	24,642.2
Expenditure Categories Total:	52,177.4	55,004.1	3,501.3	58,505.4
Fund 1000-A Total:	52,177.4	55,004.1	3,501.3	58,505.4
Program 1 Total:	52,177.4	55,004.1	3,501.3	58,505.4

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 1 Administration

Fund: 2000-N Federal Grant (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
1-1001 Central Administration	1,116.1	2,014.6	0.0	2,014.6
Total	1,116.1	2,014.6	0.0	2,014.6
Non-Appropriated Funding				
Expenditure Categories				
Personal Services	195.4	406.8	0.0	406.8
Employee Related Expenses	52.3	149.7	0.0	149.7
Professional and Outside Services	860.3	1,351.7	0.0	1,351.7
Travel In-State	2.0	0.2	0.0	0.2
Travel Out of State	4.9	0.5	0.0	0.5
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
Other Operating Expenses	1.2	103.8	0.0	103.8
Equipment	0.0	1.9	0.0	1.9
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	1,116.1	2,014.6	0.0	2,014.6
Fund 2000-N Total:	1,116.1	2,014.6	0.0	2,014.6
Program 1 Total:	1,116.1	2,014.6	0.0	2,014.6

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 1 Administration

Fund: 2120-N AHCCCS Fund (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
1-1001 Central Administration	42,014.9	55,619.0	212.1	55,831.1
1-1002 ADOA Data Center	8,859.2	3,992.8	6,719.7	10,712.5
1-1004 SLI DES Eligibility	46,283.4	29,383.3	34,000.0	63,383.3
Total	97,157.5	88,995.1	40,931.8	129,926.9
Non-Appropriated Funding				
Expenditure Categories				
FTE Positions	0.0	0.0	2.3	2.3
Personal Services	22,538.7	29,610.0	127.5	29,737.5
Employee Related Expenses	9,713.2	12,485.6	50.5	12,536.1
Professional and Outside Services	3,487.7	6,315.5	5.0	6,320.5
Travel In-State	46.1	57.2	2.6	59.8
Travel Out of State	11.5	20.3	2.4	22.7
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	2.9	0.0	0.0	0.0
Other Operating Expenses	14,886.7	12,258.3	6,735.3	18,993.6
Equipment	572.4	68.0	8.5	76.5
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	45,898.3	28,180.2	34,000.0	62,180.2
Expenditure Categories Total:	97,157.5	88,995.1	40,931.8	129,926.9
Fund 2120-N Total:	97,157.5	88,995.1	40,931.8	129,926.9
Program 1 Total:	97,157.5	88,995.1	40,931.8	129,926.9

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 1 Administration

Fund: 2409-A Children's Health Insurance Program (Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
1-1004 SLI DES Eligibility	0.0	0.0	4,000.0	4,000.0
1-1011 Children's Health Insurance Program Administrati	398.6	1,719.9	0.0	1,719.9
Total	398.6	1,719.9	4,000.0	5,719.9
Appropriated Funding				
Expenditure Categories				
FTE Positions	0.0	0.0	0.0	0.0
Personal Services	254.2	918.2	0.0	918.2
Employee Related Expenses	109.8	362.2	0.0	362.2
Professional and Outside Services	0.2	183.5	0.0	183.5
Travel In-State	0.0	0.5	0.0	0.5
Travel Out of State	0.0	0.9	0.0	0.9
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
Other Operating Expenses	24.5	251.2	0.0	251.2
Equipment	0.1	3.4	0.0	3.4
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	9.8	0.0	4,000.0	4,000.0
Expenditure Categories Total:	398.6	1,719.9	4,000.0	5,719.9
Fund 2409-A Total:	398.6	1,719.9	4,000.0	5,719.9
Program 1 Total:	398.6	1,719.9	4,000.0	5,719.9

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 1 Administration

Fund: 2438-N AHCCCS Intergovernmental Service Fund (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
1-1001 Central Administration	7,965.0	7,920.3	0.0	7,920.3
Total	7,965.0	7,920.3	0.0	7,920.3
Non-Appropriated Funding				
Expenditure Categories				
Personal Services	3,073.9	2,424.0	0.0	2,424.0
Employee Related Expenses	1,144.6	879.0	0.0	879.0
Professional and Outside Services	0.8	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
Other Operating Expenses	2,739.3	3,627.3	0.0	3,627.3
Equipment	16.4	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	990.0	990.0	0.0	990.0
Expenditure Categories Total:	7,965.0	7,920.3	0.0	7,920.3
Fund 2438-N Total:	7,965.0	7,920.3	0.0	7,920.3
Program 1 Total:	7,965.0	7,920.3	0.0	7,920.3

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 1 Administration

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Fund: 2449-N Employee Recognition Fund (Non-Appropriated)				
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
1-1001 Central Administration	1.8	1.8	0.0	1.8
Total	1.8	1.8	0.0	1.8
Non-Appropriated Funding				
Expenditure Categories				
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
Other Operating Expenses	1.8	1.8	0.0	1.8
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	1.8	1.8	0.0	1.8
Fund 2449-N Total:	1.8	1.8	0.0	1.8
Program 1 Total:	1.8	1.8	0.0	1.8

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 1 Administration

Fund: 2500-N IGA and ISA Fund (Non-Appropriated)

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures					
COST CENTER/PROGRAM BUDGET UNIT					
1-1001 Central Administration		4,082.4	2,215.5	0.0	2,215.5
1-1004 SLI DES Eligibility		(911.5)	0.0	0.0	0.0
1-1006 Title XIX Pass-Through - DHS		8.7	0.0	0.0	0.0
	Total	3,179.6	2,215.5	0.0	2,215.5
Non-Appropriated Funding					
Expenditure Categories					
Personal Services		1,425.3	1,174.2	0.0	1,174.2
Employee Related Expenses		469.4	391.4	0.0	391.4
Professional and Outside Services		162.8	1.6	0.0	1.6
Travel In-State		0.0	0.0	0.0	0.0
Travel Out of State		0.0	0.0	0.0	0.0
Food (Library for Universities)		0.0	0.0	0.0	0.0
Aid to Organizations and Individuals		0.0	0.0	0.0	0.0
Other Operating Expenses		3,572.7	648.3	0.0	648.3
Equipment		461.9	0.0	0.0	0.0
Capital Outlay		0.0	0.0	0.0	0.0
Debt Service		0.0	0.0	0.0	0.0
Cost Allocation		0.0	0.0	0.0	0.0
Transfers		(2,912.5)	0.0	0.0	0.0
Expenditure Categories Total:		3,179.6	2,215.5	0.0	2,215.5
Fund 2500-N Total:		3,179.6	2,215.5	0.0	2,215.5
Program 1 Total:		3,179.6	2,215.5	0.0	2,215.5

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 1 Administration

Fund: 2546-A Prescription Drug Rebate Fund (Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
1-1001 Central Administration	402.3	198.1	301.9	500.0
Total	402.3	198.1	301.9	500.0
Appropriated Funding				
Expenditure Categories				
FTE Positions	0.0	0.0	0.0	0.0
Personal Services	24.8	9.3	0.0	9.3
Employee Related Expenses	12.1	3.4	0.0	3.4
Professional and Outside Services	365.0	185.4	301.9	487.3
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
Other Operating Expenses	0.4	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	402.3	198.1	301.9	500.0
Fund 2546-A Total:	402.3	198.1	301.9	500.0
Program 1 Total:	402.3	198.1	301.9	500.0

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 1 Administration

Fund: 2567-N Nursing Facility Provider Assessment Fund (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
1-1001 Central Administration	27.3	27.3	0.0	27.3
Total	27.3	27.3	0.0	27.3
Non-Appropriated Funding				
Expenditure Categories				
Personal Services	20.3	20.3	0.0	20.3
Employee Related Expenses	7.0	7.0	0.0	7.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	27.3	27.3	0.0	27.3
Fund 2567-N Total:	27.3	27.3	0.0	27.3
Program 1 Total:	27.3	27.3	0.0	27.3

All dollars are presented in thousands (not FTE).

CENTRAL ADMINISTRATION

BUDGET JUSTIFICATION

These expenditures are appropriated for administration and operation of the Title XIX program. Administration responsibilities include eligibility determinations, rate negotiations, health plan auditing and financial oversight, and assisting with the formulation of new health plans. Other major Administration responsibilities include the development and maintenance of the management information system, policy development and research, and agency finance and accounting.

Arizona Department of Administration Data Center (ADOADC) and Children's Health Insurance Program (CHIP) administrative appropriations have been rolled into the Central Administration appropriation, however, for purposes of this budget submittal, they are being reported in there respective cost centers. Also included in the Central Administration appropriation is the Prescription Drug Rebate admin appropriation of $198,100.

The FY 2017 appropriation is $83,451,600 Total Fund ($27,788,200 General Fund).

Arizona Health Care Cost Containment System
Administrative Expenditures
Fiscal Year 2016

		Operating Lump Sum										
		1000	2120	2546		2000	2449	2120	2438	2500	2567	
		General Fund	AHCCCS Fund	Prescription Drug Rebate Fund	Total	Federal Grants	ERC	AHCCCS Fund	HAPA	IGA/ISA/Local Match	Nursing Facility Assessment	Total
Personal Services	6000	12,083.6	22,538.7	24.8	34,647.1	195.4	-	-	3,073.9	1,425.3	20.3	39,362.0
Employee Related Expenditures	6100	5,061.9	9,713.2	12.1	14,787.2	52.3	-	-	1,144.6	469.4	7.0	16,460.5
Professional & Outside Services												
Other External Financial Services	6219	50.2	273.6	-	323.8	-	-	-	-	161.2	-	485.0
External Legal Services	6222	147.3	147.3	-	294.6	-	-	-	-	-	-	294.6
Temporary Agency Services	6241	481.0	521.8	-	1,002.8	-	-	-	-	-	-	1,002.8
Other Medical Services	6259	209.4	628.1	-	837.5	-	-	-	-	1.6	-	839.1
Education & Training	6271	27.5	136.6	-	164.1	-	-	-	-	-	-	164.1
Other Professional & Outside Services	6299	607.6	1,780.3	365.0	2,752.9	860.3	-	-	-	0.8	-	3,614.0
Total Professional & Outside Services		1,523.0	3,487.7	365.0	5,375.7	860.3	-	-	-	163.6	-	6,399.6
Travel-In-State	6500	18.7	46.1	-	64.8	2.0	-	-	-	-	-	66.8
Travel-Out-State	6600	10.6	11.5	-	22.1	4.9	-	-	-	-	-	27.0
Aid to Organizations & Individuals	6800	2.9	2.9	-	5.8	-	-	-	-	-	-	5.8
Other Operating Expenditures												
Insurance & Related Charges	7110	102.6	102.6	-	205.2	-	-	-	-	-	-	205.2
Information Technology Services	7150	825.4	2,531.0	-	3,356.4	-	-	-	2,145.9	648.3	-	6,150.6
Utilities	7180	125.8	165.7	-	291.5	-	-	-	-	-	-	291.5
Rental Expenditures	7200	19.4	19.4	-	38.8	-	-	-	-	-	-	38.8
Building Rent Charges to State Agencies	7211	6.7	6.7	-	13.4	-	-	-	-	-	-	13.4
COP Building Rent	7216	12.6	38.6	-	51.2	-	-	-	-	-	-	51.2
Rental of Land & Buildings	7221	123.7	308.4	-	432.1	-	-	-	-	-	-	432.1
Repair & Maintenance	7250	846.9	1,315.8	0.4	2,163.1	-	-	-	571.0	914.7	-	3,648.8
Operating Supplies	7300	81.8	99.8	-	181.6	-	0.1	-	-	-	-	181.7
Conference, Education & Training	7450	20.3	19.4	-	39.7	1.1	-	-	-	-	-	40.8
Advertising	7460	0.9	0.9	-	1.8	-	-	-	-	-	-	1.8
Printing & Photography	7470	177.5	220.9	-	398.4	-	-	-	-	-	-	398.4
Postage & Delivery	7480	172.8	233.2	-	406.0	-	-	-	-	-	-	406.0
Miscellaneous Operating	7500	74.4	100.9	-	175.3	0.1	1.7	-	22.4	-	-	199.5
Depreciation Expense	7900	(169.3)	169.3	-	-	-	-	-	-	-	-	-
Total Other Operating Expenditures		2,421.5	5,332.6	0.4	7,754.5	1.2	1.8	-	2,739.3	1,563.0	-	12,059.8
Capital Equipment												
Vehicles - Capital Leases	8416	-	-	-	-	-	-	-	-	-	-	-
Furniture - Capital Leases	8426	-	-	-	-	-	-	-	-	-	-	-
Computer Equip - Capital Lease Pmts	8436	-	-	-	-	-	-	-	-	-	-	-
EDP Equip - Midrange - Capital Leases	8446	-	-	-	-	-	-	-	-	-	-	-
EDP Equip - PCs/LAN - Capital Leases	8456	-	-	-	-	-	-	-	-	-	-	-
Telecom Equipment Capital Leases	8466	-	-	-	-	-	-	-	-	-	-	-
Other Equipment - Capital Leases	8476	-	-	-	-	-	-	-	-	-	-	-
Capital Equipment Purchases	84XX	343.4	171.9	-	515.3	-	-	-	-	-	-	515.3
Total Capital Equipment		343.4	171.9	-	515.3	-	-	-	-	-	-	515.3
Non-Capital Resources												
Furniture and Furnishings - To Be Expensed	8520	35.5	35.5	-	71.0	-	-	-	-	-	-	71.0
Computer Equipment - To Be Expensed	8530	117.5	117.5	-	235.0	-	-	-	0.8	-	-	235.8
Telecommunications Equipment - To Be Expensed	8560	5.0	8.0	-	13.0	-	-	-	-	-	-	13.0
Other Equipment - To Be Expensed	8570	2.0	2.0	-	4.0	-	-	-	-	-	-	4.0
Non-Capitalized Intangible Resources	8580	209.0	237.5	-	446.5	-	-	-	15.6	461.9	-	924.0
Total Non-Capital Resources		369.0	400.5	-	769.5	-	-	-	16.4	461.9	-	1,247.8
Transfers-Out	9100	370.0	309.8	-	679.8	-	-	-	990.0	-	-	1,669.8
Total AHCCCS Administrative Expenditures		22,204.6	42,014.9	402.3	64,621.8	1,116.1	1.8	-	7,964.2	4,083.2	27.3	77,814.4

Arizona Health Care Cost Containment System
Administrative Expenditures
Fiscal Year 2017

		Operating Lump Sum										
		1000	2120	2546		2000	2449	2120	2438	2500	2567	
		General Fund	AHCCCS Fund	Prescription Drug Rebate Fund	Total	Federal Grants	ERC	AHCCCS Fund	HAPA	IGA/ISA/Local Match	Nursing Facility Assessment	Total
:onal Services	6000	15,919.3	29,500.0	9.3	45,428.6	406.8	-	110.0	2,424.0	1,174.2	20.3	49,563.9
ıloyee Related Expenditures	6100	6,364.5	12,441.9	3.4	18,809.8	149.7	-	43.6	879.0	391.4	7.0	20,280.6
'essional & Outside Services												
ther External Financial Services	6219	143.2	380.5	11.2	534.8	-	-	-	-	-	-	534.8
xternal Legal Services	6222	130.2	346.0	10.2	486.4	-	-	-	-	-	-	486.4
emporary Agency Services	6241	443.3	1,178.2	34.6	1,656.1	-	-	-	-	-	-	1,656.1
ther Medical Services	6259	370.2	984.0	28.9	1,383.1	-	-	-	-	-	-	1,383.1
ducation & Training	6271	72.5	192.7	5.7	270.9	-	-	-	-	-	-	270.9
ther Professional & Outside Services	6299	1,216.9	3,234.1	94.9	4,545.9	1,351.7	-	-	-	1.6	-	5,899.2
Total Professional & Outside Services		2,376.3	6,315.5	185.4	8,877.2	1,351.7	-	-	-	1.6	-	10,230.5
'el-In-State	6500	20.8	57.2	-	78.0	0.2	-	-	-	-	-	78.2
el-Out-State	6600	12.3	20.3	-	32.6	0.5	-	-	-	-	-	33.1
ar Operating Expenditures												
ısurance & Related Charges	7110	75.4	186.8	-	262.2	-	-	-	-	-	-	262.2
ıformation Technology Services	7150	1,233.3	3,056.8	-	4,290.1	82.7	1.4	-	2,889.4	516.4	-	7,780.1
tilities	7180	107.1	265.5	-	372.7	-	-	-	-	-	-	372.7
ental Expenditures	7200	14.3	35.4	-	49.7	-	-	-	-	-	-	49.7
uilding Rent Charges to State Agencies	7211	4.9	12.2	-	17.1	-	-	-	-	-	-	17.1
DP Building Rent	7216	18.8	46.6	-	65.4	-	-	-	-	-	-	65.4
ental of Land & Buildings	7221	158.8	393.6	-	552.4	-	-	-	-	-	-	552.4
epair & Maintenance	7250	794.9	1,970.1	-	2,765.0	17.9	0.3	-	626.0	111.9	-	3,521.0
perating Supplies	7300	66.7	165.3	-	232.0	-	-	-	-	-	-	232.0
onference, Education & Training	7450	14.6	36.2	-	50.8	-	-	-	-	-	-	50.8
dvertising	7460	0.6	1.6	-	2.3	-	-	-	-	-	-	2.3
rinting & Photography	7470	146.4	362.9	-	509.3	-	-	-	-	-	-	509.3
ostage & Delivery	7480	149.2	369.7	-	518.9	-	-	-	-	-	-	518.9
liscellaneous Operating	7500	64.4	159.6	-	224.0	3.2	0.1	-	112.0	20.0	-	359.2
Total Other Operating Expenditures		2,849.4	7,062.4	-	9,911.8	103.8	1.8	-	3,627.3	648.3	-	14,293.0
tal Equipment												
Vehicles - Capital Leases	8416	-	-	-	-	-	-	-	-	-	-	-
Furniture - Capital Leases	8426	-	-	-	-	-	-	-	-	-	-	-
Computer Equip - Capital Lease Pmts	8436	-	-	-	-	-	-	-	-	-	-	-
EDP Equip - Midrange - Capital Leases	8446	-	-	-	-	-	-	-	-	-	-	-
EDP Equip - PCs/LAN - Capital Leases	8456	-	-	-	-	-	-	-	-	-	-	-
Telecom Equipment Capital Leases	8466	-	-	-	-	-	-	-	-	-	-	-
Other Equipment - Capital Leases	8476	-	-	-	-	-	-	-	-	-	-	-
Capital Equipment Purchases	84XX	39.4	52.6	-	92.0	1.6	-	-	-	-	-	93.6
Total Capital Equipment		39.4	52.6	-	92.0	1.6	-	-	-	-	-	93.6
-Capital Resources												
ırniture and Furnishings - To Be Expensed	8520	1.1	1.4	-	2.5	-	-	-	-	-	-	2.5
omputer Equipment - To Be Expensed	8530	3.5	4.7	-	8.2	-	-	-	-	-	-	8.2
elecommunications Equipment - To Be Expensed	8560	0.2	0.3	-	0.5	-	-	-	-	-	-	0.5
ther Equipment - To Be Expensed	8570	0.1	0.1	-	0.1	0.2	-	-	-	-	-	0.3
on-Capitalized Intangible Resources	8580	6.7	8.9	-	15.6	-	-	-	-	-	-	15.6
Total Non-Capital Resources		11.5	15.4	-	26.9	0.2	-	-	-	-	-	27.1
ransfers-Out	9100	194.7	-	-	194.7	-	-	-	990.0	-	-	1,184.7
otal AHCCCS Administrative Expenditures		27,788.2	55,465.3	198.1	83,451.6	2,014.6	1.8	153.6	7,920.3	2,215.6	27.2	95,784.8

AHCCCS ADMINISTRATION

FUND SUMMARY JUSTIFICATION

1000 – OPERATING LUMP SUM – GENERAL FUND
This fund contains all general fund expenditures that are part of the operating lump sum appropriation. These expenditures are appropriated for administration and operation of the Title XIX program.

2120 – OPERATING LUMP SUM – AHCCCS FUND
This fund contains all Federal Title XIX expenditures that are part of the operating lump sum appropriation. In addition, during FY 2017 this fund is used for School Based Claims and Imaging expenditures.

2546 – OPERATING LUMP SUM – PRESCRIPTION DRUG REBATE FUND
This fund contains all prescription drug rebate expenditures that are part of the operating lump sum appropriation. These expenditures are appropriated for administration and operation of the Prescription Drug Rebate program.

2438 – AHCCCS INTERGOVERNMENTAL SERVICE FUND
This fund is used to report expenditures related to the agreement between AHCCCS and the State of Hawaii for the development and management of its Medicaid Information System.

2000 – FEDERAL GRANT
This fund is used for various federal grants.

2500 – IGA AND ISA FUND
This fund is used for expenditures resulting from intergovernmental agreements with other Arizona state agencies for facilities, equipment, or services. Expenditures in FY 2017 consist of the cost of providing services to agencies such as Department of Economic Services, Department of Health Services, Maricopa County, Pima County, and Department of Corrections. Services provided to these entities include eligibility and health care for inmates in county jails and Arizona prisons.

2449 – EMPLOYEE RECOGNITION FUND
This fund is used for expenditures related to activities held by the Employee Recognition Committee (ERC) to honor and recognize employees for the work they do at AHCCCS.

2567 – NURSING FACILITY ASSESSMENT FUND
This fund, as it relates to central administration expenditures, is used to report administrative costs related to the Nursing Facility Tax Assessment.

AHCCCS ADMINISTRATION

COMPTROLLER SOURCE GROUP 6200 - PROFESSIONAL AND OUTSIDE SERVICES

6219 – OTHER EXTERNAL FINANCIAL SERVICES
The agency, during the course of the fiscal year, will acquire services from external entities that will be charged under this Source Group. These external services will include, but are not be limited to, some internal auditing as set forth by the Single Audit Act of 1984 and the Single Audit Act Amendments of 1996 (P.L. 98-502 and P.L. 104-156 respectively), rate setting, and researching historical and present financial data in areas of interest to the agency, the legislature, and the public. The detailed and extensive services provided by such vendors increase the accuracy of the agency's financial expectation calculations and in turn, eliminate the need of time-consuming adjustments and requests.

6222 – EXTERNAL LEGAL SERVICES
External legal services will be obtained for legal proceeding representation, complaint responding, and research. The need for these services may increase during the fiscal year due to changes in the AHCCCS programs and other legislative changes that may result in additional litigation.

6241 – TEMPORARY AGENCY SERVICES
Temporary services are usually required when full-time employees are on extended leave due to illness or maternity leave or while the agency is waiting to fill positions, especially during peak workload periods. AHCCCS has continued its efforts to reduce the use of temporary services; however, temporary services are still required for the timely processing of provider registration and claims imaging in the Office of Inspector General.

6259 – OTHER MEDICAL SERVICES
Physician Consultants are regularly acquired by the agency to complete medical assessments that need further analysis to determine eligibility. This area is also used for Reinsurance research, concurrent FFS Medical Reviews, Medical Audits, and External Quality Review Organizations (EQRO) Annual Reports.

6271 – EDUCATION & TRAINING
External companies or individuals occasionally provide AHCCCS' employees training services such as coding for medical billing training and certification.

6291 – NON-EMPLOYEE TRAVEL
At times, the agency may be obligated to pay travel expenses for consultants.

6299 – OTHER PROFESSIONAL & OUTSIDE SERVICES
Services that are categorized and paid under this comptroller Source Group include language interpretation services for program members and form translation. Additional services in this category include agency security, IKON facilities management, ComPsych (employee assistance program), programmatic and management research, and fingerprint processing for AHCCCS employees through the Arizona Department of Public Safety.

AHCCCS ADMINISTRATION

COMPTROLLER SOURCE GROUP 6500 – TRAVEL IN-STATE

All expenses associated with in-state travel are charged to this line. Expenditures in this Comptroller Source Group include mileage, motor pool charges, lodging, meals and incidentals, travel advances and other miscellaneous travel expenditures. However, operations have changed significantly and have resulted in reduced travel. For example, travel needs have decreased greatly for hiring and training staff due to the use of e-learning and telephonic interviewing. In addition, meetings, regional conferences, workshops and other trips that used to require travel are now being done through I-Link (web conferencing tool). Due to the current budget situation in-state travel is subject to scrutiny, and only the most important or required travel will occur.

In-State Travel for Program Support Administration:

Office of Eligibility Training

In the past, training related activities in the agency involving eligibility and ACE would require extensive travel; however, much of the current training is done via e-learning and does not require travel.

In-State Travel for ALTCS Eligibility Administration:

Central Office Middle Management On-Site Visits

Previously, these visits were scheduled in each Regional/Branch office on an annual or bi-annual basis; however, these bi-annual conferences are now done almost exclusively via telephone and/or I-link. Travel for this purpose is now on an as-needed basis and reserved for situations that cannot be resolved otherwise. In these cases, Management staff utilizes state vehicles and frequently delivers goods from other divisions to minimize additional trips and save on postage. Travel costs could include overnight accommodations at a hotel within the allowable cost and per diem when visits occur outside the metro Phoenix area.

Central Office Medical PAS, Quality Control and Quality Assurance (Financial) On-Site Visits

Many of these visits have also moved from on-site visits to electronic communication. The QA/QC process has been revised to allow for more system review and less travel to field offices to reduce travel expenses. The one exception to this is the PAS evaluations which must occur in person and in the home setting.

Regional Managers Meetings

Previously, these meetings were held at Central Office every two months. Regional Managers from Kingman, Flagstaff, Tucson, and Casa Grande would incur accommodations and per diem expenses; however, these meetings are now conducted as needed via electronic means of communication.

General Travel In-State

This includes all other travel expenses that may be incurred throughout the Agency. This may include, but is not limited to, Contracts Management and field office maintenance, the Agency's Native American Coordinator to meet with IHS and other tribal organizations, and agency representation in informational seminars or gatherings.

AHCCCS ADMINISTRATION

COMPTROLLER SOURCE GROUP 6600 – TRAVEL OUT-OF-STATE

All expenses associated with out-of-state travel are charged to this line. These expenditures include airfare, car rental, lodging, per diem, and other miscellaneous out-of-state travel costs. Due to the current budget climate all out-of-state travel is subject to scrutiny, and only the most important or required travel will be approved.

Travel-Out for Compliance
At certain times during the fiscal year, agency staff will be subject to travel out-of-state. This is requested to comply with CMS' requests for AHCCCS attendance at meetings at the home office in Washington or other sites. Typically the Office of the Director is responsible for attending these meetings or functions.

Travel-Out for Seminars and/or Research
Travel out-of-state is done by the agency for seminars in addition to the above-mentioned meetings. Seminars are not attended frequently, but do occur throughout the fiscal year.

AHCCCS ADMINISTRATION

COMPTROLLER SOURCE GROUP 7000 – OTHER OPERATING EXPENDITURES

7110 – INSURANCE AND RELATED CHARGES
The agency pays risk management charges in this area. These charges are published in the Appropriation Report and must be paid to ADOA.

7150 – INFORMATION TECHNOLOGY SERVICES
This expenditure area is needed for mainframe programming and services, internal and external programming and services, data processing, and telecommunication charges; including the mandatory AZNET payments.

7180 – UTILITIES
The agency is responsible for paying utility costs of its central and outlying field offices across Arizona which provides AHCCCS program administrative services to its members. Recent reductions in rental space have reduced utility costs within the Agency. Additionally, the Agency has implemented a number of cost saving energy initiatives over the past years.

7200 – RENTAL EXPENDITURES
As mentioned above in 7180, the agency has a number of outlying field offices across Arizona. All rent and lease costs are paid under this Comptroller Source Group. Expenditures have been reduced in this Comp Obj. due to our ongoing efforts to renegotiate rental agreements and reduce rental space.

7230 – INTEREST PAYMENTS
Interest charges for lease purchases are paid under this Comptroller Source Group.

7250 – REPAIR & MAINTENANCE
Repairs and maintenance to all AHCCCS office buildings (including outlying field offices), equipment, and agency vehicles are paid under this Comptroller Source Group. Repairs and maintenance includes, but is not limited to, IT equipment, facilities (air conditioning/heat/ventilation), and vehicles.

7300 – OPERATING SUPPLIES
As with all other state agencies, this area is a general operating supplies category. A variety of agency supply expenditures are paid for under this Comptroller Source Group including office supplies, data processing supplies, housekeeping supplies, building and non-building repair, and maintenance supplies.

7450 – CONFERENCE, EDUCATION, AND TRAINING
Eligible employees may apply for and receive tuition reimbursement and other training to promote employee education and better work ethics. Included in this Comptroller Source Group are things such as continuing education classes, seminars, and workshops.

7460 – ADVERTISING
AHCCCS' advertising expenses include advertising for outreach programs. Generally, recruitment advertising contributes to the greatest percentage of expenditures under this Comptroller Source Group.

7470 – PRINTING AND PHOTOGRAPHY
Agency printing and photography for all program brochures and flyers are paid under this Comptroller Source Group. Also, many reports and informational packets that are mandated reporting requirements handed down from the legislature, the Governor, and CMS are included under this Comptroller Source Group.

7480 – POSTAGE AND DELIVERY
All mailing of forms, brochures, flyers, change notifications, status letters, reports, and informational packets are charged under Postage and Delivery. The costs in this area have increased over the last few years due to increases in postage rates. The agency uses electronic mailing when feasible.

7500 – MISCELLANEOUS OPERATING
Operating expenses not covered elsewhere are charged under this Comptroller Source Group.

7900 – DEPRECIATION EXPENSE
AHCCCS complies with depreciation accounting methods and requirements as set forth by the General Accounting Office (GAO).

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 1-1001 Central Administration

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	855.3	967.3	4.6	971.9
6000	Personal Services	39,362.0	49,563.9	255.0	49,818.9
6100	Employee Related Expenses	16,460.5	20,280.6	101.1	20,381.7
6200	Professional and Outside Services	6,399.6	10,230.5	311.9	10,542.4
6500	Travel In-State	66.8	78.2	5.2	83.4
6600	Travel Out of State	27.0	33.1	4.8	37.9
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	5.8	0.0	0.0	0.0
7000	Other Operating Expenses	12,059.8	14,293.0	31.2	14,324.2
8000	Equipment	1,763.1	120.8	17.1	137.9
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	1,669.8	1,184.7	0.0	1,184.7
	Expenditure Categories Total:	77,814.4	95,784.8	726.3	96,511.1
Fund Source					
Appropriated Funds					
1000-A	General Fund (Appropriated)	22,204.6	27,788.2	212.3	28,000.5
2546-A	Prescription Drug Rebate Fund (Appropriated)	402.3	198.1	301.9	500.0
		22,606.9	27,986.3	514.2	28,500.5
Non-Appropriated Funds					
2000-N	Federal Grant (Non-Appropriated)	1,116.1	2,014.6	0.0	2,014.6
2120-N	AHCCCS Fund (Non-Appropriated)	42,014.9	55,619.0	212.1	55,831.1
2438-N	AHCCCS Intergovernmental Service Fund (Non-Ap	7,965.0	7,920.3	0.0	7,920.3
2449-N	Employee Recognition Fund (Non-Appropriated)	1.8	1.8	0.0	1.8
2500-N	IGA and ISA Fund (Non-Appropriated)	4,082.4	2,215.5	0.0	2,215.5
2567-N	Nursing Facility Provider Assessment Fund (Non-A	27.3	27.3	0.0	27.3
		55,207.5	67,798.5	212.1	68,010.6
	Fund Source Total:	77,814.4	95,784.8	726.3	96,511.1

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 1-1001 Central Administration

Fund: 1000-A General Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Appropriated					
0000	FTE	367.3	400.9	2.3	403.2
6000	Personal Services	12,083.6	15,919.3	127.5	16,046.8
6100	Employee Related Expenses	5,061.9	6,364.5	50.6	6,415.1
6200	Professional and Outside Services	1,523.0	2,376.3	5.0	2,381.3
6500	Travel In-State	18.7	20.8	2.6	23.4
6600	Travel Out of State	10.6	12.3	2.4	14.7
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	2.9	0.0	0.0	0.0
7000	Other Operating Expenses	2,421.5	2,849.4	15.6	2,865.0
8000	Equipment	712.4	50.9	8.6	59.5
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	370.0	194.7	0.0	194.7
Appropriated Total:		22,204.6	27,788.2	212.3	28,000.5
Fund Total:		22,204.6	27,788.2	212.3	28,000.5
Program Total For Selected Funds:		22,204.6	27,788.2	212.3	28,000.5

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 1-1001 Central Administration

Fund: 2000-N Federal Grant Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	195.4	406.8	0.0	406.8
6100	Employee Related Expenses	52.3	149.7	0.0	149.7
6200	Professional and Outside Services	860.3	1,351.7	0.0	1,351.7
6500	Travel In-State	2.0	0.2	0.0	0.2
6600	Travel Out of State	4.9	0.5	0.0	0.5
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000	Other Operating Expenses	1.2	103.8	0.0	103.8
8000	Equipment	0.0	1.9	0.0	1.9
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Non-Appropriated Total:	1,116.1	2,014.6	0.0	2,014.6
	Fund Total:	1,116.1	2,014.6	0.0	2,014.6
	Program Total For Selected Funds:	1,116.1	2,014.6	0.0	2,014.6

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 1-1001 Central Administration

Fund: 2120-N AHCCCS Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	486.0	564.4	2.3	566.7
6000	Personal Services	22,538.7	29,610.0	127.5	29,737.5
6100	Employee Related Expenses	9,713.2	12,485.6	50.5	12,536.1
6200	Professional and Outside Services	3,487.7	6,315.5	5.0	6,320.5
6500	Travel In-State	46.1	57.2	2.6	59.8
6600	Travel Out of State	11.5	20.3	2.4	22.7
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	2.9	0.0	0.0	0.0
7000	Other Operating Expenses	5,332.6	7,062.4	15.6	7,078.0
8000	Equipment	572.4	68.0	8.5	76.5
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	309.8	0.0	0.0	0.0
	Non-Appropriated Total:	42,014.9	55,619.0	212.1	55,831.1
	Fund Total:	42,014.9	55,619.0	212.1	55,831.1
	Program Total For Selected Funds:	42,014.9	55,619.0	212.1	55,831.1

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 1-1001 Central Administration

Fund: 2438-N AHCCCS Intergovernmental Service Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	3,073.9	2,424.0	0.0	2,424.0
6100	Employee Related Expenses	1,144.6	879.0	0.0	879.0
6200	Professional and Outside Services	0.8	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000	Other Operating Expenses	2,739.3	3,627.3	0.0	3,627.3
8000	Equipment	16.4	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	990.0	990.0	0.0	990.0
	Non-Appropriated Total:	7,965.0	7,920.3	0.0	7,920.3
	Fund Total:	7,965.0	7,920.3	0.0	7,920.3
	Program Total For Selected Funds:	7,965.0	7,920.3	0.0	7,920.3

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 1-1001 Central Administration

Fund: 2449-N Employee Recognition Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000	Other Operating Expenses	1.8	1.8	0.0	1.8
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Non-Appropriated Total:	1.8	1.8	0.0	1.8
	Fund Total:	1.8	1.8	0.0	1.8
	Program Total For Selected Funds:	1.8	1.8	0.0	1.8

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 1-1001 Central Administration

Fund: 2500-N IGA and ISA Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	1,425.3	1,174.2	0.0	1,174.2
6100	Employee Related Expenses	469.4	391.4	0.0	391.4
6200	Professional and Outside Services	162.8	1.6	0.0	1.6
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000	Other Operating Expenses	1,563.0	648.3	0.0	648.3
8000	Equipment	461.9	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Non-Appropriated Total:	4,082.4	2,215.5	0.0	2,215.5
	Fund Total:	4,082.4	2,215.5	0.0	2,215.5
	Program Total For Selected Funds:	4,082.4	2,215.5	0.0	2,215.5

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 1-1001 Central Administration

Fund: 2546-A Prescription Drug Rebate Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Appropriated					
0000	FTE	2.0	2.0	0.0	2.0
6000	Personal Services	24.8	9.3	0.0	9.3
6100	Employee Related Expenses	12.1	3.4	0.0	3.4
6200	Professional and Outside Services	365.0	185.4	301.9	487.3
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000	Other Operating Expenses	0.4	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Appropriated Total:		402.3	198.1	301.9	500.0
Fund Total:		402.3	198.1	301.9	500.0
Program Total For Selected Funds:		402.3	198.1	301.9	500.0

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 1-1001 Central Administration

Fund: 2567-N Nursing Facility Provider Assessment Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	20.3	20.3	0.0	20.3
6100	Employee Related Expenses	7.0	7.0	0.0	7.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Non-Appropriated Total:	27.3	27.3	0.0	27.3
Fund Total:		27.3	27.3	0.0	27.3
Program Total For Selected Funds:		27.3	27.3	0.0	27.3

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 1-1001 Central Administration

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	855.3	967.3
Expenditure Category Total	855.3	967.3
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	367.3	400.9
2546-A Prescription Drug Rebate Fund (Appropriated)	2.0	2.0
	369.3	402.9
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	486.0	564.4
	486.0	564.4
Fund Source Total	855.3	967.3

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	39,362.0	49,563.9
Boards and Commissions	0.0	0.0
Expenditure Category Total	39,362.0	49,563.9
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	12,083.6	15,919.3
2546-A Prescription Drug Rebate Fund (Appropriated)	24.8	9.3
	12,108.4	15,928.6
Non-Appropriated		
2000-N Federal Grant (Non-Appropriated)	195.4	406.8
2120-N AHCCCS Fund (Non-Appropriated)	22,538.7	29,610.0
2438-N AHCCCS Intergovernmental Service Fund (Non-Appropriated	3,073.9	2,424.0
2500-N IGA and ISA Fund (Non-Appropriated)	1,425.3	1,174.2
2567-N Nursing Facility Provider Assessment Fund (Non-Appropriate	20.3	20.3
	27,253.6	33,635.3
Fund Source Total	39,362.0	49,563.9

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	16,460.5	20,280.6

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 1-1001 Central Administration

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Expenditure Category Total	16,460.5	20,280.6
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	5,061.9	6,364.5
2546-A Prescription Drug Rebate Fund (Appropriated)	12.1	3.4
	5,074.0	6,367.9
Non-Appropriated		
2000-N Federal Grant (Non-Appropriated)	52.3	149.7
2120-N AHCCCS Fund (Non-Appropriated)	9,713.2	12,485.6
2438-N AHCCCS Intergovernmental Service Fund (Non-Appropriated	1,144.6	879.0
2500-N IGA and ISA Fund (Non-Appropriated)	469.4	391.4
2567-N Nursing Facility Provider Assessment Fund (Non-Appropriate	7.0	7.0
	11,386.5	13,912.7
Fund Source Total	16,460.5	20,280.6

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	485.0	534.7
Attorney General Legal Services	0.0	0.0
External Legal Services	294.6	486.4
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	1,002.8	1,656.1
Hospital Services	0.0	0.0
Other Medical Services	839.1	1,384.8
Institutional Care	0.0	0.0
Education And Training	164.1	270.9
Vendor Travel	1.5	1.0
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0
Other Professional And Outside Services	3,612.5	5,896.6

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 1-1001 Central Administration

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
Expenditure Category Total	6,399.6	10,230.5
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	1,523.0	2,376.3
2546-A Prescription Drug Rebate Fund (Appropriated)	365.0	185.4
	1,888.0	2,561.7
Non-Appropriated		
2000-N Federal Grant (Non-Appropriated)	860.3	1,351.7
2120-N AHCCCS Fund (Non-Appropriated)	3,487.7	6,315.5
2438-N AHCCCS Intergovernmental Service Fund (Non-Appropriated	0.8	0.0
2500-N IGA and ISA Fund (Non-Appropriated)	162.8	1.6
	4,511.6	7,668.8
Fund Source Total	6,399.6	10,230.5

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	66.8	78.2
Expenditure Category Total	66.8	78.2
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	18.7	20.8
	18.7	20.8
Non-Appropriated		
2000-N Federal Grant (Non-Appropriated)	2.0	0.2
2120-N AHCCCS Fund (Non-Appropriated)	46.1	57.2
	48.1	57.4
Fund Source Total	66.8	78.2

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	27.0	33.1
Expenditure Category Total	27.0	33.1
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	10.6	12.3
	10.6	12.3
Non-Appropriated		
2000-N Federal Grant (Non-Appropriated)	4.9	0.5
2120-N AHCCCS Fund (Non-Appropriated)	11.5	20.3
	16.4	20.8
Fund Source Total	27.0	33.1

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 1-1001 Central Administration

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	5.8	0.0
Expenditure Category Total	5.8	0.0
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	2.9	0.0
	2.9	0.0
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	2.9	0.0
	2.9	0.0
Fund Source Total	5.8	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	205.2	262.2
Information Technology Services	6,150.6	7,780.0
Utilities	291.5	372.5
Non-Building or Land Rent	38.8	49.7
Building Rent Charges to State Agencies	13.4	17.1
COP Building Rent Charges to State Agencies	51.2	65.4
Rental of Land & Buildings	432.1	552.4
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	0.0	0.0
Repair & Maintenance	3,648.8	3,521.0
Software Support and Maintenance	0.0	0.0
Operating Supplies	181.7	232.2
Resale Supplies	0.0	0.0
Sales of Assets	0.0	0.0
Conference, Education & Training	40.8	50.8
Advertising	1.8	2.3
Printing & Photography	398.4	509.3
Postage & Delivery	406.0	518.9
Miscellaneous Operating	199.5	359.2
Depreciation Expense	0.0	0.0

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 1-1001 Central Administration

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Expenditure Category Total	12,059.8	14,293.0
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	2,421.5	2,849.4
2546-A Prescription Drug Rebate Fund (Appropriated)	0.4	0.0
	2,421.9	2,849.4
Non-Appropriated		
2000-N Federal Grant (Non-Appropriated)	1.2	103.8
2120-N AHCCCS Fund (Non-Appropriated)	5,332.6	7,062.4
2438-N AHCCCS Intergovernmental Service Fund (Non-Appropriated	2,739.3	3,627.3
2449-N Employee Recognition Fund (Non-Appropriated)	1.8	1.8
2500-N IGA and ISA Fund (Non-Appropriated)	1,563.0	648.3
	9,637.9	11,443.6
Fund Source Total	12,059.8	14,293.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	515.3	93.7
Vehicles - Non-Capital	0.0	0.0
Furniture - Non-Capital	71.0	2.5
EDP Equipment - Mainframe - Non-Capital	235.8	8.2
Telecommunication Equipment - Non Capital	13.0	0.5
Other Equipment - Non-Capital	4.0	0.3
Purchased Or Licensed Software/Website	924.0	15.6
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	1,763.1	120.8
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	712.4	50.9
	712.4	50.9
Non-Appropriated		
2000-N Federal Grant (Non-Appropriated)	0.0	1.9
2120-N AHCCCS Fund (Non-Appropriated)	572.4	68.0
2438-N AHCCCS Intergovernmental Service Fund (Non-Appropriated	16.4	0.0
2500-N IGA and ISA Fund (Non-Appropriated)	461.9	0.0
	1,050.7	69.9
Fund Source Total	1,763.1	120.8

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 1-1001 Central Administration

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	1,669.8	1,184.7
Expenditure Category Total	1,669.8	1,184.7
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	370.0	194.7
	370.0	194.7
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	309.8	0.0
2438-N AHCCCS Intergovernmental Service Fund (Non-Appropriated	990.0	990.0
	1,299.8	990.0
Fund Source Total	1,669.8	1,184.7

Employee Retirement Coverage

Retirement System	FTE	Personal Services	Fund#
State Retirement System	400.9	15,919.3	1000-A
State Retirement System	564.4	29,610.0	2120-N
State Retirement System	2.0	9.3	2546-A
State Retirement System	0.0	406.8	2000-N
State Retirement System	6.5	2,424.0	2438-N
State Retirement System	0.0	1,174.2	2500-N
State Retirement System	0.0	20.3	2567-N

All dollars are presented in thousands (not FTE).

ARIZONA DEPARTMENT OF ADMINISTRATION (ADOA) DATA CENTER

BUDGET JUSTIFICATION

These are costs associated with the agency's usage of mainframe computing services provided by ADOA. The ADOA Data Center appropriation was rolled into the Central Administration appropriation; however, for purposes of this budget submittal, the costs will be shown in the ADOA Data Center cost center.

The FY 2017 allocation (within the Central Administration appropriation) is $5,717,500 ($1,724,700 General Fund).

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 1-1002 ADOA Data Center

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000	Other Operating Expenses	13,009.1	5,717.5	10,008.7	15,726.2
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Expenditure Categories Total:	13,009.1	5,717.5	10,008.7	15,726.2
Fund Source					
Appropriated Funds					
1000-A	General Fund (Appropriated)	4,149.9	1,724.7	3,289.0	5,013.7
		4,149.9	1,724.7	3,289.0	5,013.7
Non-Appropriated Funds					
2120-N	AHCCCS Fund (Non-Appropriated)	8,859.2	3,992.8	6,719.7	10,712.5
		8,859.2	3,992.8	6,719.7	10,712.5
	Fund Source Total:	13,009.1	5,717.5	10,008.7	15,726.2

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 1-1002 ADOA Data Center

Fund: 1000-A General Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000	Other Operating Expenses	4,149.9	1,724.7	3,289.0	5,013.7
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Appropriated Total:		4,149.9	1,724.7	3,289.0	5,013.7
Fund Total:		4,149.9	1,724.7	3,289.0	5,013.7
Program Total For Selected Funds:		4,149.9	1,724.7	3,289.0	5,013.7

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 1-1002 ADOA Data Center

Fund: 2120-N AHCCCS Fund

Non-Appropriated		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000	Other Operating Expenses	8,859.2	3,992.8	6,719.7	10,712.5
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Non-Appropriated Total:		8,859.2	3,992.8	6,719.7	10,712.5
Fund Total:		8,859.2	3,992.8	6,719.7	10,712.5
Program Total For Selected Funds:		8,859.2	3,992.8	6,719.7	10,712.5

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 1-1002 ADOA Data Center

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	0.0	0.0
Boards and Commissions	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	0.0	0.0
Attorney General Legal Services	0.0	0.0
External Legal Services	0.0	0.0
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	0.0	0.0
Hospital Services	0.0	0.0
Other Medical Services	0.0	0.0
Institutional Care	0.0	0.0
Education And Training	0.0	0.0
Vendor Travel	0.0	0.0
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0
Other Professional And Outside Services	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 1-1002 ADOA Data Center

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	0.0	0.0
Information Technology Services	13,009.1	5,717.5
Utilities	0.0	0.0
Non-Building or Land Rent	0.0	0.0
Building Rent Charges to State Agencies	0.0	0.0
COP Building Rent Charges to State Agencies	0.0	0.0
Rental of Land & Buildings	0.0	0.0
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	0.0	0.0
Repair & Maintenance	0.0	0.0
Software Support and Maintenance	0.0	0.0
Operating Supplies	0.0	0.0
Resale Supplies	0.0	0.0
Sales of Assets	0.0	0.0
Conference, Education & Training	0.0	0.0
Advertising	0.0	0.0
Printing & Photography	0.0	0.0
Postage & Delivery	0.0	0.0
Miscellaneous Operating	0.0	0.0
Depreciation Expense	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 1-1002 ADOA Data Center

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Expenditure Category Total	13,009.1	5,717.5

Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	4,149.9	1,724.7
	4,149.9	1,724.7
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	8,859.2	3,992.8
	8,859.2	3,992.8
Fund Source Total	13,009.1	5,717.5

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	0.0	0.0
Vehicles - Non-Capital	0.0	0.0
Furniture - Non-Capital	0.0	0.0
EDP Equipment - Mainframe - Non-Capital	0.0	0.0
Telecommunication Equipment - Non Capital	0.0	0.0
Other Equipment - Non-Capital	0.0	0.0
Purchased Or Licensed Software/Website	0.0	0.0
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 1-1002 ADOA Data Center

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	0.0	0.0
Expenditure Category Total	0.0	0.0

All dollars are presented in thousands (not FTE).

DES ELIGIBILITY SLI

BUDGET JUSTIFICATION

The DES Eligibility funding is appropriated to AHCCCS to fund eligibility for the Acute Care program. DES, through an intergovernmental agreement, performs eligibility determinations for the Acute Care program.

The FY 2017 DES Eligibility portion of the DES Eligibility SLI appropriation is $54,874,500 ($25,491,200 General Fund).

AHCCCS DES Eligibility FY 2018 Budget Request

FY 2016 Expenditure Actuals			
OSPB Account	Title XIX	General Fund	Total
Personal Services	$ 22,933.1	$ 10,612.9	$ 33,546.0
Employee-related	$ 10,452.6	$ 4,749.1	$ 15,201.7
Professional & Outside Services	$ 12,428.6	$ 4,103.1	$ 16,531.7
Travel In-State	$ 396.5	$ 190.2	$ 586.7
Travel Out of State	$ 72.1	$ 71.2	$ 143.3
Aid	$ 0.1	$ 0.1	$ 0.2
Other Operating Expenditures	$ 5,870.0	$ 3,499.7	$ 9,369.7
Equipment	$ 1,197.7	$ 611.4	$ 1,809.1
Transfers Out	$ -	$ -	$ -
Total AHCCCS Eligibility	$ 53,350.6	$ 23,837.8	$ 77,188.4

FY 2017 Expenditure Plan			
OSPB Account	Title XIX	General Fund	Total
Personal Services	$ 26,143.8	$ 12,098.7	$ 38,242.4
Employee-related	$ 11,915.9	$ 5,414.0	$ 17,329.9
Professional & Outside Services	$ 14,150.2	$ 4,702.6	$ 18,852.8
Travel In-State	$ 416.3	$ 199.7	$ 616.0
Travel Out of State	$ 75.7	$ 74.8	$ 150.5
Aid	$ 0.1	$ 0.1	$ 0.2
Other Operating Expenditures	$ 6,707.8	$ 4,016.9	$ 10,724.7
Equipment	$ 1,301.8	$ 683.2	$ 1,985.0
Transfers Out	$ -	$ -	$ -
Total AHCCCS Eligibility	$ 60,711.5	$ 27,190.1	$ 87,901.6

AHCCCS DEA Prop 204 FY 2018 Budget Request

FY 2016 Expenditure Actuals			
OSPB Account	Title XIX	General Fund	Total
Personal Services	$ 4,617.3	$ 2,133.9	$ 6,751.2
Employee-related	$ 2,137.0	$ 967.5	$ 3,104.5
Professional & Outside Services	$ 369.6	$ 222.0	$ 591.6
Travel In-State	$ 87.9	$ 41.0	$ 128.9
Travel Out of State	$ 14.6	$ 14.5	$ 29.1
Aid	$ 0.0	$ 0.0	$ 0.0
Other Operating Expenditures	$ 1,154.7	$ 683.4	$ 1,838.1
Equipment	$ 182.4	$ 98.5	$ 280.9
Transfers Out	$ -	$ -	$ -
Total AHCCCS Prop 204	$ 8,563.6	$ 4,160.8	$ 12,724.4

FY 2017 Expenditure Plan			
OSPB Account	Title XIX	General Fund	Total
Personal Services	$ 5,263.7	$ 2,432.6	$ 7,696.3
Employee-related	$ 2,436.2	$ 1,103.0	$ 3,539.2
Professional & Outside Services	$ 554.4	$ 333.0	$ 887.4
Travel In-State	$ 92.3	$ 43.1	$ 135.3
Travel Out of State	$ 15.4	$ 15.2	$ 30.6
Aid	$ 0.0	$ 0.0	$ 0.0
Other Operating Expenditures	$ 1,303.5	$ 770.3	$ 2,073.8
Equipment	$ 212.4	$ 114.5	$ 326.9
Transfers Out	$ -	$ -	$ -
Total AHCCCS Prop 204	$ 9,877.9	$ 4,811.7	$ 14,689.6

AHCCCS DES Prop 204 FY 2018 Budget Request

		FY 2016 Expenditure Actuals			FY 2017 Expenditure Plan		
OSPB Account		Title XIX	General Fund	Total	Title XIX	General Fund	Total
Personal Services							
6000	Personal Services	4,617.3	2,133.9	6,751.2	5,263.7	2,432.6	7,696.3
	Total Personal Services	4,617.3	2,133.9	6,751.2	5,263.7	2,432.6	7,696.3
Employee-related							
6100	Employee Related Expenses	2,137.0	967.5	3,104.5	2,436.2	1,103.0	3,539.2
	Total Employee-related	2,137.0	967.5	3,104.5	2,436.2	1,103.0	3,539.2
Professional & Outside Services							
6219	Other External Financial Services	-	-	-	-	-	-
6222	External Legal Services	0.0	0.0	0.0	0.0	0.0	0.0
6241		0.1	0.1	0.1	0.1	0.1	0.1
6299	Other Professional & Outside Services	369.5	222.0	591.5	554.3	332.9	887.2
	Total Professional & Outside	369.6	222.0	591.6	554.4	333.0	887.4
Travel In-State							
6500	Travel In-State	87.9	41.0	128.9	92.3	43.1	135.3
	Total Travel In-State	87.9	41.0	128.9	92.3	43.1	135.3
Travel Out of State							
6600	Travel Out of State	14.6	14.5	29.1	15.4	15.2	30.6
	Total Travel Out of State	14.6	14.5	29.1	15.4	15.2	30.6
Aid							
6800	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0	0.0	0.0
	Total Aid	0.0	0.0	0.0	0.0	0.0	0.0
Other Operating Expenditures							
7150	Information Technology Services	4.8	4.8	9.5	5.0	5.0	10.0
7200	Non-Building or Land Rent	0.0	0.0	0.0	0.0	0.0	0.0
7230	Interest Payments	0.0	0.0	0.1	0.0	0.0	0.1
7250	Repair & Maintenance	0.3	0.3	0.5	0.3	0.3	0.6
7300	Operating Supplies	0.0	0.0	0.0	0.0	0.0	0.0
7450	Conference, Education & Training	0.0	0.0	0.0	0.0	0.0	0.0
7470	Printing & Photography	0.0	0.0	0.0	0.0	0.0	0.0
7480		-	-	-	-	-	-
7500	Miscellaneous Operating	683.1	431.8	1,114.8	761.6	481.4	1,243.0
7900		466.6	246.5	713.1	536.6	283.5	820.1
	Total Other Operating Expenditures	1,154.7	683.4	1,838.144	1,303.5	770.3	2,073.8
Equipment							
84XX	Capital Equipment Purchases	2.8	-	2.8	2.8	-	2.8
8510	Vehicles - Non-Capital	-	-	-	-	-	-
8520	Furniture - Non-Capital	82.2	37.1	119.3	102.7	46.3	149.1
8530	EDP Equipment - Mainframe - Non-Capital	24.1	18.2	42.3	24.4	18.4	42.7
8560	Telecommunication Equipment - Non-Capital	2.8	1.4	4.2	2.8	1.4	4.2
8570	Other Equipment - Non-Capital	35.3	25.7	61.0	44.2	32.1	76.3
8580	Non-Capitalized Software	35.1	16.1	51.2	35.5	16.3	51.7
	Total Equipment	182.4	98.5	280.9	212.4	114.5	326.9
Transfers Out							
9000	Transfer Out	-	-	-	-	-	-
9100	Operating Transfer Out	-	-	-	-	-	-
	Total Transfers Out	-	-	-	-	-	-
Total AHCCCS DES Prop 204 FY 2018 Budget Request		**8,563.6**	**4,160.8**	**12,724.4**	**9,877.9**	**4,811.7**	**14,689.6**

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 1-1004 SLI DES Eligibility

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	885.0	885.0	0.0	885.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000	Other Operating Expenses	2,914.1	2,246.8	0.0	2,246.8
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	68,258.8	52,627.7	38,000.0	90,627.7
	Expenditure Categories Total:	71,172.9	54,874.5	38,000.0	92,874.5
Fund Source					
Appropriated Funds					
1000-A	General Fund (Appropriated)	25,801.0	25,491.2	0.0	25,491.2
2409-A	Children's Health Insurance Program (Appropriate	0.0	0.0	4,000.0	4,000.0
		25,801.0	25,491.2	4,000.0	29,491.2
Non-Appropriated Funds					
2120-N	AHCCCS Fund (Non-Appropriated)	46,283.4	29,383.3	34,000.0	63,383.3
2500-N	IGA and ISA Fund (Non-Appropriated)	(911.5)	0.0	0.0	0.0
		45,371.9	29,383.3	34,000.0	63,383.3
	Fund Source Total:	71,172.9	54,874.5	38,000.0	92,874.5

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 1-1004 SLI DES Eligibility

Fund: 1000-A General Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Appropriated					
0000	FTE	442.6	442.6	0.0	442.6
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000	Other Operating Expenses	209.5	1,043.7	0.0	1,043.7
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	25,591.5	24,447.5	0.0	24,447.5
	Appropriated Total:	25,801.0	25,491.2	0.0	25,491.2
Fund Total:		25,801.0	25,491.2	0.0	25,491.2
Program Total For Selected Funds:		25,801.0	25,491.2	0.0	25,491.2

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 1-1004 SLI DES Eligibility

Fund: 2120-N AHCCCS Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	442.4	442.4	0.0	442.4
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000	Other Operating Expenses	694.9	1,203.1	0.0	1,203.1
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	45,588.5	28,180.2	34,000.0	62,180.2
	Non-Appropriated Total:	46,283.4	29,383.3	34,000.0	63,383.3
	Fund Total:	46,283.4	29,383.3	34,000.0	63,383.3
	Program Total For Selected Funds:	46,283.4	29,383.3	34,000.0	63,383.3

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 1-1004 SLI DES Eligibility

Fund: 2409-A Children's Health Insurance Program Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	4,000.0	4,000.0
Appropriated Total:		0.0	0.0	4,000.0	4,000.0
Fund Total:		0.0	0.0	4,000.0	4,000.0
Program Total For Selected Funds:		0.0	0.0	4,000.0	4,000.0

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 1-1004 SLI DES Eligibility

Fund: 2500-N IGA and ISA Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000	Other Operating Expenses	2,009.7	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	(2,921.2)	0.0	0.0	0.0
	Non-Appropriated Total:	(911.5)	0.0	0.0	0.0
	Fund Total:	(911.5)	0.0	0.0	0.0
	Program Total For Selected Funds:	(911.5)	0.0	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 1-1004 SLI DES Eligibility

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	885.0	885.0
Expenditure Category Total	885.0	885.0
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	442.6	442.6
	442.6	442.6
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	442.4	442.4
	442.4	442.4
Fund Source Total	885.0	885.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	0.0	0.0
Boards and Commissions	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	0.0	0.0
Attorney General Legal Services	0.0	0.0
External Legal Services	0.0	0.0
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	0.0	0.0
Hospital Services	0.0	0.0
Other Medical Services	0.0	0.0
Institutional Care	0.0	0.0
Education And Training	0.0	0.0
Vendor Travel	0.0	0.0
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 1-1004 SLI DES Eligibility

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
Other Professional And Outside Services	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	0.0	0.0
Information Technology Services	626.6	483.2
Utilities	0.0	0.0
Non-Building or Land Rent	0.0	0.0
Building Rent Charges to State Agencies	0.0	0.0
COP Building Rent Charges to State Agencies	0.0	0.0
Rental of Land & Buildings	0.0	0.0
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	0.0	0.0
Repair & Maintenance	1,858.7	1,433.0
Software Support and Maintenance	0.0	0.0
Operating Supplies	0.0	0.0
Resale Supplies	0.0	0.0
Sales of Assets	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 1-1004 SLI DES Eligibility

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Conference, Education & Training	0.0	0.0
Advertising	0.0	0.0
Printing & Photography	0.0	0.0
Postage & Delivery	0.0	0.0
Miscellaneous Operating	428.8	330.6
Depreciation Expense	0.0	0.0
Expenditure Category Total	**2,914.1**	**2,246.8**
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	209.5	1,043.7
	209.5	**1,043.7**
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	694.9	1,203.1
2500-N IGA and ISA Fund (Non-Appropriated)	2,009.7	0.0
	2,704.6	**1,203.1**
Fund Source Total	**2,914.1**	**2,246.8**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	0.0	0.0
Vehicles - Non-Capital	0.0	0.0
Furniture - Non-Capital	0.0	0.0
EDP Equipment - Mainframe - Non-Capital	0.0	0.0
Telecommunication Equipment - Non Capital	0.0	0.0
Other Equipment - Non-Capital	0.0	0.0
Purchased Or Licensed Software/Website	0.0	0.0
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 1-1004 SLI DES Eligibility

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	68,258.8	52,627.7
Expenditure Category Total	68,258.8	52,627.7
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	25,591.5	24,447.5
	25,591.5	24,447.5
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	45,588.5	28,180.2
2500-N IGA and ISA Fund (Non-Appropriated)	(2,921.2)	0.0
	42,667.3	28,180.2
Fund Source Total	68,258.8	52,627.7

All dollars are presented in thousands (not FTE).

DHS TITLE XIX PASS-THROUGH SLI

BUDGET JUSTIFICATION

The DHS Title XIX Pass-Through amount contains no appropriated funding in the AHCCCS budget. Instead, this funding is appropriated directly to the Department of Health Services (DHS). Funding is passed through AHCCCS for administrative purposes related to the Federal Match of Title XIX dollars. The funding is used for Title XIX licensure and screening activities.

FY 2017 & FY18 are projected to be the same as the actual pass through amount in FY 2016.

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 1-1006 Title XIX Pass-Through - DHS

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	8.7	0.0	0.0	0.0
	Expenditure Categories Total:	8.7	0.0	0.0	0.0

Fund Source				
Non-Appropriated Funds				
2500-N IGA and ISA Fund (Non-Appropriated)	8.7	0.0	0.0	0.0
	8.7	0.0	0.0	0.0
Fund Source Total:	8.7	0.0	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 1-1006 Title XIX Pass-Through - DHS

Fund: 2500-N IGA and ISA Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	8.7	0.0	0.0	0.0
	Non-Appropriated Total:	8.7	0.0	0.0	0.0
	Fund Total:	8.7	0.0	0.0	0.0
	Program Total For Selected Funds:	8.7	0.0	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 1-1006 Title XIX Pass-Through - DHS

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	0.0	0.0
Boards and Commissions	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	0.0	0.0
Attorney General Legal Services	0.0	0.0
External Legal Services	0.0	0.0
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	0.0	0.0
Hospital Services	0.0	0.0
Other Medical Services	0.0	0.0
Institutional Care	0.0	0.0
Education And Training	0.0	0.0
Vendor Travel	0.0	0.0
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0
Other Professional And Outside Services	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 1-1006 Title XIX Pass-Through - DHS

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	0.0	0.0
Information Technology Services	0.0	0.0
Utilities	0.0	0.0
Non-Building or Land Rent	0.0	0.0
Building Rent Charges to State Agencies	0.0	0.0
COP Building Rent Charges to State Agencies	0.0	0.0
Rental of Land & Buildings	0.0	0.0
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	0.0	0.0
Repair & Maintenance	0.0	0.0
Software Support and Maintenance	0.0	0.0
Operating Supplies	0.0	0.0
Resale Supplies	0.0	0.0
Sales of Assets	0.0	0.0
Conference, Education & Training	0.0	0.0
Advertising	0.0	0.0
Printing & Photography	0.0	0.0
Postage & Delivery	0.0	0.0
Miscellaneous Operating	0.0	0.0
Depreciation Expense	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 1-1006 Title XIX Pass-Through - DHS

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	0.0	0.0
Vehicles - Non-Capital	0.0	0.0
Furniture - Non-Capital	0.0	0.0
EDP Equipment - Mainframe - Non-Capital	0.0	0.0
Telecommunication Equipment - Non Capital	0.0	0.0
Other Equipment - Non-Capital	0.0	0.0
Purchased Or Licensed Software/Website	0.0	0.0
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	8.7	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 1-1006 Title XIX Pass-Through - DHS

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Expenditure Category Total	8.7	0.0
Fund Source		
Non-Appropriated		
2500-N IGA and ISA Fund (Non-Appropriated)	8.7	0.0
	8.7	0.0
Fund Source Total	8.7	0.0

All dollars are presented in thousands (not FTE).

CHILDREN'S HEALTH INSURANCE PROGRAM (CHIP) ADMINISTRATION

BUDGET JUSTIFICATION

KidsCare, also known as the Children's Health Insurance Program (CHIP), provides health insurance coverage to uninsured children whose families have an income less than 200% of the Federal Poverty Level (FPL). The CHIP Administrative appropriation was rolled into the Central Administration appropriation; however, for purposes of this budget submittal, the costs will be shown in the CHIP Administration cost center.

The total FY 2017 CHIP allocation (within the Central Administration appropriation) is $1,719,900 Total Fund ($0 General Fund).

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 1-1011 Children's Health Insurance Program Administration

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	45.9	45.9	0.0	45.9
6000	Personal Services	268.7	918.2	0.0	918.2
6100	Employee Related Expenses	116.2	362.2	0.0	362.2
6200	Professional and Outside Services	0.0	183.5	0.0	183.5
6500	Travel In-State	0.0	0.5	0.0	0.5
6600	Travel Out of State	0.0	0.9	0.0	0.9
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000	Other Operating Expenses	25.7	251.2	0.0	251.2
8000	Equipment	0.1	3.4	0.0	3.4
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	9.8	0.0	0.0	0.0
	Expenditure Categories Total:	420.5	1,719.9	0.0	1,719.9
Fund Source					
Appropriated Funds					
1000-A	General Fund (Appropriated)	21.9	0.0	0.0	0.0
2409-A	Children's Health Insurance Program (Appropriate	398.6	1,719.9	0.0	1,719.9
		420.5	1,719.9	0.0	1,719.9
	Fund Source Total:	420.5	1,719.9	0.0	1,719.9

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 1-1011 Children's Health Insurance Program Administration

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Fund: 1000-A General Fund					
Appropriated					
0000	FTE	7.7	0.0	0.0	0.0
6000	Personal Services	14.5	0.0	0.0	0.0
6100	Employee Related Expenses	6.4	0.0	0.0	0.0
6200	Professional and Outside Services	(0.2)	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000	Other Operating Expenses	1.2	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Appropriated Total:		21.9	0.0	0.0	0.0
Fund Total:		21.9	0.0	0.0	0.0
Fund: 2409-A Children's Health Insurance Program Fund					
Appropriated					
0000	FTE	38.2	45.9	0.0	45.9
6000	Personal Services	254.2	918.2	0.0	918.2
6100	Employee Related Expenses	109.8	362.2	0.0	362.2
6200	Professional and Outside Services	0.2	183.5	0.0	183.5
6500	Travel In-State	0.0	0.5	0.0	0.5
6600	Travel Out of State	0.0	0.9	0.0	0.9
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000	Other Operating Expenses	24.5	251.2	0.0	251.2
8000	Equipment	0.1	3.4	0.0	3.4
8100	Capital Outlay	0.0	0.0	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 1-1011 Children's Health Insurance Program Administration

Fund: 2409-A Children's Health Insurance Program Fund

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Appropriated				
8600 Debt Service	0.0	0.0	0.0	0.0
9000 Cost Allocation	0.0	0.0	0.0	0.0
9100 Transfers	9.8	0.0	0.0	0.0
Appropriated Total:	398.6	1,719.9	0.0	1,719.9
Fund Total:	398.6	1,719.9	0.0	1,719.9
Program Total For Selected Funds:	420.5	1,719.9	0.0	1,719.9

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 1-1011 Children's Health Insurance Program Administration

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	45.9	45.9
Expenditure Category Total	**45.9**	**45.9**
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	7.7	0.0
2409-A Children's Health Insurance Program (Appropriated)	38.2	45.9
	45.9	**45.9**
Fund Source Total	**45.9**	**45.9**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	268.7	918.2
Boards and Commissions	0.0	0.0
Expenditure Category Total	**268.7**	**918.2**
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	14.5	0.0
2409-A Children's Health Insurance Program (Appropriated)	254.2	918.2
	268.7	**918.2**
Fund Source Total	**268.7**	**918.2**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	116.2	362.2
Expenditure Category Total	**116.2**	**362.2**
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	6.4	0.0
2409-A Children's Health Insurance Program (Appropriated)	109.8	362.2
	116.2	**362.2**
Fund Source Total	**116.2**	**362.2**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	0.0	183.5
Attorney General Legal Services	0.0	0.0
External Legal Services	0.0	0.0
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	0.0	0.0
Hospital Services	0.0	0.0
Other Medical Services	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 1-1011 Children's Health Insurance Program Administration

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
Institutional Care	0.0	0.0
Education And Training	0.0	0.0
Vendor Travel	0.0	0.0
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0
Other Professional And Outside Services	0.0	0.0
Expenditure Category Total	**0.0**	**183.5**
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	(0.2)	0.0
2409-A Children's Health Insurance Program (Appropriated)	0.2	183.5
	0.0	**183.5**
Fund Source Total	**0.0**	**183.5**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	0.0	0.5
Expenditure Category Total	**0.0**	**0.5**
Fund Source		
Appropriated		
2409-A Children's Health Insurance Program (Appropriated)	0.0	0.5
	0.0	**0.5**
Fund Source Total	**0.0**	**0.5**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	0.0	0.9
Expenditure Category Total	**0.0**	**0.9**
Fund Source		
Appropriated		
2409-A Children's Health Insurance Program (Appropriated)	0.0	0.9
	0.0	**0.9**
Fund Source Total	**0.0**	**0.9**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 1-1011 Children's Health Insurance Program Administration

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	4.0	38.4
Information Technology Services	15.3	149.8
Utilities	0.0	0.0
Non-Building or Land Rent	0.0	0.0
Building Rent Charges to State Agencies	0.0	0.0
COP Building Rent Charges to State Agencies	0.0	0.0
Rental of Land & Buildings	0.0	0.0
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	0.0	0.0
Repair & Maintenance	0.0	0.0
Software Support and Maintenance	0.0	0.0
Operating Supplies	0.0	0.0
Resale Supplies	0.0	0.0
Sales of Assets	0.0	0.0
Conference, Education & Training	0.0	0.0
Advertising	0.0	0.0
Printing & Photography	6.4	62.5
Postage & Delivery	0.0	0.0
Miscellaneous Operating	0.0	0.5
Depreciation Expense	0.0	0.0
Expenditure Category Total	**25.7**	**251.2**
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	1.2	0.0
2409-A Children's Health Insurance Program (Appropriated)	24.5	251.2
	25.7	**251.2**
Fund Source Total	**25.7**	**251.2**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	0.1	2.6
Vehicles - Non-Capital	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 1-1011 Children's Health Insurance Program Administration

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Furniture - Non-Capital	0.0	0.0
EDP Equipment - Mainframe - Non-Capital	0.0	0.0
Telecommunication Equipment - Non Capital	0.0	0.0
Other Equipment - Non-Capital	0.0	0.8
Purchased Or Licensed Software/Website	0.0	0.0
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	0.1	3.4

Fund Source		
Appropriated		
2409-A Children's Health Insurance Program (Appropriated)	0.1	3.4
	0.1	3.4
Fund Source Total	0.1	3.4

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	9.8	0.0
Expenditure Category Total	9.8	0.0

Fund Source		
Appropriated		
2409-A Children's Health Insurance Program (Appropriated)	9.8	0.0
	9.8	0.0
Fund Source Total	9.8	0.0

Employee Retirement Coverage

Retirement System	FTE	Personal Services	Fund#
State Retirement System	45.9	918.2	2409-A

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All dollars are presented in thousands (not FTE).

Program Summary of Expenditures and Budget Request

Agency: HCA Arizona Health Care Cost Containment System
Program: 2 Long Term Care

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Summary					
2-2001	SLI EPD ALTCS Services	1,173,752.0	1,316,838.8	85,225.2	1,402,064.0
2-2002	Board of Nursing	209.8	209.8	0.0	209.8
2-2003	Programmatic Pass Through Funding	1,199,896.7	1,195,338.2	291,044.7	1,486,382.9
2-2004	SLI Long Term Care Clawback Payments	32,318.0	33,565.7	4,736.1	38,301.8
2-2005	Nursing Facility Assessment	61,270.5	22,189.4	36,061.4	58,250.8
	Program Summary Total:	2,467,447.0	2,568,141.9	417,067.4	2,985,209.3
Expenditure Categories					
0000	FTE Positions	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	2,467,225.0	2,567,932.1	417,067.4	2,984,999.5
7000	Other Operating Expenses	209.8	209.8	0.0	209.8
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	12.2	0.0	0.0	0.0
	Expenditure Categories Total:	2,467,447.0	2,568,141.9	417,067.4	2,985,209.3
Fund Source					
Appropriated Funds					
1000-A	General Fund (Appropriated)	162,985.6	167,946.0	17,765.4	185,711.4
2546-A	Prescription Drug Rebate Fund (Appropriated)	5,475.8	7,441.3	2,259.0	9,700.3
		168,461.4	175,387.3	20,024.4	195,411.7
Non-Appropriated Funds					
2120-N	AHCCCS Fund (Non-Appropriated)	104.9	104.9	0.0	104.9
2223-N	Long Term Care System Fund (Non-Appropriated)	1,871,339.4	1,711,703.6	245,113.3	1,956,816.9
2500-N	IGA and ISA Fund (Non-Appropriated)	376,883.9	406,647.4	83,788.1	490,435.5
2546-N	Prescription Drug Rebate Fund (Non-Appropriated)	(10,613.1)	21,600.3	14,505.9	36,106.2
2567-N	Nursing Facility Provider Assessment Fund (Non-A	61,270.5	22,189.4	36,061.4	58,250.8
9691-N	County Funds (Non-Appropriated)	0.0	230,509.0	17,574.3	248,083.3

All dollars are presented in thousands (not FTE).

Program Summary of Expenditures and Budget Request

Agency: HCA Arizona Health Care Cost Containment System
Program: 2 Long Term Care

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
	2,298,985.6	2,392,754.6	397,043.0	2,789,797.6
Fund Source Total:	2,467,447.0	2,568,141.9	417,067.4	2,985,209.3

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 2 Long Term Care

Fund: 1000-A General Fund (Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
2-2001 SLI EPD ALTCS Services	151,326.1	153,746.4	16,172.4	169,918.8
2-2002 Board of Nursing	104.9	104.9	0.0	104.9
2-2004 SLI Long Term Care Clawback Payments	11,554.6	14,094.7	1,593.0	15,687.7
Total	162,985.6	167,946.0	17,765.4	185,711.4
Appropriated Funding				
Expenditure Categories				
FTE Positions	0.0	0.0	0.0	0.0
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	162,880.7	167,841.1	17,765.4	185,606.5
Other Operating Expenses	104.9	104.9	0.0	104.9
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	162,985.6	167,946.0	17,765.4	185,711.4
Fund 1000-A Total:	162,985.6	167,946.0	17,765.4	185,711.4
Program 2 Total:	162,985.6	167,946.0	17,765.4	185,711.4

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 2 Long Term Care

Fund: 2120-N AHCCCS Fund (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
2-2002 Board of Nursing	104.9	104.9	0.0	104.9
Total	104.9	104.9	0.0	104.9
Non-Appropriated Funding				
Expenditure Categories				
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
Other Operating Expenses	104.9	104.9	0.0	104.9
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	104.9	104.9	0.0	104.9
Fund 2120-N Total:	104.9	104.9	0.0	104.9
Program 2 Total:	104.9	104.9	0.0	104.9

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 2 Long Term Care

Fund: 2223-N Long Term Care System Fund (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
2-2001 SLI EPD ALTCS Services	1,027,563.2	903,541.8	37,856.7	941,398.5
2-2003 Programmatic Pass Through Funding	826,093.4	788,690.8	207,256.6	995,947.4
2-2004 SLI Long Term Care Clawback Payments	17,682.8	19,471.0	0.0	19,471.0
Total	1,871,339.4	1,711,703.6	245,113.3	1,956,816.9
Non-Appropriated Funding				
Expenditure Categories				
FTE Positions	0.0	0.0	0.0	0.0
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	1,871,327.2	1,711,703.6	245,113.3	1,956,816.9
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	12.2	0.0	0.0	0.0
Expenditure Categories Total:	1,871,339.4	1,711,703.6	245,113.3	1,956,816.9
Fund 2223-N Total:	1,871,339.4	1,711,703.6	245,113.3	1,956,816.9
Program 2 Total:	1,871,339.4	1,711,703.6	245,113.3	1,956,816.9

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 2 Long Term Care

Fund: 2500-N IGA and ISA Fund (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
2-2003 Programmatic Pass Through Funding	373,803.3	406,647.4	83,788.1	490,435.5
2-2004 SLI Long Term Care Clawback Payments	3,080.6	0.0	0.0	0.0
Total	376,883.9	406,647.4	83,788.1	490,435.5
Non-Appropriated Funding				
Expenditure Categories				
FTE Positions	0.0	0.0	0.0	0.0
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	376,883.9	406,647.4	83,788.1	490,435.5
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	376,883.9	406,647.4	83,788.1	490,435.5
Fund 2500-N Total:	376,883.9	406,647.4	83,788.1	490,435.5
Program 2 Total:	376,883.9	406,647.4	83,788.1	490,435.5

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 2 Long Term Care

Fund: 2546-A Prescription Drug Rebate Fund (Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
2-2001 SLI EPD ALTCS Services	5,475.8	7,441.3	2,259.0	9,700.3
Total	5,475.8	7,441.3	2,259.0	9,700.3
Appropriated Funding				
Expenditure Categories				
FTE Positions	0.0	0.0	0.0	0.0
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	5,475.8	7,441.3	2,259.0	9,700.3
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	5,475.8	7,441.3	2,259.0	9,700.3
Fund 2546-A Total:	5,475.8	7,441.3	2,259.0	9,700.3
Program 2 Total:	5,475.8	7,441.3	2,259.0	9,700.3

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 2 Long Term Care

Fund: 2546-N Prescription Drug Rebate Fund (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
2-2001 SLI EPD ALTCS Services	(10,613.1)	21,600.3	14,505.9	36,106.2
Total	(10,613.1)	21,600.3	14,505.9	36,106.2
Non-Appropriated Funding				
Expenditure Categories				
FTE Positions	0.0	0.0	0.0	0.0
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	(10,613.1)	21,600.3	14,505.9	36,106.2
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	(10,613.1)	21,600.3	14,505.9	36,106.2
Fund 2546-N Total:	(10,613.1)	21,600.3	14,505.9	36,106.2
Program 2 Total:	(10,613.1)	21,600.3	14,505.9	36,106.2

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 2 Long Term Care

Fund: 2567-N Nursing Facility Provider Assessment Fund (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
2-2005 Nursing Facility Assessment	61,270.5	22,189.4	36,061.4	58,250.8
Total	61,270.5	22,189.4	36,061.4	58,250.8
Non-Appropriated Funding				
Expenditure Categories				
FTE Positions	0.0	0.0	0.0	0.0
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	61,270.5	22,189.4	36,061.4	58,250.8
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	61,270.5	22,189.4	36,061.4	58,250.8
Fund 2567-N Total:	61,270.5	22,189.4	36,061.4	58,250.8
Program 2 Total:	61,270.5	22,189.4	36,061.4	58,250.8

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 2 Long Term Care

Fund: 9691-N County Funds (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
2-2001 SLI EPD ALTCS Services	0.0	230,509.0	14,431.2	244,940.2
2-2004 SLI Long Term Care Clawback Payments	0.0	0.0	3,143.1	3,143.1
Total	0.0	230,509.0	17,574.3	248,083.3
Non-Appropriated Funding				
Expenditure Categories				
FTE Positions	0.0	0.0	0.0	0.0
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	230,509.0	17,574.3	248,083.3
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	0.0	230,509.0	17,574.3	248,083.3
Fund 9691-N Total:	0.0	230,509.0	17,574.3	248,083.3
Program 2 Total:	0.0	230,509.0	17,574.3	248,083.3

All dollars are presented in thousands (not FTE).

PROGRAM DESCRIPTION/BACKGROUND:

The Arizona Long-Term Care System (ALTCS) was established to provide Federal Medicaid long-term care services to persons meeting federally prescribed income and resource standards and those persons at risk of being institutionalized. The program for the developmentally disabled was implemented on December 19, 1988 and the elderly and physically disabled program began January 1, 1989.

The AHCCCS administration conducts ALTCS eligibility, and is also responsible for contracting with ALTCS Contractors. ALTCS offers a complete array of acute medical care services, institutional services, behavioral health services, home and community-based services (HCBS) and case management services for all eligible persons.

The ALTCS EPD program is broken down into four components: Capitation, Fee-For-Service, Reinsurance, and Medicare Premiums. Capitation is comprised of EPD prospective, EPD prior period, and Tribal Case Management payments. Fee-For-Service is paid primarily for those enrolled with tribes. Reinsurance includes High Cost Behavioral Health (HCBH), as well as transplants and other reinsurance.

ALTCS is unique in that all covered services are integrated into a single delivery package, coordinated and managed by ALTCS Contractors. ALTCS contractors provide services for ALTCS members in the same way that health plans provide acute care services to AHCCCS enrolled members.

STATUTORY AUTHORITY:

A.R.S Title 36, Chapter 29, Article 2 and A.R.S. Title 11, Chapter 2, Article 7.

ALTCS FUNDING SUMMARY

Description of the Problem:
AHCCCS is requesting an increase for FY 2018 over the FY 2017 appropriation for the Arizona Long Term Care System (ALTCS) lump sum appropriation due to rate increases and demographic growth. In FY 2018, AHCCCS requires an additional $84,769,800 in Total Funds ($32,723,800 increase in State Match). The General Fund portion of state match increased by $16,097,400. The SFY 2018 funding request is shown below (these amounts exclude Medicare Clawback funding). The ALTCS-EPD share of Prescription Drug Rebate (PDR) collections are included as part of the State Match (for additional information on the PDR, see the separate Decision Package).

	FY17 Approp	FY18 Request	FY18 Increase
General	$153,746,400	$169,843,500	$16,097,100
PDR State	$7,441,300	$9,700,300	$2,259,000
County	$230,509,000	$244,876,700	$14,367,700
Subtotal SM	$391,696,700	$424,420,500	$32,723,800
PDR FF	$21,600,300	$36,106,200	$14,505,900
Federal	$903,541,800	$941,081,900	$37,540,100
Subtotal FM	$925,142,100	$977,188,100	$52,046,000
Total	$1,316,838,800	$1,401,608,600	$84,769,800

PERFORMANCE MEASURES TO QUANTIFY THE SUCCESS OF THE SOLUTION:

- AHCCCS member enrollment in ALTCS.
- Maintain the % of overall Health Plan compliance with key indicators at ≥99%.

COUNTY SPLIT:
The split of State Match between General Fund and County Funds is prescribed by A.R.S. §11-292 (known internally as the "County Model"), which specifies that at least 50% of any increase in overall non-federal expenditures will be covered by the state. In addition, there are various circuit breakers specified in this law such as utilization, property tax rates, Native American population, and statutory growth caps which may further shift expenditures from the counties to the state. If after the application of all relevant circuit breakers, an individual county's contributions divided by the most recent population estimate for that county approved by the Office of Employment and Population Statistics (EPS) exceeds the same per capita contribution for the state as a whole, the county's contribution shall be reduced so that it is equal to the statewide average and the difference shall be paid by the state. At the time of this budget submittal, the most recent population figures approved by EPS were for July 1, 2015. It is anticipated that July 1, 2016 population estimates will be available in mid-December 2016.

Methodology:
A description of the methodology used in the SFY2018 request follows:

Demographic growth is expected in both FY 2017 and FY 2018 due to population growth and an aging population. The following table presents ALTCS member month growth for FY 2015 through FY 2018. FY 2015 and FY 2016 figures are actuals.

	Caseload Growth - July 2016 Projections					
	EPD		**Tribal**		**Total**	
SFY	Y-o-Y	J-o-J	Y-o-Y	J-o-J	Y-o-Y	J-o-J
2015	2.13%	1.83%	(0.10%)	(2.45%)	1.93%	1.44%
2016	0.28%	0.92%	(1.03%)	1.02%	0.17%	0.93%
2017	1.82%	1.23%	0.63%	0.16%	1.72%	1.14%
2018	1.22%	1.22%	0.16%	0.16%	1.13%	1.13%

AHCCCS estimates that the ALTCS population will continue to grow in FY 2017 and FY 2018. For both the EPD population and the Tribal Case Management population, the growth rates above are based on a 48 month regression model.

CAPITATION RATES

Effective April 1, 2015, ALTCS Capitation rates were increased to include reimbursement for Federally Qualified Health Center/Rural Health Clinic (FQHC/RHC) services. Prior to this, FQHC/RHC services were reimbursed by a combination of fee-for-service claims payments and quarterly supplemental payments, along with an annual reconciliation to the Prospective Payment System rates. On October 1, 2016, the rates will increase for the new contract year.

Overall, the CYE 2017 rates represent an approximate increase of 3.84% (384 basis points) over the CYE 2016 rates that took effect January 1, 2016. CYE 2017 capitation rates were developed as a rate update from the previously approved CYE 2016 capitation rates.

Primary drivers of the CYE 2017 ALTCS rate increase include:

- Effective October 1, 2016, HCBS providers will receive a 2% rate increase in order to alleviate difficulties in retaining staff due to improving economic conditions, and to offset federally-mandated cost increases to providers. The expected impact contributes 0.73% (73 basis points) to the total 3.84% capitation rate increase.

- Nursing Facility Fee Schedule rates will rise, uniformly, by 1% on October 1, 2016 to address concerns in retaining staff and to ensure adequate access to care. The estimated impact contributes 0.49% (49 basis points) to the total 3.84% capitation rate increase.

- As part of the implementation of the Value-Based Purchasing initiative (VBP), participating providers that meet improved patient care criteria will receive augmented payment rates (1.0% for qualified AHCCCS-registered Nursing Facilities, and 0.5% for AHCCCS-registered Hospital providers). The estimated impact contributes 0.34% (34 basis points) to the total 3.84% capitation rate increase.

- The restoration of non-emergency adult dental services during the 2016 legislative session will take effect October 1, 2016, and will provide all ALTCS-enrolled adults with an annual dental benefit of $1,000. The estimated impact contributes 0.20% (20 basis points) to the total 3.84% capitation rate increase.

- Approximately 1.98% (198 basis points) of the overall capitation rate increase is attributable to medical trend and HCBS mix changes.

- The remaining 0.10% (10 basis points) of the total 3.84% capitation rate increase is due to various medical policy changes including, but not limited to, the restoration of Podiatric services, the relaxing of clinical criteria for usage of some Hepatitis C medications, and an increase to the High Acuity Pediatric Adjustor (effective January 1, 2017).

In CYE 2018, AHCCCS expects that utilization and medical inflation increases will require a 3.0% increase in prospective capitation rates to remain actuarially sound. Prior period capitation rates are also projected to increase by 3.0% in CYE 2018 due to utilization and medical inflation. Tribal case management rates are not expected to increase in CYE 2017 but will likely increase by 5.00% in CYE 2018.

CAPITATION RATES:			
Contract Year	**EPD Rates**		**Tribal Case Management**
	Regular	Prior Period	
1/1/16-9/30/16	$3,275.95	$958.94	$148.45
2017 (Eff. 10/1/16)	$3,402.50	$972.15	$148.45
2018 (Eff. 10/1/17)	$3,504.91	$1,001.31	$155.87

The CYE 2017 EPD rate shown above is a blended rate that represents 81.9353% of the Prospective Dual Full Services rate, 16.4733% of the Prospective Non-Dual Full Services rate, and 1.5914% of the Acute Care Only rate. The statewide weighted Prospective Dual Full Services rate for January through September of 2016 is $2,954.90, the statewide weighted Prospective Non-Dual Full Services rate for this period is $5,136.29, and the statewide weighted Acute Care only rate is $548.27, so the statewide blended rate for January through September of 2016 is $3,275.95.

Tribal Case Management is considered an administrative expense by CMS, and therefore, matched at the FFP rate of 50% rather than the regular FMAP rate.

Rates vary by health plan and by region, so the statewide average rate paid during a contract year may differ from the statewide weighted average for that same year that would result from using weights from a different contract year. This is one reason why the percentage increase in rates reflected in the budget submittal may differ from that in the actuarial memo.

ACA HEALTH INSURER FEE

The ACA includes an $8.0 billion fee on the health insurance industry beginning in 2014. This health insurer fee (HIF) increases to $14.3 billion by 2018 and is then indexed to the rate of premium growth thereafter as shown in the table below. The previous 2017 fee amount does not shift to 2018; the applicable amount for fee year 2018 remains at $14.3 billion (see Treas. Reg. § 57.4(a)(3)).

Fee Year	Applicable Amount
2014	$ 8,000,000,000
2015	$11,300,000,000
2016	$11,300,000,000
2017	HIF Moratorium
2018	$14,300,000,000
2019 and thereafter	The applicable amount in the preceding fee year increased by the rate of premium growth (within the meaning of section 36B(b)(3)(A)(ii).

The fee is considered an excise tax and is nondeductible for income tax purposes. CMS mandates actuarially sound Medicaid managed care capitation rates that allow participating insurers to cover projected expenses. Therefore this fee impacts Medicaid managed care expenditures.

The CMS currently approved payment methodology for this fee is a mass adjustment to capitation payments. It is anticipated that, most if not all, health plans will get tax filing extensions. As a result, AHCCCS makes one payment in the fall that includes an estimate for the tax liability. If there is a material difference in the final tax filings an additional adjustment is made.

The FMAP applied is the FMAP in effect for the month of the capitation adjustment. The payments made in FY 2017 (for the Calendar Year 2016 fee) will adjust capitation for October 2015 and use the FMAP in effect on that date. There will be no payment in FY 2018 because the Consolidated Appropriations Act of 2016, Title II, § 201, Moratorium on Annual Fee on Health Insurance Providers, suspends collection of the health insurance provider fee for the 2017 calendar year. Thus, health insurers are not required to pay these fees for calendar year 2017.

In total funds, the Medicaid system paid $90.4 million in FY 2016 for the 2015 Fee Year. In FY 2017, the fee is projected to increase to $103.1 million due to caseload increases which will increase revenue for Medicaid health plans and, thus, increase the amount required in reimbursement.

The allocation by program for FY 2017 (Acute, CRS, EDP, DD, and BHS, etc.) is based on the corresponding percentage of total FY 2016 actual HIF payments.

Based on projected amounts and allocation methodology, the FY 2017 impact of this fee for ALTCS is $1,093,600 Total Fund ($339,900 General Fund).

No health insurer provider fees will be paid in FY 2018 generating a one-time cost savings of $1,345,300 Total Fund ($413,800 General Fund). This fee will be back in effect for FY 2019 and generate a cost increase of $1,384,000 ($421,700 General Fund).

FEE-FOR-SERVICE

ALTCS FFS expenditures are estimated based on multiplying the PMPMs for IHS facilities and non-facility claims by projected member months for ALTCS Tribal Case Management since this is the ALTCS population that is paid FFS. The base PMPMs for both facilities and non-facility claims are calculated by dividing the total FFS expenditures for each category by Tribal Case Management member months. IHS facilities are paid at 100% FMAP, while non-facility claims are paid at the regular FMAP, which necessitates forecasting expenditures for these populations separately. Non-facility services include: Acute Care, HCBS, Nursing Facility, and Behavioral Health claims.

Non-facility rates are adjusted for inflation at the beginning of each federal fiscal year, unless legislation dictates otherwise. The inpatient and outpatient inflation rates used in the forecast for CY 2016 and CY 2017 were based on Global Insight's Health-Care Cost Review - Hospital Market Basket, *First Quarter 2016.* For 2017, the Global Insight forecast was 3.11% for inpatient and 2.54% for outpatient; a weighted average of inpatient and outpatient inflation of 2.70% was used to adjust the PMPMs for inflation in October of 2016. For 2018, the Global Insight forecast was 3.29% for inpatient and 2.60% for outpatient; a weighted average of inpatient and outpatient inflation of 2.79% was used to adjust the PMPMs for inflation in October of 2017. More detail regarding this calculation can be found in the "Traditional Fee-For-Service" section of this submittal.

The FFS PMPM for October 2015 through June 2016 for IHS non-facility claims was $3,995.30. This PMPM was used to estimate the first quarter of FY 2017. It was then inflated by 9.54%, (based on the average percentage increase for the previous two contract years) resulting in a PMPM of $4,376.29, which was used for the remainder of FY 2017 and the first quarter of FY 2018. The same inflation rate of 9.54% was then applied to arrive at the PMPM of $4,793.61 used for the remainder of FY 2018

The Indian Health Services, an agency of the U.S. Department of Health and Human Services, publishes rates in the Federal Register annually. The IHS rates are used to calculate the IHS Facility expenditure forecast. The most recent five year average inpatient/outpatient rate changes of 5.50% and 4.61% respectively, were used for CY 2017 and CY 2018 budget calculations. A weighted average of inpatient/outpatient of 4.73% is applied to IHS PMPMs in January of each projected year. Historical rates and calculations can be viewed in the included schedule entitled "IHS Facilities Inflation Developed" within the "Traditional Fee-For-Service" section of this submittal.

The FFS PMPM for IHS facilities for January 2016 through June 2016 was $458.67. This PMPM was used to estimate the first two quarters of FY 2017. This rate was increased by the weighted average inflation of 4.73% resulting in a rate of $480.34 which was used for the final two quarters of FY 2017 and the first two quarters of FY 2018. This same inflation factor of 4.73% was applied again in January of 2018 yielding a rate of $503.04 which was used to estimate the final two quarters of FY 2018.

PRIOR QUARTER

As part of an effort to standardize Medicaid enrollment procedures across the nation, CMS required AHCCCS to reinstitute Prior Quarter Coverage for new enrollees in the program beginning January 1, 2014. AHCCCS had been exempt from this federal requirement due to the 1115 Waiver initially granted by CMS in 2001. CMS would not renew the waiver for periods after December 31, 2013. Prior Quarter Coverage will require AHCCCS to make eligibility for Medicaid effective no later than the third month before the month of application if the individual received medical services, at any time during that period, of a type covered by the health plan; and would have been eligible for Medicaid at the time he/she received services if he/she had applied. AHCCCS must specify the effective eligibility date and may make eligibility for Medicaid effective on the first day of the month if the applicant was eligible at any time during that month.

Example: An applicant applies April 15 and is determined to be eligible back to April 1. Under prior quarter coverage, AHCCCS would evaluate the member's eligibility for Medicaid during any one of the three months (January, February, March) preceding April 1, if the applicant notifies AHCCCS that they had received services.

Prior Quarter began in January 2014 and member months are paid at the regular EPD Capitation rate. Prior Quarter member months paid in FY 2016 were estimated by dividing the total dollars paid for Prior Quarter for each quarter of FY 2016 by the regular EPD capitation rate for that same quarter. Prior Quarter member months for FY 2017 were estimated by taking the average number of prior quarter member months paid per month in FY 2016 and assuming that this number would be paid in each month during FY 2017. Prior Quarter member months for FY 2018 are also based on this same monthly average.

RECONCILIATIONS

There are a number of reconciliations, including Share of Cost, PPC and HCBS, summarized in the tables below, which will result in additional payments to Program Contractors during FY 2018. It is not expected that any material reconciliations will occur in FY 2017.

FY 2018 Estimated Reconciliations:

	SM	FF	TF
Share of Cost for CY17:	$229,200	$516,000	$745,200
PPC Recon. for CY17:	$261,800	$589,200	$851,000
HCBS Recon. For CY 17:	$196,300	$441,800	$638,100
Total	$687,300	$1,547,000	$2,234,300

It is estimated that the FY 2018 reconciliation will be $2,234,300 ($687,300 State Match).

REINSURANCE

ALTCS Reinsurance includes High Cost Behavioral Health (HCBH), as well as transplants and other reinsurance. The RI PMPM for FY 2016 was $86.81. This PMPM was trended by 3% and then applied to forecast EPD member months for FY 2017 to estimate total dollars for the year. For SFY 2018 this PMPM was increased by another 3%. The quarterly distribution of payments for FY 2016 was used to seasonally allocate dollars by quarter within each State Fiscal Year.

HCBH REINSURANCE

Effective October 1, 2007 no new HCBH reinsurance cases are being created by AHCCCS, however, existing cases are continuing to be paid as reinsurance. The cost of new HCBH cases are now incorporated into the ALTCS capitation rates. The rate of decrease in HCBH cases is approximately one case per quarter with the presentation rate of remaining cases is close to 100%. Projections of future HCBH expenditures are based on the cost per eligible cases.

It is estimated, based on 231 existing HCBH cases as of June 30, 2016 and an anticipated decrease in active HCBH cases by one case per quarter, that there will be 2,746 HCBH case payments during SFY 2017 and 2,698 HCBH case payments during FY 2018. The average cost per active case for Contract Year 2016 was $4,012.66; this cost per case was inflated by 3.00% to yield a cost per case of $4,133.04 for the remaining three quarters of SFY 2017 and the first quarter of FY 2018. This rate was then inflated by an additional 3.00% to yield a cost per case of $4,257.03 for the remaining three quarters of FY 2018.

MEDICARE PREMIUMS

PMPM costs for Medicare Premiums are calculated by dividing Medicare Part A expenditures and Medicare Part B expenditures by ALTCS member months for January through June of 2015 to calculate the PMPM for this period. Medicare premium rates increase in January of each year.

(1) The Medicare Part A premium projected for Calendar Years 2017 and 2018 was based on an average of the most recent five years percentage increase (excluding years in which the rate decreased) or 2.63%.

(2) The Medicare Part B premium projected for Calendar Year 2017 was based on the 2016 Annual Report of the Boards of Trustees of the Federal Hospital Insurance and Federal Supplementary Medical Insurance Trust Funds which recommended a 22.33% increase in Medicare Part B premiums. This increase must still be approved by Congress. If Congress were not to approve this large increase for Calendar Year 2017 and

instead increased rates by an average of the most recent five years percentage increase, excluding years in which the rate decreased (5.11%), this would reduce SFY 2017 expenses by $3,508,700 TF ($1,079,300 SM) and SFY 2018 expenses by $7,277,700 TF ($2,222,500 SM).

(3) The Medicare Part B premium projected for Calendar Year 2018 was based on an average of the most recent five years percentage increase (excluding years in which the rate decreased and excluding the large proposed increase in Calendar Year 2017) or 5.11%.

MEDICARE PART D "CLAWBACK" PAYMENTS

DESCRIPTION OF THE PROBLEM:

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA) established the Medicare Part D prescription drug program, which provides prescription drug coverage to Medicaid recipients who are Medicare eligible (dual eligible members). The Medicare Part D prescription drug benefit resulted in a reduction to capitation rates and fee-for-service payments since Medicaid no longer pays prescription drug expenditures (with certain exceptions as defined in the AHCCCS Medical Policy Manual) for those who are eligible for the Part D benefit, but states have to reimburse the federal government for this savings according to a prescribed formula.

In FY 2018, AHCCCS will require additional resources for this state only expenditure. The Acute Care and BHS Clawback is all General Fund. The ALTCS Clawback payment is split between General Fund and County Funds.

	SFY16 Actual	SFY17 Allocation	SFY17 Rebase	SFY18 Request	SFY18 Inc.(Dec)
AHCCCS ACUTE	40,657,468	42,527,100	47,029,500	53,262,300	10,735,200
AHCCCS ALTCS					
General Fund	11,555,498	14,094,700	14,201,400	15,687,700	1,593,000
County Fund	17,681,929	19,471,000	19,618,300	22,614,100	3,143,100
TOTAL ALTCS	29,237,427	33,565,700	33,819,700	38,301,800	4,736,100
BHS	15,112,173	17,349,400	17,480,600	19,797,300	2,447,900
DES-DD	3,110,553	3,370,600	3,598,100	4,074,900	704,300
Grand Total	88,117,621	96,812,800	101,927,900	115,436,300	18,623,500

METHODOLOGY:

CLAWBACK PMPM:

In accordance with the law, calendar year 2003 is the base year for the development of the clawback payment. CMS used a combination of fee-for-service claim information and encounter data provided through MSIS and/or PMMIS to develop the 2003 base PMPM. The PMPM calculated for 2003 was then trended forward using the National Health Expenditure (NHE) inflation factor to 2006. CMS will only be billing one rate for all full benefit dual eligible members regardless of enrollment (Acute Care, Behavioral Health, ALTCS, and DDD) or eligibility (managed care or fee-for-service). The CMS rates used as the basis for the clawback payments are shown below.

	Actual 1/1/2013 to 9/30/2013	Actual 10/1/2013 to 12/31/2013	Actual 1/1/2014 to 9/30/2014	Actual 10/1/2014 to 12/31/2014	Actual 1/1/2015 to 9/30/2015	Actual 10/1/2015 to 12/31/2015	Actual 1/1/2016 to 9/30/2016	Estimate 10/1/2016 to 12/31/2016	Estimate 1/1/2017 to 9/30/2017	Estimate 10/1/2017 to 12/31/2017	Estimate 1/1/2018 to 9/30/2018
Total Fund PMPM	201.12	201.13	193.01	193.01	200.04	200.04	223.29	223.28	249.54	249.51	259.45
FMAP	65.68%	67.23%	67.23%	68.46%	68.46%	68.92%	68.92%	69.24%	69.24%	69.53%	69.53%
State Match PMPM	69.03	65.91	63.25	60.87	63.09	62.17	69.40	68.68	76.76	76.03	79.05
Clawback %	78.33%	78.33%	76.67%	76.67%	75.00%	75.00%	75.00%	75.00%	75.00%	75.00%	75.00%
Clawback PMPM	54.07	51.63	48.49	46.67	47.32	46.63	52.05	51.51	57.57	57.02	59.29

The following factors impact the PMPM paid by the state:

- The total fund PMPM is adjusted every calendar year in January. Beginning with CY 2009, the annual increases were based on Part D program data. In addition, CMS adjusts the annual percentage increase to reflect prior-year revisions to previous percentage increases, based on subsequent data and projections. As a result of this methodology, the re-benchmarking and recalculations of prior-year NHE data continue to have an impact on future state costs.

- Average growth in the PMPM going back to the program's inception is 3.29%. The actual increase for CY 2016 was 11.62%. The announced parameters that will guide the Calendar Year 2017 PMPM change reflect a projected increase of 11.76%. AHCCCS is using the projected PMPMs published by Federal Funds Information for States (FFIS) in Issue Brief 16-19 (April 7, 2016) as the basis for the CY 2017 PMPM. For the January 2018 PMPM increase estimates, AHCCCS is using the average of the five most recent years which equates to a 3.98% growth rate.

- The State Match PMPM is calculated by taking the total fund PMPM multiplied by the state's Federal Matching Assistance Percentage (FMAP), which changes every October. For SFY 2017, the first quarter FMAP is 68.92%. Effective 10/1/16 it increases to 69.24%.

- It is assumed that the FMAP will increase from 69.24% in FFY 2017 to 69.53% in FFY 2018 based on Federal Funds Information for States (FFIS) in Issue Brief 16-14 (March 25, 2016).

- The percentage of estimated savings paid back to CMS has now stabilized at 75% beginning with Calendar Year 2015.

As a result of an initial invoicing lag when the program began in January 2006, the 12 payments made by the state each year are for the period of May through April, rather than the traditional July through June.

PROGRAM DISTRIBUTION:

The total clawback payment, which is calculated by multiplying the number of dual eligible members by the applicable PMPM rates, is then distributed to the various AHCCCS and Pass-Through programs using the fixed percentages used to calculate the calendar year 2003 drug costs used in the calculation of the above rates. These percentages will remain constant over the life of the clawback payment and will not be impacted by changes to enrollment. The percentages are as follows:

AHCCCS Acute	46.14%
ALTCS-EPD	33.18%
ALTCS-DD (DES)	3.53%
DHS BHS	17.15%

DUAL ELIGIBLE MEMBERSHIP:

AHCCCS is projecting full benefit dual eligible members using a 24 month regression for the current month enrollment plus an average amount of retro enrollment based on the last 12 months of invoices. The average amount of retro member months is 4,993. The methodology results in projected annual year over year growth of 4.85% in SFY 2017 and 4.96% in SFY 2017. Using this methodology, AHCCCS is forecasting that the 154,965 full benefit dual members (billed for clawback) in June 2016 will grow to 162,856 by June 2017 and 170,747 by June 2018.

PROPOSED SOLUTION TO THE PROBLEM:

Within the ALTCS Clawback line item, AHCCCS requests a state match increase of $4,736,100 consisting of a General Fund increase of $1,593,000 and a County Fund increase of $3,143,100.

PERFORMANCE MEASURES TO QUANTIFY THE SUCCESS OF THE SOLUTION:

- AHCCCS member enrollment in ALTCS.
- Maintain the % of overall Health Plan compliance with key indicators at ≥99%.

STATUTORY AUTHORITY:

Section 103(f), Medicare Prescription Drug, Improvement, and Modernization Act (MMA) of 2003 (P.L. 108-173)
Social Security Act, Section 1935(42 U.S.C. 1396u-5)
Consolidated Appropriations Act of 2016, Title II, § 201

ALTCS FMAP

Unless otherwise noted above, ALTCS members are eligible for the regular Title XIX FMAP. It is assumed that the FMAP will increase from 69.24% in FFY 2017 to 69.53% in FFY 2018 based on Federal Funds Information for States (FFIS) in Issue Brief 16-14 (March 25, 2016).

FFY	FMAP
Oct. 2015 – Sept. 2016	68.92%
Oct. 2017 – Sept. 2018	69.24%
Oct. 2017 – Sept. 2018	69.53%

ALTCS Expenditure Forecast Summary

(Thousands)	SFY 2016 7/16 ACTUAL			SFY 2017 7/16 REBASE			SFY 2018 7/16 REQUEST		
Capitation:	Total	Fed	Non Fed	Total	Fed	Non Fed	Total	Fed	Non Fed
EPD/VD Prospective Capitation	1,057,887,100	727,875,600	330,011,500	1,082,208,400	748,482,500	333,725,900	1,130,623,200	785,323,200	345,300,000
Tribal Case Management	4,457,700	2,228,900	2,228,800	4,492,900	2,246,400	2,246,500	4,669,100	2,334,500	2,334,600
Prior Period Capitation	10,508,400	7,229,500	3,278,900	10,689,400	7,392,900	3,296,500	11,100,500	7,710,300	3,390,200
Reconciliations	5,924,900	4,025,600	1,899,300	-	-	-	2,234,300	1,547,000	687,300
Medicare Primary Care Rates	780,800	737,200	43,600	-	-	-	-	-	-
ACA Health Insur. Fee	959,400	656,800	302,600	1,093,600	753,700	339,900	-	-	-
Total Capitation	1,080,518,300	742,753,600	337,764,700	1,098,484,300	758,875,500	339,608,800	1,148,627,100	796,915,000	351,712,100
FFS Non-IHS	120,132,000	82,657,400	37,474,600	129,571,800	89,618,900	39,952,900	142,160,400	98,748,000	43,412,400
IHS Facilities Only	13,657,000	13,657,000	-	14,210,100	14,210,100	-	14,906,000	14,906,000	-
Total Fee-For-Service	133,789,000	96,314,400	37,474,600	143,781,900	103,829,000	39,952,900	157,066,400	113,654,000	43,412,400
Prior Quarter	311,600	214,400	97,200	323,600	223,800	99,800	334,000	232,000	102,000
Non-TBI	27,369,700	18,828,100	8,541,600	28,190,700	19,494,100	8,696,600	29,036,400	20,165,600	8,870,800
TBI	11,747,500	8,078,900	3,668,600	11,925,600	8,246,300	3,679,300	11,401,300	7,919,200	3,482,100
Total Reinsurance	39,117,200	26,907,000	12,210,200	40,116,300	27,740,400	12,375,900	40,437,700	28,084,800	12,352,900
Total Medicare Premiums	40,356,500	27,770,600	12,585,900	48,576,500	33,599,300	14,977,200	55,143,400	38,302,300	16,841,100
Total ALTCS	1,294,092,600	893,960,000	400,132,600	1,331,282,600	924,268,000	407,014,600	1,401,608,600	977,188,100	424,420,500

Notes:
1) Capitated expeditures for SFY16 are based on Date of Service and do not match AFIS which is based on Date of Payment.

AHCCCS ALTCS PROGRAM EXPENDITURES - TOTAL FUND

FY 16 Category	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
CAPITATION	89,598,300	89,749,400	89,789,700	91,294,800	91,211,400	90,882,400	90,486,100	90,368,700	90,309,500	85,781,200	86,389,400	86,992,300	1,072,853,200
FFS*	10,400,100	13,000,100	10,400,100	10,012,200	12,515,400	10,012,200	10,060,300	12,575,300	10,060,300	10,789,100	13,486,500	10,789,000	134,100,600
RI	3,823,400	3,797,300	3,799,000	4,107,300	4,089,800	4,077,600	2,356,200	2,338,100	2,353,400	2,781,000	2,789,700	2,804,400	39,117,200
MEDICARE PREMIUMS	3,115,500	3,135,000	3,127,600	3,117,600	3,139,000	3,155,700	3,603,800	3,581,100	3,623,900	3,536,500	3,597,600	3,623,200	40,356,500
MED. PRIMARY CARE RATES	130,100	130,100	130,200	91,100	91,100	91,100	39,100	39,000	39,000	-	-	-	780,800
RECONCILIATIONS	-	-	-	-	-	-	-	-	-	5,924,900	-	-	5,924,900
ACA HEALTH INSUR. FEE	-	-	-	-	-	959,400	-	-	-	-	-	-	959,400
TOTAL	107,067,400	109,811,900	107,246,600	108,623,000	111,046,700	109,178,400	106,545,500	108,902,200	106,386,100	108,812,700	106,263,200	104,208,900	1,294,092,600

FY 17 Category	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
CAPITATION	88,212,900	88,697,200	88,922,300	92,539,300	92,637,400	92,052,100	92,154,300	92,247,900	92,341,400	92,435,000	92,528,500	92,622,400	1,097,390,700
FFS*	10,387,400	12,984,200	10,387,400	14,099,200	11,279,300	11,279,300	14,168,100	11,334,400	11,334,400	11,339,100	14,173,900	11,338,800	144,105,500
RI	3,750,400	3,759,700	3,766,400	4,143,900	4,143,200	4,122,900	2,384,500	2,381,800	2,383,200	3,094,000	3,092,100	3,094,200	40,116,300
MEDICARE PREMIUMS	3,637,100	3,657,200	3,666,500	3,675,200	3,679,100	3,655,800	4,423,000	4,427,500	4,432,000	4,436,600	4,441,000	4,445,500	48,576,500
MED. PRIMARY CARE RATES	-	-	-	-	-	-	-	-	-	-	-	-	-
RECONCILIATIONS	-	-	-	-	-	-	-	-	-	-	-	-	-
ACA HEALTH INSUR. FEE	-	-	-	-	-	1,093,600	-	-	-	-	-	-	1,093,600
TOTAL	105,987,800	109,098,300	106,742,600	114,457,600	111,739,000	112,203,700	113,129,900	110,391,600	110,491,000	111,304,700	114,235,500	111,500,900	1,331,282,600

FY 18 Category	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
CAPITATION	92,715,600	93,218,600	93,452,400	96,488,300	96,589,400	95,986,400	96,082,800	96,179,200	96,275,600	96,371,900	96,468,200	96,564,400	1,146,392,800
FFS*	14,179,600	11,343,600	11,343,600	15,402,500	12,322,000	12,322,000	15,475,000	12,379,900	12,379,900	15,481,400	12,385,200	12,385,700	157,400,400
RI	3,619,400	3,629,900	3,636,700	4,251,100	4,250,300	4,229,600	2,439,000	2,436,300	2,437,700	3,169,900	3,167,800	3,170,000	40,437,700
MEDICARE PREMIUMS	4,450,000	4,474,300	4,485,600	4,496,000	4,500,800	4,472,500	4,698,900	4,703,600	4,708,300	4,713,100	4,717,800	4,722,500	55,143,400
MED. PRIMARY CARE RATES	-	-	-	-	-	-	-	-	-	-	-	-	-
RECONCILIATIONS	-	-	-	-	-	-	-	-	-	2,234,300	-	-	2,234,300
ACA HEALTH INSUR. FEE	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	114,964,600	112,666,400	112,918,300	120,637,900	117,662,500	117,010,500	118,695,700	115,699,000	115,801,500	121,970,600	116,739,000	116,842,600	1,401,608,600

Capitated expeditures for SFY16 are based on Date of Service and do not match AFIS which is based on Date of Payment.

** Includes estimate for Prior Quarter.*

AHCCCS ALTCS PROGRAM EXPENDITURES - FEDERAL FUND

FY 16 Category	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
CAPITATION	61,271,200	61,374,600	61,401,800	62,850,400	62,793,200	62,566,500	62,292,600	62,211,500	62,170,500	59,049,600	59,468,600	59,883,500	737,334,000
FFS*	7,491,200	9,364,000	7,491,200	7,179,400	8,974,400	7,179,400	7,220,200	9,025,200	7,220,200	7,810,400	9,763,100	7,810,100	96,528,800
RI	2,617,500	2,599,700	2,600,800	2,830,700	2,818,700	2,810,300	1,623,900	1,611,500	1,621,900	1,916,700	1,922,700	1,932,600	26,907,000
MEDICARE PREMIUMS	2,132,900	2,146,200	2,141,200	2,148,600	2,163,400	2,174,900	2,483,700	2,468,100	2,497,600	2,437,400	2,479,500	2,497,100	27,770,600
MED. PRIMARY CARE RATES	122,900	122,900	122,800	86,000	86,000	86,000	36,900	36,900	36,800	-	-	-	737,200
RECONCILIATIONS	-	-	-	-	-	-	-	-	-	4,025,600	-	-	4,025,600
ACA HEALTH INSUR. FEE	-	-	-	-	-	656,800	-	-	-	-	-	-	656,800
TOTAL	73,635,700	75,607,400	73,757,800	75,095,100	76,835,700	75,473,900	73,657,300	75,353,200	73,547,000	75,239,700	73,633,900	72,123,300	893,960,000

FY 17 Category	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
CAPITATION	60,725,600	61,059,300	61,214,200	64,002,200	64,070,100	63,664,900	63,735,600	63,800,400	63,865,000	63,930,000	63,994,700	64,059,800	758,121,800
FFS*	7,490,700	9,363,300	7,490,700	10,172,700	8,138,200	8,138,200	10,240,000	8,192,000	8,192,000	8,195,300	10,244,200	8,195,500	104,052,800
RI	2,584,800	2,591,100	2,595,800	2,869,200	2,868,800	2,854,700	1,651,100	1,649,100	1,650,100	2,142,200	2,141,000	2,142,500	27,740,400
MEDICARE PREMIUMS	2,506,700	2,520,500	2,527,000	2,544,700	2,547,400	2,531,300	3,062,500	3,065,600	3,068,700	3,071,900	3,074,900	3,078,100	33,599,300
MED. PRIMARY CARE RATES	-	-	-	-	-	-	-	-	-	-	-	-	-
RECONCILIATIONS	-	-	-	-	-	-	-	-	-	-	-	-	-
ACA HEALTH INSUR. FEE	-	-	-	-	-	753,700	-	-	-	-	-	-	753,700
TOTAL	73,307,800	75,534,200	73,827,700	79,588,800	77,624,500	77,942,800	78,689,200	76,707,100	76,775,800	77,339,400	79,454,800	77,475,900	924,268,000

FY 18 Category	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
CAPITATION	64,124,200	64,472,400	64,634,300	67,011,400	67,081,800	66,662,400	66,729,500	66,796,500	66,863,600	66,930,500	66,997,400	67,064,000	795,368,000
FFS*	10,248,300	8,198,700	8,198,700	11,135,900	8,908,700	8,908,700	11,206,700	8,965,200	8,965,200	11,211,300	8,969,100	8,969,500	113,886,000
RI	2,506,100	2,513,400	2,518,100	2,955,700	2,955,300	2,940,900	1,695,900	1,693,900	1,694,900	2,204,000	2,202,600	2,204,000	28,084,800
MEDICARE PREMIUMS	3,081,200	3,098,000	3,105,800	3,126,100	3,129,400	3,109,700	3,267,100	3,270,400	3,273,700	3,277,000	3,280,300	3,283,600	38,302,300
MED. PRIMARY CARE RATES	-	-	-	-	-	-	-	-	-	-	-	-	-
RECONCILIATIONS	-	-	-	-	-	-	-	-	-	1,547,000	-	-	1,547,000
ACA HEALTH INSUR. FEE	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	79,959,800	78,282,500	78,456,900	84,229,100	82,075,200	81,621,700	82,899,200	80,726,000	80,797,400	85,169,800	81,449,400	81,521,100	977,188,100

Capitated expeditures for SFY16 are based on Date of Service and do not match AFIS which is based on Date of Payment.

** Includes estimate for Prior Quarter.*

AHCCCS ALTCS PROGRAM EXPENDITURES - NONFEDERAL FUND

FY 16 Category	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
CAPITATION	28,327,100	28,374,800	28,387,900	28,444,400	28,418,200	28,315,900	28,193,500	28,157,200	28,139,000	26,731,600	26,920,800	27,108,800	335,519,200
FFS*	2,908,900	3,636,100	2,908,900	2,832,800	3,541,000	2,832,800	2,840,100	3,550,100	2,840,100	2,978,700	3,723,400	2,978,900	37,571,800
RI	1,205,900	1,197,600	1,198,200	1,276,600	1,271,100	1,267,300	732,300	726,600	731,500	864,300	867,000	871,800	12,210,200
MEDICARE PREMIUMS	982,600	988,800	986,400	969,000	975,600	980,800	1,120,100	1,113,000	1,126,300	1,099,100	1,118,100	1,126,100	12,585,900
MED. PRIMARY CARE RATES	7,200	7,200	7,400	5,100	5,100	5,100	2,200	2,100	2,200	-	-	-	43,600
RECONCILIATIONS	-	-	-	-	-	-	-	-	-	1,899,300	-	-	1,899,300
ACA HEALTH INSUR. FEE	-	-	-	-	-	302,600	-	-	-	-	-	-	302,600
TOTAL	33,431,700	34,204,500	33,488,800	33,527,900	34,211,000	33,704,500	32,888,200	33,549,000	32,839,100	33,573,000	32,629,300	32,085,600	400,132,600

FY 17 Category	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
CAPITATION	27,487,300	27,637,900	27,708,100	28,537,100	28,567,300	28,387,200	28,418,700	28,447,500	28,476,400	28,505,000	28,533,800	28,562,600	339,268,900
FFS*	2,896,700	3,620,900	2,896,700	3,926,500	3,141,100	3,141,100	3,928,100	3,142,400	3,142,400	3,143,800	3,929,700	3,143,300	40,052,700
RI	1,165,600	1,168,600	1,170,600	1,274,700	1,274,400	1,268,200	733,400	732,700	733,100	951,800	951,100	951,700	12,375,900
MEDICARE PREMIUMS	1,130,400	1,136,700	1,139,500	1,130,500	1,131,700	1,124,500	1,360,500	1,361,900	1,363,300	1,364,700	1,366,100	1,367,400	14,977,200
MED. PRIMARY CARE RATES	-	-	-	-	-	-	-	-	-	-	-	-	-
RECONCILIATIONS	-	-	-	-	-	-	-	-	-	-	-	-	-
ACA HEALTH INSUR. FEE	-	-	-	-	-	339,900	-	-	-	-	-	-	339,900
TOTAL	32,680,000	33,564,100	32,914,900	34,868,800	34,114,500	34,260,900	34,440,700	33,684,500	33,715,200	33,965,300	34,780,700	34,025,000	407,014,600

FY 18 Category	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
CAPITATION	28,591,400	28,746,200	28,818,100	29,476,900	29,507,600	29,324,000	29,353,300	29,382,700	29,412,000	29,441,400	29,470,800	29,500,400	351,024,800
FFS*	3,931,300	3,144,900	3,144,900	4,266,600	3,413,300	3,413,300	4,268,300	3,414,700	3,414,700	4,270,100	3,416,100	3,416,200	43,514,400
RI	1,113,300	1,116,500	1,118,600	1,295,400	1,295,000	1,288,700	743,100	742,400	742,800	965,900	965,200	966,000	12,352,900
MEDICARE PREMIUMS	1,368,800	1,376,300	1,379,800	1,369,900	1,371,400	1,362,800	1,431,800	1,433,200	1,434,600	1,436,100	1,437,500	1,438,900	16,841,100
MED. PRIMARY CARE RATES	-	-	-	-	-	-	-	-	-	-	-	-	-
RECONCILIATIONS	-	-	-	-	-	-	-	-	-	687,300	-	-	687,300
ACA HEALTH INSUR. FEE	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	35,004,800	34,383,900	34,461,400	36,408,800	35,587,300	35,388,800	35,796,500	34,973,000	35,004,100	36,800,800	35,289,600	35,321,500	424,420,500

Capitated expeditures for SFY16 are based on Date of Service and do not match AFIS which is based on Date of Payment.

** Includes estimate for Prior Quarter.*

ALTCS EPD, FORECAST OF EXPENDITURES, ARIZONA FISCAL YEAR 2016 Actuals

	Prospective Capitation	Prior Period Capitation	Capitation Subtotal	FFS*	Reinsurance (incl. HCBH/TBI)	Medicare	Total
Federal:							
2015.3	$182,138,900	$1,908,600	$184,047,500	$24,346,200	$7,818,000	$6,420,200	$222,631,900
2015.4	$186,464,400	$1,746,100	$188,210,500	$23,333,300	$8,459,700	$6,487,000	$226,490,500
2016.1	$184,893,600	$1,780,500	$186,674,100	$23,465,500	$4,857,200	$7,449,400	$222,446,200
2016.2	$176,607,600	$1,794,300	$178,401,900	$25,383,900	$5,772,100	$7,413,900	$216,971,800
Total:	$730,104,500	$7,229,500	$737,334,000	$96,528,900	$26,907,000	$27,770,500	$888,540,400
Medicare Primary Rate Increase:							$737,200
Reconciliations:							$4,025,600
ACA Health Insurer Fee:							$656,800
Federal Total:							$893,960,000
State and Other:							
2015.3	$84,210,600	$879,300	$85,089,900	$9,454,000	$3,601,800	$2,957,900	$101,103,600
2015.4	$84,391,300	$787,400	$85,178,700	$9,206,600	$3,815,000	$2,925,300	$101,125,600
2016.1	$83,686,800	$802,900	$84,489,700	$9,230,400	$2,190,400	$3,359,400	$99,269,900
2016.2	$79,951,600	$809,200	$80,760,800	$9,680,800	$2,603,000	$3,343,400	$96,388,000
Total:	$332,240,300	$3,278,800	$335,519,100	$37,571,800	$12,210,200	$12,586,000	$397,887,100
Medicare Primary Rate Increase:							$43,600
Reconciliations:							$1,899,300
ACA Health Insurer Fee:							$302,600
State Total:							$400,132,600
Total Cost:							
2015.3	$266,349,500	$2,787,900	$269,137,400	$33,800,200	$11,419,800	$9,378,100	$323,735,500
2015.4	$270,855,700	$2,533,500	$273,389,200	$32,539,900	$12,274,700	$9,412,300	$327,616,100
2016.1	$268,580,400	$2,583,400	$271,163,800	$32,695,900	$7,047,600	$10,808,800	$321,716,100
2016.2	$256,559,200	$2,603,500	$259,162,700	$35,064,700	$8,375,100	$10,757,300	$313,359,800
Total:	$1,062,344,800	$10,508,300	$1,072,853,100	$134,100,700	$39,117,200	$40,356,500	$1,286,427,500
Medicare Primary Rate Increase:							$780,800
Reconciliations:							$5,924,900
ACA Health Insurer Fee:							$959,400
Grand Total:							$1,294,092,600

* Includes estimate for Prior Quarter.

ALTCS EPD, FORECAST OF EXPENDITURES, ARIZONA FISCAL YEAR 2017 Rebase

	Prospective Capitation	Prior Period Capitation	Capitation Subtotal	FFS*	Reinsurance (incl. HCBH/TBI)	Medicare	Total
Federal:							
2016.3	$181,182,300	$1,816,800	$182,999,100	$24,344,600	$7,771,800	$7,554,200	$222,669,700
2016.4	$189,878,100	$1,859,100	$191,737,200	$26,449,200	$8,592,600	$7,623,400	$234,402,400
2017.1	$189,545,700	$1,855,800	$191,401,500	$26,624,000	$4,950,300	$9,196,800	$232,172,600
2017.2	$190,122,900	$1,861,200	$191,984,100	$26,634,900	$6,425,700	$9,224,900	$234,269,600
Total:	$750,729,000	$7,392,900	$758,121,900	$104,052,700	$27,740,400	$33,599,300	$923,514,300
Medicare Primary Rate Increase:							$0
Reconciliations:							$0
ACA Health Insurer Fee:							$753,700
Federal Total:							$924,268,000
State and Other:							
2016.3	$82,013,700	$819,300	$82,833,000	$9,414,300	$3,504,800	$3,406,600	$99,158,700
2016.4	$84,665,800	$825,900	$85,491,700	$10,208,600	$3,817,300	$3,386,700	$102,904,300
2017.1	$84,518,200	$824,400	$85,342,600	$10,212,800	$2,199,200	$4,085,700	$101,840,300
2017.2	$84,774,800	$826,800	$85,601,600	$10,217,000	$2,854,600	$4,098,200	$102,771,400
Total:	$335,972,500	$3,278,800	$339,268,900	$40,052,700	$12,375,900	$14,977,200	$406,674,700
Medicare Primary Rate Increase:							$0
Reconciliations:							$0
ACA Health Insurer Fee:							$339,900
State Total:							$407,014,600
Total Cost:							
2016.3	$263,196,000	$2,636,100	$265,832,100	$33,758,900	$11,276,600	$10,960,800	$321,828,400
2016.4	$274,543,900	$2,685,000	$277,228,900	$36,657,800	$12,409,900	$11,010,100	$337,306,700
2017.1	$274,063,900	$2,680,200	$276,744,100	$36,836,800	$7,149,500	$13,282,500	$334,012,900
2017.2	$274,897,700	$2,688,000	$277,585,700	$36,851,900	$9,280,300	$13,323,100	$337,041,000
Total:	$1,086,701,500	$10,689,300	$1,097,390,800	$144,105,400	$40,116,300	$48,576,500	$1,330,189,000
Medicare Primary Rate Increase:							$0
Reconciliations:							$0
ACA Health Insurer Fee:							$1,093,600
Grand Total:							$1,331,282,600

* Includes estimate for Prior Quarter.

ALTCS EPD, FORECAST OF EXPENDITURES, ARIZONA FISCAL YEAR 2018 Request

	Prospective Capitation	Prior Period Capitation	Capitation Subtotal	FFS*	Reinsurance (incl. HCBH/TBI)	Medicare	Total
Federal:							
2017.3	$191,357,700	$1,873,300	$193,231,000	$26,645,800	$7,537,500	$9,285,000	$236,699,300
2017.4	$198,809,500	$1,945,900	$200,755,400	$28,953,500	$8,851,900	$9,365,200	$247,926,000
2018.1	$198,446,700	$1,942,400	$200,389,100	$29,137,400	$5,084,700	$9,811,200	$244,422,400
2018.2	$199,043,800	$1,948,700	$200,992,500	$29,149,300	$6,610,700	$9,840,900	$246,593,400
Total:	$787,657,700	$7,710,300	$795,368,000	$113,886,000	$28,084,800	$38,302,300	$975,641,100
Medicare Primary Rate Increase:							$0
Reconciliations:							$1,547,000
ACA Health Insurer Fee:							$0
Federal Total:							$977,188,100
State and Other:							
2017.3	$85,323,500	$832,200	$86,155,700	$10,221,200	$3,348,500	$4,124,900	$103,850,300
2017.4	$87,455,700	$852,800	$88,308,500	$11,093,200	$3,879,200	$4,104,100	$107,385,000
2018.1	$87,296,800	$851,200	$88,148,000	$11,097,700	$2,228,300	$4,299,600	$105,773,600
2018.2	$87,558,600	$854,000	$88,412,600	$11,102,200	$2,897,000	$4,312,500	$106,724,300
Total:	$347,634,600	$3,278,800	$351,024,800	$43,514,300	$12,353,000	$16,841,100	$423,733,200
Medicare Primary Rate Increase:							$0
Reconciliations:							$687,300
ACA Health Insurer Fee:							$0
State Total:							$424,420,500
Total Cost:							
2017.3	$276,681,200	$2,705,500	$279,386,700	$36,867,000	$10,886,000	$13,409,900	$340,549,600
2017.4	$286,265,200	$2,798,700	$289,063,900	$40,046,700	$12,731,100	$13,469,300	$355,311,000
2018.1	$285,743,500	$2,793,600	$288,537,100	$40,235,100	$7,313,000	$14,110,800	$350,196,000
2018.2	$286,602,400	$2,802,700	$289,405,100	$40,251,500	$9,507,700	$14,153,400	$353,317,700
Total:	$1,135,292,300	$11,100,500	$1,146,392,800	$157,400,300	$40,437,800	$55,143,400	$1,399,374,300
Medicare Primary Rate Increase:							$0
Reconciliations:							$2,234,300
ACA Health Insurer Fee:							$0
Grand Total:							$1,401,608,600

* Includes estimate for Prior Quarter.

ALTCS EPD REGULAR CAPITATION, ARIZONA FISCAL YEAR 2016-2018

Quarter	Member Months		Growth	Inflation	Rate	FMAP Rate	Federal	Other		Total
2012.3	76,224	ACTUALS:	0.69%		$ 2,946.74	67.30%	$151,164,742	$73,448,545	ACTUALS:	$224,613,287
2012.4	76,489		0.35%	2.34%	$ 3,017.09	65.68%	$151,571,906	$79,201,398		$230,773,304
2013.1	75,711		-1.02%		$ 3,017.28	65.68%	$150,040,901	$78,401,396		$228,442,297
2013.2	75,820		0.14%		$ 3,020.37	65.68%	$150,410,967	$78,594,769		$229,005,736
	304,245		0.81%		$ 3,000.33		$603,188,516	$309,646,108		$912,834,624
2013.3	76,499	ACTUALS:	0.89%		$ 3,027.15	65.68%	$152,097,176	$79,475,869	ACTUALS:	$231,573,045
2013.4	77,090		0.77%	5.45%	$ 3,123.71	67.23%	$161,893,653	$78,912,018		$240,805,671
2014.1	76,910		-0.23%		$ 3,124.55	67.23%	$161,558,807	$78,748,804		$240,307,612
2014.2	77,351		0.57%		$ 3,245.23	67.23%	$168,762,791	$82,260,251		$251,023,042
	307,849		1.18%		$ 3,130.46		$644,312,427	$319,396,943		$963,709,370
2014.3	78,029	ACTUALS:	0.88%		$ 3,245.70	67.23%	$170,265,432	$82,992,685	ACTUALS:	$253,258,118
2014.4	78,804		0.99%	4.93%	$ 3,326.89	68.46%	$179,484,318	$82,689,678		$262,173,996
2015.1	78,677		-0.16%		$ 3,317.00	68.46%	$178,660,875	$82,310,313		$260,971,188
2015.2	78,891		0.27%		$ 3,360.77	68.46%	$181,511,611	$83,623,667		$265,135,278
	314,401		2.13%		$ 3,312.77		$709,922,237	$331,616,343		$1,041,538,580
2015.3	78,863	ACTUALS:	-0.04%		$ 3,363.36	68.46%	$181,586,546	$83,658,189	ACTUALS:	$265,244,735
2015.4	79,018		0.20%	-0.26%	$ 3,413.77	68.92%	$185,911,107	$83,838,033		$269,749,139
2016.1	78,402		-0.78%		$ 3,411.38	68.92%	$184,333,458	$83,126,580		$267,460,038
2016.2	79,001		0.76%		$ 3,233.27	68.92%	$176,044,534	$79,388,626		$255,433,161
	315,285		0.28%		$ 3,355.34		$727,875,645	$330,011,428		$1,057,887,074
2016.3	79,999	REBASE	1.26%		$ 3,275.95	68.92%	$180,621,009	$81,452,422	REBASE	$262,073,431
2016.4	80,359		0.45%	2.08%	$ 3,402.50	69.24%	$189,316,608	$84,104,259		$273,420,867
2017.1	80,210		-0.19%		$ 3,402.83	69.24%	$188,983,916	$83,956,460		$272,940,376
2017.2	80,455		0.31%		$ 3,402.83	69.24%	$189,560,954	$84,212,810		$273,773,763
	321,023		1.82%		$ 3,371.13		$748,482,487	$333,725,950		$1,082,208,437
2017.3	80,979	REQUEST	0.65%		$ 3,402.83	69.24%	$190,795,541	$84,761,277	REQUEST	$275,556,819
2017.4	81,338		0.44%	3.00%	$ 3,504.91	69.53%	$198,218,965	$86,865,121		$285,084,086
2018.1	81,190		-0.18%		$ 3,504.91	69.53%	$197,855,937	$86,706,032		$284,561,969
2018.2	81,434		0.30%		$ 3,504.91	69.53%	$198,452,775	$86,967,583		$285,420,358
	324,941		1.22%		$ 3,479.47		$785,323,219	$345,300,014		$1,130,623,232

ALTCS EPD, CAPITATION (TRIBAL CASE MANAGEMENT)
ARIZONA FISCAL YEAR 2016-2018

Quarter	Member Months		Growth	Inflation	Rate	FMAP Rate	Federal	Other		Total
2012.3	7,395	ACTUALS:	1.68%		$147.76	50.00%	$546,322	$546,322	ACTUALS:	$1,092,644
2012.4	7,483		1.20%	-0.21%	$147.65	50.00%	$552,447	$552,447		$1,104,895
2013.1	7,447		-0.48%		$147.80	50.00%	$550,354	$550,354		$1,100,708
2013.2	7,576		1.73%		$147.58	50.00%	$559,004	$559,004		$1,118,008
	29,901		4.42%		$147.70		$2,208,127	$2,208,127		$4,416,255
2013.3	7,619	ACTUALS:	0.56%		$147.07	50.00%	$560,229	$560,229	ACTUALS:	$1,120,457
2013.4	7,602		-0.22%	-0.10%	$147.31	50.00%	$559,951	$559,951		$1,119,903
2014.1	7,552		-0.66%		$147.32	50.00%	$556,274	$556,274		$1,112,548
2014.2	7,648		1.27%		$147.46	50.00%	$563,858	$563,858		$1,127,715
	30,420		1.74%		$147.29		$2,240,312	$2,240,312		$4,480,624
2014.3	7,695	ACTUALS:	0.62%		$147.42	50.00%	$567,175	$567,175	ACTUALS:	$1,134,351
2014.4	7,642		-0.69%	-0.02%	$147.27	50.00%	$562,683	$562,683		$1,125,367
2015.1	7,560		-1.07%		$147.26	50.00%	$556,620	$556,620		$1,113,240
2015.2	7,495		-0.86%		$147.36	50.00%	$552,234	$552,234		$1,104,468
	30,391		-0.10%		$147.33		$2,238,713	$2,238,713		$4,477,425
2015.3	7,491	ACTUALS:	-0.06%		$147.48	50.00%	$552,372	$552,372	ACTUALS:	$1,104,744
2015.4	7,513		0.29%	0.75%	$147.29	50.00%	$553,264	$553,264		$1,106,528
2016.1	7,521		0.10%		$148.97	50.00%	$560,178	$560,178		$1,120,355
2016.2	7,553		0.43%		$149.08	50.00%	$563,019	$563,019		$1,126,038
	30,077		-1.03%		$148.21		$2,228,833	$2,228,833		$4,457,665
2016.3	7,562	REBASE	0.12%		$148.45	50.00%	$561,275	$561,275	REBASE	$1,122,550
2016.4	7,565		0.04%	0.00%	$148.45	50.00%	$561,505	$561,505		$1,123,011
2017.1	7,568		0.04%		$148.45	50.00%	$561,735	$561,735		$1,123,471
2017.2	7,571		0.04%		$148.45	50.00%	$561,966	$561,966		$1,123,931
	30,266		0.63%		$148.45		$2,246,481	$2,246,481		$4,492,963
2017.3	7,574	REQUEST	0.04%		$148.45	50.00%	$562,196	$562,196	REQUEST	$1,124,391
2017.4	7,577		0.04%	5.00%	$155.87	50.00%	$590,547	$590,547		$1,181,094
2018.1	7,580		0.04%		$155.87	50.00%	$590,789	$590,789		$1,181,578
2018.2	7,584		0.04%		$155.87	50.00%	$591,030	$591,030		$1,182,061
	30,316		0.16%		$154.02		$2,334,562	$2,334,562		$4,669,124

ALTCS EPD PRIOR PERIOD CAPITATION, ARIZONA FISCAL YEAR 2016-2018

Quarter	Prior Period Member Months		Growth	Inflation	Rate	FMAP Rate	Federal	Other		Total
2013.3	2,883	ACTUALS:	5.10%		$ 858.10	65.68%	$1,624,855	$849,041	ACTUALS:	$2,473,896
2013.4	2,724		-5.52%	4.54%	$ 897.47	67.23%	$1,643,587	$801,135		$2,444,722
2014.1	2,759		1.28%		$ 894.62	67.23%	$1,659,414	$808,850		$2,468,265
2014.2	2,686		-2.65%		$ 897.26	67.23%	$1,620,261	$789,766		$2,410,027
	11,052		2.79%		$ 886.44		$6,548,117	$3,248,793		$9,796,910
2014.3	2,846	ACTUALS:	5.96%		$ 898.38	67.23%	$1,718,928	$837,859	ACTUALS:	$2,556,787
2014.4	2,667		-6.29%	8.32%	$ 955.21	68.46%	$1,744,053	$803,498		$2,547,551
2015.1	2,813		5.47%		$ 956.40	68.46%	$1,841,815	$848,537		$2,690,352
2015.2	2,524		-10.27%		$ 990.25	68.46%	$1,711,082	$788,308		$2,499,390
	10,850		-1.83%		$ 948.76		$7,015,878	$3,278,201		$10,294,080
2015.3	2,829	ACTUALS:	12.08%		$ 985.50	68.46%	$1,908,641	$879,324	ACTUALS:	$2,787,966
2015.4	2,638		-6.75%	-1.15%	$ 960.40	68.92%	$1,746,109	$787,421		$2,533,531
2016.1	2,694	REBASE	2.12%		$ 958.94	68.92%	$1,780,463	$802,914	REBASE	$2,583,377
2016.2	2,715		0.78%		$ 958.94	68.92%	$1,794,342	$809,172		$2,603,515
	10,876		0.24%		$ 966.20		$7,229,556	$3,278,832		$10,508,388
2016.3	2,749	REBASE	1.25%		$ 958.94	68.92%	$1,816,813	$819,306	REQUEST	$2,636,119
2016.4	2,762		0.47%	1.34%	$ 972.15	69.24%	$1,859,139	$825,926		$2,685,065
2017.1	2,757		-0.18%		$ 972.15	69.24%	$1,855,774	$824,431		$2,680,205
2017.2	2,765		0.29%		$ 972.15	69.24%	$1,861,159	$826,823		$2,687,982
	11,033		1.44%		$ 968.85		$7,392,884	$3,296,486		$10,689,370
2017.3	2,783	REQUEST	0.65%		$ 972.15	69.24%	$1,873,275	$832,206		$2,705,480
2017.4	2,795		0.43%	3.00%	$ 1,001.31	69.53%	$1,945,909	$852,752		$2,798,661
2018.1	2,790		-0.18%		$ 1,001.31	69.53%	$1,942,428	$851,227		$2,793,655
2018.2	2,799		0.32%		$ 1,001.31	69.53%	$1,948,694	$853,973		$2,802,667
	11,167		1.21%		$ 994.04		$7,710,306	$3,390,157		$11,100,463

ALTCS EPD, FEE-FOR-SERVICE
ARIZONA FISCAL YEAR 2016-2018

Quarter	Tribal Member Months		Growth	Inflation	Rate	FMAP Rate	Federal	Other		Total
I. FFS Excluding IHS Facilities:										
2013.3	7,619	ACTUALS:	0.56%		$3,304.71	65.68%	$16,536,455	$8,640,852	ACTUALS:	$25,177,306
2013.4	7,602		-0.22%	-1.98%	$3,407.71	67.23%	$17,416,593	$8,489,391		$25,905,984
2014.1	7,552		-0.66%		$3,200.73	67.23%	$16,250,566	$7,921,033		$24,171,599
2014.2	7,648		1.27%		$3,409.50	67.23%	$17,530,351	$8,544,840		$26,075,191
	30,420		1.74%		$3,330.98		$67,733,965	$33,596,116		$101,330,081
2014.3	7,695	ACTUALS:	0.62%		$3,308.35	67.23%	$17,115,019	$8,342,394	ACTUALS:	$25,457,413
2014.4	7,642		-0.69%	12.14%	$3,462.41	68.46%	$18,113,374	$8,344,958		$26,458,332
2015.1	7,560		-1.07%		$3,471.81	68.46%	$17,968,410	$8,278,172		$26,246,582
2015.2	7,495		-0.86%		$4,028.74	68.46%	$20,671,806	$9,523,645		$30,195,451
	30,391		-0.10%		$3,565.41		$73,868,609	$34,489,169		$108,357,778
2015.3	7,491	ACTUALS:	-0.06%		$3,990.54	68.46%	$20,464,547	$9,428,160	ACTUALS:	$29,892,707
2015.4	7,513		0.29%	6.93%	$3,934.64	68.92%	$20,372,821	$9,187,279		$29,560,100
2016.1	7,521		0.10%		$3,934.65	68.92%	$20,393,886	$9,196,779		$29,590,665
2016.2	7,553		0.43%		$4,116.04	68.92%	$21,426,187	$9,662,303		$31,088,490
	30,077		-1.03%		$3,994.12		$82,657,442	$37,474,520		$120,131,962
2016.3	7,562	REBASE	0.12%		$3,995.30	68.92%	$20,822,038	$9,389,857	REBASE	$30,211,896
2016.4	7,565		0.04%	9.54%	$4,376.29	69.24%	$22,922,888	$10,183,536		$33,106,424
2017.1	7,568		0.04%		$4,376.29	69.24%	$22,932,283	$10,187,710		$33,119,992
2017.2	7,571		0.04%		$4,376.29	69.24%	$22,941,677	$10,191,883		$33,133,561
	30,266		0.63%		$4,281.10		$89,618,886	$39,952,986		$129,571,872
2017.3	7,574	REQUEST	0.04%		$4,376.29	69.24%	$22,951,072	$10,196,057	REQUEST	$33,147,129
2017.4	7,577		0.04%	9.54%	$4,793.61	69.53%	$25,255,298	$11,067,581		$36,322,879
2018.1	7,580		0.04%		$4,793.61	69.53%	$25,265,632	$11,072,110		$36,337,741
2018.2	7,584		0.04%		$4,793.61	69.53%	$25,275,965	$11,076,638		$36,352,604
	30,316		0.16%		$4,689.34		$98,747,967	$43,412,386		$142,160,353
II. IHS Facilities Only:										
2013.3	7,619	ACTUALS:	0.56%		$471.95	100.00%	$3,595,601		ACTUALS:	$3,595,601
2013.4	7,602		-0.22%		$439.06	100.00%	$3,337,777			$3,337,777
2014.1	7,552		-0.66%	1.73%	$387.46	100.00%	$2,926,062			$2,926,062
2014.2	7,648		1.27%		$475.72	100.00%	$3,638,213			$3,638,213
	30,420		1.74%		$443.70		$13,497,653			$13,497,653
2014.3	7,695	ACTUALS:	0.62%		$535.46	100.00%	$4,120,297		ACTUALS:	$4,120,297
2014.4	7,642		-0.69%		$488.47	100.00%	$3,732,681			$3,732,681
2015.1	7,560		-1.07%	1.19%	$493.10	100.00%	$3,727,817			$3,727,817
2015.2	7,495		-0.86%		$519.03	100.00%	$3,890,138			$3,890,138
	30,391		-0.10%		$509.06		$15,470,933			$15,470,933
2015.3	7,491	ACTUALS:	-0.06%		$510.72	100.00%	$3,825,767		ACTUALS:	$3,825,767
2015.4	7,513		0.29%		$388.35	100.00%	$2,917,557			$2,917,557
2016.1	7,521		0.10%	-4.00%	$398.51	100.00%	$2,997,011			$2,997,011
2016.2	7,553		0.43%		$518.56	100.00%	$3,916,711			$3,916,711
	30,077		-1.03%		$454.07		$13,657,047			$13,657,047
2016.3	7,562	REBASE	0.12%		$458.67	100.00%	$3,468,363		REBASE	$3,468,363
2016.4	7,565		0.04%		$458.67	100.00%	$3,469,785			$3,469,785
2017.1	7,568		0.04%	4.73%	$480.34	100.00%	$3,635,238			$3,635,238
2017.2	7,571		0.04%		$480.34	100.00%	$3,636,728			$3,636,728
	30,266		0.63%		$469.51		$14,210,114			$14,210,114
2017.3	7,574	REQUEST	0.04%		$480.34	100.00%	$3,638,217		REQUEST	$3,638,217
2017.4	7,577		0.04%		$480.34	100.00%	$3,639,706			$3,639,706
2018.1	7,580		0.04%	4.73%	$503.04	100.00%	$3,813,272			$3,813,272
2018.2	7,584		0.04%		$503.04	100.00%	$3,814,831			$3,814,831
	30,316		0.16%		$491.69		$14,906,026			$14,906,026
III. Total ALTCS Fee-For-Service:										
2013.3	7,619	ACTUALS:	0.56%		$3,776.66	69.97%	$20,132,055	$8,640,852	ACTUALS:	$28,772,907
2013.4	7,602		-0.22%	-1.94%	$3,846.77	70.97%	$20,754,370	$8,489,391		$29,243,761
2014.1	7,552		-0.66%		$3,588.19	70.77%	$19,176,629	$7,921,033		$27,097,662
2014.2	7,648		1.27%		$3,885.22	71.24%	$21,168,564	$8,544,840		$29,713,404
	30,420		1.74%		$3,774.68		$81,231,618	$33,596,116		$114,827,734
2014.3	7,695	ACTUALS:	0.62%		$3,843.81	71.79%	$21,235,316	$8,342,394	ACTUALS:	$29,577,710
2014.4	7,642		-0.69%	11.80%	$3,950.88	72.36%	$21,846,055	$8,344,958		$30,191,013
2015.1	7,560		-1.07%		$3,964.91	72.38%	$21,696,227	$8,278,172		$29,974,399
2015.2	7,495		-0.86%		$4,547.76	72.06%	$24,561,944	$9,523,645		$34,085,589
	30,391		-0.10%		$4,074.46		$89,339,541	$34,489,169		$123,828,711
2015.3	7,491	ACTUALS:	-0.06%		$4,501.26	72.04%	$24,290,314	$9,428,160	ACTUALS:	$33,718,474
2015.4	7,513		0.29%	4.52%	$4,322.99	71.71%	$23,290,378	$9,187,279		$32,477,658
2016.1	7,521		0.10%		$4,333.16	71.78%	$23,390,897	$9,196,779		$32,587,676
2016.2	7,553		0.43%		$4,634.60	72.40%	$25,342,899	$9,662,303		$35,005,201
	30,077		-1.03%		$4,448.18		$96,314,489	$37,474,520		$133,789,009
2016.3	7,562	REBASE	0.12%		$4,453.97	72.12%	$24,290,401	$9,389,857	REBASE	$33,680,259
2016.4	7,565		0.04%	9.31%	$4,834.96	72.16%	$26,392,673	$10,183,536		$36,576,209
2017.1	7,568		0.04%		$4,856.63	72.28%	$26,567,521	$10,187,710		$36,755,230
2017.2	7,571		0.04%		$4,856.63	72.28%	$26,578,405	$10,191,883		$36,770,288
	30,266		0.63%		$4,750.61		$103,829,000	$39,952,986		$143,781,986
2017.3	7,574	REQUEST	0.04%		$4,856.63	72.28%	$26,589,289	$10,196,057	REQUEST	$36,785,346
2017.4	7,577		0.04%	9.03%	$5,273.95	72.31%	$28,895,004	$11,067,581		$39,962,585
2018.1	7,580		0.04%		$5,296.65	72.42%	$29,078,903	$11,072,110		$40,151,013
2018.2	7,584		0.04%		$5,296.65	72.42%	$29,090,797	$11,076,638		$40,167,435
	30,316		0.16%		$5,181.04		$113,653,993	$43,412,386		$157,066,379

* IHS Facility rate increases occur at the beginning of each calendar year.
The increase in the IHS Facility rate for 1/1/2016 is based on a weighted average of the expected rate increases in HCBS and nursing facilites.

FFS Data from ASR detail sheets. Projected IHS Facility rates are based on the annual average PMPM for the previous SFY inflated by the rate described above.
Non-facility rates are based on the average increase in PMPM for previous two years.

ALTCS EPD PRIOR QUARTER ARIZONA FISCAL YEAR 2016-2018

Quarter	Member Months		Growth	Inflation	Rate	FMAP Rate	Federal	Other		Total
2013.3	NA	ACTUAL	NA		NA	65.68%	NA	NA	ACTUAL	NA
2013.4	NA		NA		NA	67.23%	NA	NA		NA
2014.1	0		NA		$ 3,124.55	67.23%	NA	NA		$0
2014.2	0		NA		$ 3,245.23	67.23%	NA	NA		$0
	NA		NA		NA		NA	NA		$0
2014.3	19	ACTUAL	NA		$ 3,245.70	67.23%	$42,406	$20,670	ACTUAL	$63,075
2014.4	34		73.20%	4.93%	$ 3,326.89	68.46%	$76,661	$35,318		$111,979
2015.1	36		6.61%		$ 3,317.00	68.46%	$81,489	$37,542		$119,031
2015.2	32		-12.00%		$ 3,360.77	68.46%	$72,657	$33,474		$106,131
	121		NA		$ 3,319.74		$273,212	$127,004		$400,216
2015.3	24	ACTUAL	-23.10%		$ 3,363.36	68.46%	$55,914	$25,760	ACTUAL	$81,675
2015.4	18		-24.96%	-0.26%	$ 3,413.77	68.92%	$42,872	$19,333		$62,205
2016.1	32		74.07%		$ 3,411.38	68.92%	$74,575	$33,630		$108,205
2016.2	18		-41.99%		$ 3,233.27	68.92%	$41,002	$18,490		$59,493
	93		-23.17%		$ 3,363.88		$214,363	$97,214		$311,577
2016.3	24	REBASE	30.43%		$ 3,275.95	68.92%	$54,187	$24,436	REBASE	$78,623
2016.4	24		0.00%	2.08%	$ 3,402.50	69.24%	$56,541	$25,119		$81,660
2017.1	24		0.00%		$ 3,402.83	69.24%	$56,547	$25,121		$81,668
2017.2	24		0.00%		$ 3,402.83	69.24%	$56,547	$25,121		$81,668
	96		3.64%		$ 3,371.03		$223,822	$99,797		$323,619
2017.3	24	REQUEST	0.00%		$ 3,402.83	69.24%	$56,547	$25,121	REQUEST	$81,668
2017.4	24		0.00%	3.00%	$ 3,504.91	69.53%	$58,487	$25,631		$84,118
2018.1	24		0.00%		$ 3,504.91	69.53%	$58,487	$25,631		$84,118
2018.2	24		0.00%		$ 3,504.91	69.53%	$58,487	$25,631		$84,118
	96		0.00%		$ 3,479.39		$232,008	$102,013		$334,021

ALTCS EPD, REINSURANCE, ARIZONA FISCAL YEAR 2016-2018

Quarter	Member Months		Growth	PM/PM	FMAP Rate	Federal	Other		Total*
2012.3	76,224	ACTUALS:	0.69%	$36.75	67.30%	$1,885,239	$916,008	ACTUALS:	$2,801,247
2012.4	76,489		0.35%	$39.60	65.68%	$1,989,207	$1,039,427		$3,028,635
2013.1	75,711		-1.02%	$38.72	65.68%	$1,925,287	$1,006,027		$2,931,313
2013.2	75,820		0.14%	$85.26	65.68%	$4,245,954	$2,218,653		$6,464,607
	304,245		0.81%	$50.04		$10,045,687	$5,180,115		$15,225,802
2013.3	76,499	ACTUALS:	0.89%	$75.34	65.68%	$3,785,654	$1,978,131	ACTUALS:	$5,763,785
2013.4	77,090		0.77%	$80.16	67.23%	$4,154,631	$2,025,097		$6,179,728
2014.1	76,910		-0.23%	$42.92	67.23%	$2,219,070	$1,081,644		$3,300,714
2014.2	77,351		0.57%	$90.67	67.23%	$4,715,328	$2,298,398		$7,013,726
	307,849		1.18%	$72.30		$14,874,683	$7,383,270		$22,257,952
2014.3	78,029	ACTUALS:	0.88%	$86.86	67.23%	$4,556,806	$2,221,129	ACTUALS:	$6,777,935
2014.4	78,804		0.99%	$97.57	68.46%	$5,263,605	$2,424,980		$7,688,585
2015.1	78,677		-0.16%	$46.29	68.46%	$2,493,473	$1,148,760		$3,642,233
2015.2	78,891		0.27%	$90.08	68.46%	$4,865,045	$2,241,360		$7,106,405
	314,401		2.13%	$80.20		$17,178,929	$8,036,230		$25,215,158
2015.3	78,863	ACTUALS:	-0.04%	$96.57	68.46%	$5,213,818	$2,402,042	ACTUALS:	$7,615,860
2015.4	79,018		0.20%	$117.54	68.92%	$6,401,097	$2,886,624		$9,287,721
2016.1	78,402		-0.78%	$53.48	68.92%	$2,889,568	$1,303,073		$4,192,640
2016.2	79,001		0.76%	$79.41	68.92%	$4,323,641	$1,949,779		$6,273,419
	315,285		0.28%	$86.81		$18,828,123	$8,541,517		$27,369,641
2016.3	79,999	REBASE	1.26%	$98.06	68.92%	$5,406,316	$2,438,020	REBASE	$7,844,336
2016.4	80,359		0.45%	$119.05	69.24%	$6,623,742	$2,942,610		$9,566,352
2017.1	80,210		-0.19%	$53.84	69.24%	$2,990,074	$1,328,346		$4,318,420
2017.2	80,455		0.31%	$80.31	69.24%	$4,474,027	$1,987,595		$6,461,622
	321,023		1.82%	$87.82		$19,494,160	$8,696,570		$28,190,730
2017.3	80,979	REQUEST	0.65%	$99.78	69.24%	$5,594,361	$2,485,305	REQUEST	$8,079,666
2017.4	81,338		0.44%	$121.14	69.53%	$6,851,029	$3,002,314		$9,853,343
2018.1	81,190		-0.18%	$54.79	69.53%	$3,092,675	$1,355,297		$4,447,972
2018.2	81,434		0.30%	$81.73	69.53%	$4,627,549	$2,027,922		$6,655,471
	324,941		1.22%	$89.36		$20,165,614	$8,870,838		$29,036,452

HCBH/TBI, ARIZONA FISCAL YEAR 2017-2018

Quarter	Active Cases		Growth		Cost Per Active Case	FMAP Rate	Federal	Other		Total
2012.3	1,041	ACTUALS:	-4.14%		$1,539.74	67.30%	$1,078,728	$524,137	ACTUALS:	$1,602,865
2012.4	1,023		-1.73%		$2,372.30	65.68%	$1,593,965	$832,900		$2,426,865
2013.1	1,006		-1.66%		$3,207.63	65.68%	$2,119,409	$1,107,462		$3,226,871
2013.2	975		-3.08%		$7,832.84	65.68%	$5,015,995	$2,621,026		$7,637,021
	4,045		-3.04%		$3,681.98		$9,808,098	$5,085,525		$14,893,623
2013.3	943	ACTUALS:	-3.28%		$6,819.50	65.68%	$4,223,740	$2,207,046	ACTUALS:	$6,430,786
2013.4	909		-3.61%	7.28%	$5,926.80	67.23%	$3,621,988	$1,765,470		$5,387,457
2014.1	885		-2.64%		$3,687.07	67.23%	$2,193,755	$1,069,305		$3,263,059
2014.2	856		-3.28%		$6,280.74	67.23%	$3,614,498	$1,761,819		$5,376,318
	3,593		-11.17%		$5,693.74		$13,653,981	$6,803,639		$20,457,621
2014.3	830	ACTUALS:	-3.04%		$5,575.87	67.23%	$3,111,386	$1,516,586	ACTUALS:	$4,627,972
2014.4	807		-2.77%	-4.28%	$5,830.76	68.46%	$3,221,334	$1,484,091		$4,705,425
2015.1	796		-1.36%		$3,233.19	68.46%	$1,761,902	$811,721		$2,573,623
2015.2	785		-1.38%		$6,452.72	68.46%	$3,467,761	$1,597,622		$5,065,383
	3,218		-10.44%		$5,274.21		$11,562,383	$5,410,020		$16,972,403
2015.3	759	ACTUALS:	-3.31%		$5,011.71	68.46%	$2,604,140	$1,199,745	ACTUALS:	$3,803,885
2015.4	745		-1.84%	-21.80%	$4,009.33	68.92%	$2,058,609	$928,345		$2,986,954
2016.1	704		-5.50%		$4,055.42	68.92%	$1,967,677	$887,339		$2,855,017
2016.2	695		-1.28%		$3,023.97	68.92%	$1,448,461	$653,195		$2,101,656
	2,903		-9.79%		$4,046.68		$8,078,887	$3,668,625		$11,747,512
2016.3	691	REBASE	-0.58%		$4,967.08	68.92%	$2,365,510	$1,066,745	REBASE	$3,432,255
2016.4	688		-0.43%	3.00%	$4,133.04	69.24%	$1,968,860	$874,670		$2,843,529
2017.1	685		-0.44%		$4,133.04	69.24%	$1,960,274	$870,856		$2,831,130
2017.2	682		-0.44%		$4,133.04	69.24%	$1,951,689	$867,042		$2,818,731
	2,746		-5.41%		$4,342.92		$8,246,333	$3,679,312		$11,925,645
2017.3	679	REQUEST	-0.44%		$4,133.04	69.24%	$1,943,104	$863,228	REQUEST	$2,806,332
2017.4	676		-0.44%	3.00%	$4,257.03	69.53%	$2,000,900	$876,851		$2,877,751
2018.1	673		-0.44%		$4,257.03	69.53%	$1,992,020	$872,959		$2,864,980
2018.2	670		-0.45%		$4,257.03	69.53%	$1,983,141	$869,068		$2,852,209
	2,698		-1.75%		$4,225.82		$7,919,165	$3,482,106		$11,401,271
2018.3	667		-0.45%		$4,257.03	69.53%	$1,974,261	$865,177		$2,839,437

The HCBH cost per case is based on the total number of active cases, rather than the number of cases paid per month.

BH Total Active Cases

	Actual	Estimated
1/31/2013	333	
2/28/2013	332	
3/31/2013	330	
4/30/2013	326	
5/31/2013	319	
6/30/2013	318	
7/31/2013	318	
8/31/2013	307	
9/30/2013	306	
10/31/2013	302	
11/30/2013	301	
12/31/2013	299	
1/31/2014	295	
2/28/2014	291	
3/31/2014	287	
4/30/2014	286	
5/31/2014	283	
6/30/2014	281	
7/31/2014	275	
8/31/2014	274	
9/30/2014	272	
10/31/2014	268	
11/30/2014	267	
12/31/2014	266	
1/31/2015	265	
2/28/2015	265	
3/31/2015	265	
4/30/2015	263	
5/31/2015	257	
6/30/2015	257	
7/31/2015	251	
8/31/2015	251	
9/30/2015	251	
10/31/2015	247	
11/30/2015	247	
12/31/2015	236	
1/31/2016	232	
2/29/2016	236	
3/31/2016	233	
4/30/2016	231	
5/31/2016	231	
6/30/2016	231	231
7/31/2016		230
8/31/2016		230
9/30/2016		230
10/31/2016		229
11/30/2016		229
12/31/2016		229
1/31/2017		228
2/28/2017		228
3/31/2017		228
4/30/2017		227
5/31/2017		227
6/30/2017		227

MISCELLANEOUS, ARIZONA FISCAL YEARS 2014-2017

FEDERAL MATCHING RATES (FMAP):

October 2014 - September 2015	68.46%	Actual
October 2015 - September 2016	68.92%	Actual
October 2016 - September 2017	69.24%	Actual
October 2017 - September 2018	69.53%	Estimated

Arizona Health Care Cost Containment System
Long Term Care Part A and B Medicare Premium Expenditures

FY16 Actual	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Total
Part A	269,400	275,700	269,900	259,100	272,900	271,800	270,500	282,700	283,500	204,900	280,100	284,500	3,225,000
Part B	2,846,100	2,859,300	2,857,700	2,858,500	2,866,100	2,883,900	3,333,300	3,298,400	3,340,400	3,331,600	3,317,500	3,338,700	37,131,500
Total	3,115,500	3,135,000	3,127,600	3,117,600	3,139,000	3,155,700	3,603,800	3,581,100	3,623,900	3,536,500	3,597,600	3,623,200	40,356,500
Fed Share	2,132,900	2,146,200	2,141,200	2,148,600	2,163,400	2,174,900	2,483,700	2,468,100	2,497,600	2,437,400	2,479,500	2,497,100	27,770,600
State Share	982,600	988,800	986,400	969,000	975,600	980,800	1,120,100	1,113,000	1,126,300	1,099,100	1,118,100	1,126,100	12,585,900
Member Months	26,254	26,296	26,314	26,383	26,370	26,266	26,163	26,128	26,111	26,148	26,334	26,519	315,285
PMPM													
Part A	10.26	10.48	10.26	9.82	10.35	10.35	10.34	10.82	10.86	7.84	10.64	10.73	10.23
Part B	108.41	108.74	108.60	108.35	108.69	109.80	127.41	126.24	127.93	127.41	125.98	125.90	117.77

FY17 Rebase	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Total
Part A	270,800	272,300	273,000	273,600	273,900	272,200	279,600	279,900	280,200	280,500	280,700	281,000	3,317,700
Part B	3,366,300	3,384,900	3,393,500	3,401,600	3,405,200	3,383,600	4,143,400	4,147,600	4,151,800	4,156,100	4,160,300	4,164,500	45,258,800
Total	3,637,100	3,657,200	3,666,500	3,675,200	3,679,100	3,655,800	4,423,000	4,427,500	4,432,000	4,436,600	4,441,000	4,445,500	48,576,500
Fed Share	2,506,700	2,520,500	2,527,000	2,544,700	2,547,400	2,531,300	3,062,500	3,065,600	3,068,700	3,071,900	3,074,900	3,078,100	33,599,300
State Share	1,130,400	1,136,700	1,139,500	1,130,500	1,131,700	1,124,500	1,360,500	1,361,900	1,363,300	1,364,700	1,366,100	1,367,400	14,977,200
Member Months	26,546	26,692	26,761	26,824	26,853	26,682	26,709	26,737	26,764	26,791	26,818	26,845	321,023
PMPM													
Part A	10.20	10.20	10.20	10.20	10.20	10.20	10.47	10.47	10.47	10.47	10.47	10.47	10.33
Part B	126.81	126.81	126.81	126.81	126.81	126.81	155.13	155.13	155.13	155.13	155.13	155.13	140.98

FY18 Request	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Total
Part A	281,300	282,900	283,600	284,200	284,500	282,700	290,500	290,800	291,100	291,400	291,700	291,900	3,446,600
Part B	4,168,700	4,191,400	4,202,000	4,211,800	4,216,300	4,189,800	4,408,400	4,412,800	4,417,200	4,421,700	4,426,100	4,430,600	51,696,800
Total	4,450,000	4,474,300	4,485,600	4,496,000	4,500,800	4,472,500	4,698,900	4,703,600	4,708,300	4,713,100	4,717,800	4,722,500	55,143,400
Fed Share	3,081,200	3,098,000	3,105,800	3,126,100	3,129,400	3,109,700	3,267,100	3,270,400	3,273,700	3,277,000	3,280,300	3,283,600	38,302,300
State Share	1,368,800	1,376,300	1,379,800	1,369,900	1,371,400	1,362,800	1,431,800	1,433,200	1,434,600	1,436,100	1,437,500	1,438,900	16,841,100
Member Months	26,873	27,019	27,087	27,151	27,179	27,009	27,036	27,063	27,090	27,118	27,145	27,172	324,941
PMPM													
Part A	10.47	10.47	10.47	10.47	10.47	10.47	10.74	10.74	10.74	10.74	10.74	10.74	10.61
Part B	155.13	155.13	155.13	155.13	155.13	155.13	163.06	163.06	163.06	163.06	163.06	163.06	159.10

ALTCS Model
FY 17

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
		Total Non Federal * Statutory Cont. Percentages	Total Non Federal * Utilization Percentages	Prior Year NF Growth by Utilization %s	Current Year NF Growth by Utilization %s	3 - 5 - 4	6 - 2			If Col. 7 <0, then Col. 10 = Col. 6	From NAV Circuit Breaker	From NA Population Percentages	Based on Population Estimate from DES	10 - 11 - 12 - 13	Col. 15 = (4 + 5 11 + 12 + 13)
	FY 16 County Contributions	FY 17 ALTCS Contributions Statutory %	FY 17 ALTCS Contributions by Utilization %	Less Growth Covered by State PY*	Less Growth Covered by State CY	FY 17 County Contributions Utilization % Less State Covered Growth	Change in Contributions from Statutory % to Utilization %	Phased In Savings from Utilization % (100%)	State Share of Increase Phase In (100%)	Net County Contributions	Tax Rate Circuit Breaker	Tax Capacity Relief	Per Capita Reductions	Proposed County Contributions	Proposed State Contributions
Apache	618,900	996,954	12,197,983	2,325,113	475,600	9,397,270	8,400,317	NA	NA	9,397,270	3,410,700	5,328,800	0	657,770	11,540,213
Cochise	5,165,500	11,283,703	10,167,040	4,151,257	396,400	5,619,383	(5,664,320)	NA	NA	5,619,383	0	0	229,200	5,390,183	4,776,857
Coconino	1,858,500	2,990,861	8,053,681	1,918,663	314,000	5,821,019	2,830,158	NA	NA	5,821,019	0	3,845,900	0	1,975,119	6,078,563
Gila	2,117,900	11,600,916	5,382,317	2,063,556	209,900	3,108,861	(8,492,055)	NA	NA	3,108,861	0	0	854,300	2,254,561	3,127,756
Graham	1,336,700	2,900,229	2,959,367	980,812	115,400	1,863,155	(1,037,074)	NA	NA	1,863,155	125,300	0	144,600	1,593,255	1,366,112
Greenlee	79,700	1,540,747	166,181	130,375	6,500	29,306	(1,511,441)	NA	NA	29,306	0	0	0	29,306	136,875
La Paz	696,300	1,540,747	1,029,494	455,162	40,100	534,232	(1,006,515)	NA	NA	534,232	0	0	0	534,232	495,262
Maricopa	153,303,200	256,262,412	260,417,334	79,975,674	10,154,300	170,287,361	(85,975,051)	NA	NA	170,287,361	0	0	3,600,400	166,686,961	93,730,374
Mohave	8,033,700	12,371,289	13,728,028	4,076,237	535,300	9,116,491	(3,254,798)	NA	NA	9,116,491	0	0	633,800	8,482,691	5,245,337
Navajo	2,562,200	4,123,763	14,029,806	3,248,541	547,100	10,234,165	6,110,402	NA	NA	10,234,165	2,990,300	4,520,900	0	2,722,965	11,306,841
Pima	39,303,600	93,124,537	69,018,005	21,545,164	2,691,200	44,781,641	(48,342,896)	NA	NA	44,781,641	0	0	2,902,000	41,879,641	27,138,364
Pinal	15,539,700	23,065,883	21,893,218	5,530,836	853,700	15,508,681	(7,557,201)	NA	NA	15,508,681	0	0	0	15,508,681	6,384,536
Santa Cruz	1,942,200	4,758,188	5,350,531	1,151,357	208,600	3,990,574	(767,614)	NA	NA	3,990,574	1,202,100	0	727,900	2,060,574	3,289,957
Yavapai	8,416,600	14,138,616	15,872,407	5,780,140	618,900	9,473,367	(4,665,249)	NA	NA	9,473,367	0	0	510,900	8,962,467	6,909,940
Yuma	8,259,900	12,461,921	12,895,372	3,490,603	502,800	8,901,969	(3,559,952)	NA	NA	8,901,969	0	0	86,100	8,815,869	4,079,503
Total	249,234,600	453,160,764	453,160,764	136,823,490	17,669,800	298,667,475	(154,493,289)	0	0	298,667,475	7,728,400	13,695,600	9,689,200	267,554,275	185,606,490

Growth over Prior Year 8.46%

Net State Contribution:*	185,606,490
ALTCS Clawback Estimate:	38,301,764
Clawback State:	15,687,700
Clawback County:	22,614,064
Medicare Copays State:	0
State Net of Clawback	169,918,790
County Net of Clawback	244,940,211

ALTCS Model
Property Tax Rate Circuit Breaker

	FY 2016 Primary NAV*	FY 2016 SRP**	Net County Contributions	Effective Prop Tax	Relief for Rates > $0.90
Apache	$453,791,208	$211,382,878	9,397,270	$1.41	$3,410,700
Cochise	$909,774,050	$0	5,619,383	$0.62	$0
Coconino	$1,569,812,808	$34,547,489	5,821,019	$0.36	$0
Gila	$480,190,450	$4,926,144	3,108,861	$0.64	$0
Graham	$193,098,383	$0	1,863,155	$0.96	$125,300
Greenlee	$424,428,014	$0	29,306	$0.01	$0
La Paz	$200,919,282	$1,868	534,232	$0.27	$0
Maricopa	$36,135,494,474	$734,685,173	170,287,361	$0.46	$0
Mohave	$1,696,199,992	$790,299	9,116,491	$0.54	$0
Navajo	$803,062,481	$1,809,786	10,234,165	$1.27	$2,990,300
Pima	$7,816,826,920	$0	44,781,641	$0.57	$0
Pinal	$2,119,750,924	$113,961,127	15,508,681	$0.69	$0
Santa Cruz	$309,834,858	$0	3,990,574	$1.29	$1,202,100
Yavapai	$2,344,409,940	$745,308	9,473,367	$0.40	$0
Yuma	$1,115,994,511	$0	8,901,969	$0.80	$0
Total	$56,573,588,295	$1,102,850,072	$298,667,475		7,728,400

* Primary NAV figures received May 2, 2016 from Angela Horn at DOR.

** SRP estimate received from Christopher Kelling at SRP on March 2, 2016.

ALTCS Model
Native American %

2010 Census Data

	Arizona Population		
	Native Amer. Residents	Total Residents	%
Apache	52,154	71,518	72.92%
Cochise	1,589	131,346	1.21%
Coconino	36,714	134,421	27.31%
Gila	7,946	53,597	14.83%
Graham	5,376	37,220	14.44%
Greenlee	195	8,437	2.31%
La Paz	2,628	20,489	12.83%
Maricopa	78,329	3,817,117	2.05%
Mohave	4,500	200,186	2.25%
Navajo	46,611	107,449	43.38%
Pima	32,605	980,263	3.33%
Pinal	20,949	375,770	5.57%
Santa Cruz	328	47,420	0.69%
Yavapai	3,549	211,033	1.68%
Yuma	3,056	195,751	1.56%
	296,529	6,392,017	4.64%

This adjustment applies to any county with a Native American population that represents at least 20% of the county's total population according to the most recent U.S.decennial census.

ALTCS Model
Utilization Data

	FY 16 ALTCS Expenditures	ALTCS % of Total	ALTCS Statutory Percentages
Apache	12,626,551	2.69176%	0.22%
Cochise	10,524,252	2.24358%	2.49%
Coconino	8,336,642	1.77722%	0.66%
Gila	5,571,421	1.18773%	2.56%
Graham	3,063,343	0.65305%	0.64%
Greenlee	172,020	0.03667%	0.34%
La Paz	1,065,664	0.22718%	0.34%
Maricopa	269,566,924	57.46688%	56.55%
Mohave	14,210,353	3.02939%	2.73%
Navajo	14,522,733	3.09599%	0.91%
Pima	71,442,907	15.23036%	20.55%
Pinal	22,662,421	4.83123%	5.09%
Santa Cruz	5,538,519	1.18071%	1.05%
Yavapai	16,430,073	3.50260%	3.12%
Yuma	13,348,442	2.84565%	2.75%
Total	469,082,267	100.00000%	100.0000%

Utilization as of 8/1/2016

Per Capita Reduction Calculation

County	CY16 Approp.	17 Adjusted Contribution	Population 7/1/2015	Per Capita Contribution	Per Capita Circuit Breaker
Apache	625,200	657,770	71,868	9.15	0
Cochise	4,995,000	5,619,383	129,628	43.35	229,215
Coconino	1,877,300	1,975,119	139,372	14.17	0
Gila	2,112,600	3,108,861	54,219	57.34	854,336
Graham	1,303,500	1,737,855	38,315	45.36	144,648
Greenlee	33,500	29,306	10,476	2.80	0
La Paz	595,600	534,232	21,205	25.19	0
Maricopa	155,173,500	170,287,361	4,008,651	42.48	3,600,372
Mohave	7,948,800	9,116,491	204,000	44.69	633,800
Navajo	2,588,200	2,722,965	109,185	24.94	0
Pima	39,243,800	44,781,641	1,007,162	44.46	2,902,015
Pinal	14,899,800	15,508,681	396,237	39.14	0
Santa Cruz	1,930,900	2,788,474	49,554	56.27	727,929
Yavapai	8,391,300	9,473,367	215,537	43.95	510,947
Yuma	8,261,000	8,901,969	212,012	41.99	86,125
Total:	249,980,000	277,243,475	6,667,421	41.58	9,689,388.22

Counties for which the per capita increase in their contribution from the previous year exceeds the statewide average, will have their contribution reduced to bring them down to the statewide average.

Adjusted Contribution is county contribution adjusted for Native American population, property tax, and statutory growth cap circuit breakers.

July 1, 2015 Population Estimates for Arizona's Counties, Incorporated Places and Balance of County from Arizona Department of Administration

ALTCS Model
Growth Calculation

Growth Calculation

EPD Non-Federal Share

FY 2017*	FY 2018**	County	State	Total Non-Federal
417,821,100	453,160,764	17,669,832	17,669,832	35,339,664
	8.46%			

* From Appropriation. Excludes non-federal share of BON ($104,800).
** Includes estimate of $33,819,705 for ALTCS Clawback

Breakdown of Non-Federal Share for FY 2018

EPD	424,420,500
Clawback	38,301,764
PDR Rebate	-9,700,300
Total Non-Fed.	453,021,964

JLBC County Model

	FY 16 Approp County Contribution	FY 2016 Statutory cont.	FY 17 ALTCS Statutory %	FY 15 ALTCS Utilization %	Prior Year Growth Covered by State	Less Current Year Growth Covered by State	County Contribution Util. % less State Covered Growth	Change from Statutory % to Util %	Net County Contributions After Relief
Apache	618,900	906,654	919,206	11,515,609	2,246,485	78,628	9,190,497	8,271,290	625,200
Cochise	5,165,500	10,261,673	10,403,745	9,146,271	4,088,807	62,450	4,995,014	(5,408,731)	4,995,000
Coconino	1,858,500	2,719,962	2,757,619	7,837,279	1,865,150	53,512	5,918,617	3,160,997	1,877,300
Gila	2,117,900	10,550,154	10,696,220	5,657,047	2,024,930	38,626	3,593,491	(7,102,729)	2,112,600
Graham	1,336,700	2,637,539	2,674,055	2,284,270	965,215	15,597	1,303,458	(1,370,597)	1,303,500
Greenlee	79,700	1,401,192	1,420,592	163,869	129,256	1,119	33,494	(1,387,097)	33,500
La Paz	696,300	1,401,192	1,420,592	1,050,737	447,988	7,174	595,574	(825,017)	595,600
Maricopa	153,303,200	233,051,259	236,277,832	235,149,172	78,370,093	1,605,580	155,173,498	(81,104,334)	155,173,500
Mohave	8,033,700	11,250,750	11,406,516	12,449,481	3,991,233	85,004	8,373,244	(3,033,272)	7,948,800
Navajo	2,562,200	3,750,250	3,802,172	13,416,612	3,156,933	91,608	10,168,071	6,365,899	2,588,200
Pima	39,303,600	84,689,715	85,862,236	65,483,597	21,098,048	447,117	43,938,432	(41,923,804)	39,243,800
Pinal	15,539,700	20,976,674	21,267,094	20,430,616	5,391,338	139,499	14,899,780	(6,367,314)	14,899,800
Santa Cruz	1,942,200	4,327,212	4,387,122	5,031,235	1,117,004	34,353	3,879,878	(507,244)	1,930,900
Yavapai	8,416,600	12,858,000	13,036,018	15,573,112	5,673,808	106,332	9,792,971	(3,243,047)	8,391,300
Yuma	8,259,900	11,333,174	11,490,080	12,632,152	3,404,351	86,251	9,141,550	(2,348,530)	8,261,000
Total	**249,234,600**	**412,115,400**	**417,821,100**	**417,821,100**	**133,970,639**	**2,852,850**	**280,997,569**	**(136,823,531)**	**249,980,000**

Sent to AHCCCS 07.15.2016

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 2-2001 SLI EPD ALTCS Services

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	1,173,739.8	1,316,838.8	85,225.2	1,402,064.0
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	12.2	0.0	0.0	0.0
	Expenditure Categories Total:	1,173,752.0	1,316,838.8	85,225.2	1,402,064.0
Fund Source					
Appropriated Funds					
1000-A	General Fund (Appropriated)	151,326.1	153,746.4	16,172.4	169,918.8
2546-A	Prescription Drug Rebate Fund (Appropriated)	5,475.8	7,441.3	2,259.0	9,700.3
		156,801.9	161,187.7	18,431.4	179,619.1
Non-Appropriated Funds					
2223-N	Long Term Care System Fund (Non-Appropriated)	1,027,563.2	903,541.8	37,856.7	941,398.5
2546-N	Prescription Drug Rebate Fund (Non-Appropriated)	(10,613.1)	21,600.3	14,505.9	36,106.2
9691-N	County Funds (Non-Appropriated)	0.0	230,509.0	14,431.2	244,940.2
		1,016,950.1	1,155,651.1	66,793.8	1,222,444.9
	Fund Source Total:	1,173,752.0	1,316,838.8	85,225.2	1,402,064.0

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 2-2001 SLI EPD ALTCS Services

Fund: 1000-A General Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	151,326.1	153,746.4	16,172.4	169,918.8
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Appropriated Total:		151,326.1	153,746.4	16,172.4	169,918.8
Fund Total:		151,326.1	153,746.4	16,172.4	169,918.8
Program Total For Selected Funds:		151,326.1	153,746.4	16,172.4	169,918.8

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 2-2001 SLI EPD ALTCS Services

Fund: 2223-N Long Term Care System Fund

Non-Appropriated		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	1,027,551.0	903,541.8	37,856.7	941,398.5
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	12.2	0.0	0.0	0.0
	Non-Appropriated Total:	1,027,563.2	903,541.8	37,856.7	941,398.5
	Fund Total:	1,027,563.2	903,541.8	37,856.7	941,398.5
	Program Total For Selected Funds:	1,027,563.2	903,541.8	37,856.7	941,398.5

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 2-2001 SLI EPD ALTCS Services

Fund: 2546-A Prescription Drug Rebate Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	5,475.8	7,441.3	2,259.0	9,700.3
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Appropriated Total:		5,475.8	7,441.3	2,259.0	9,700.3
Fund Total:		5,475.8	7,441.3	2,259.0	9,700.3
Program Total For Selected Funds:		5,475.8	7,441.3	2,259.0	9,700.3

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 2-2001 SLI EPD ALTCS Services

Fund: 2546-N Prescription Drug Rebate Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Non-Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	(10,613.1)	21,600.3	14,505.9	36,106.2
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Non-Appropriated Total:		(10,613.1)	21,600.3	14,505.9	36,106.2
Fund Total:		(10,613.1)	21,600.3	14,505.9	36,106.2
Program Total For Selected Funds:		(10,613.1)	21,600.3	14,505.9	36,106.2

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 2-2001 SLI EPD ALTCS Services

Fund: 9691-N County Funds Fund

Non-Appropriated		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	230,509.0	14,431.2	244,940.2
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Non-Appropriated Total:		0.0	230,509.0	14,431.2	244,940.2
Fund Total:		0.0	230,509.0	14,431.2	244,940.2
Program Total For Selected Funds:		0.0	230,509.0	14,431.2	244,940.2

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 2-2001 SLI EPD ALTCS Services

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	0.0	0.0
Boards and Commissions	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	0.0	0.0
Attorney General Legal Services	0.0	0.0
External Legal Services	0.0	0.0
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	0.0	0.0
Hospital Services	0.0	0.0
Other Medical Services	0.0	0.0
Institutional Care	0.0	0.0
Education And Training	0.0	0.0
Vendor Travel	0.0	0.0
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0
Other Professional And Outside Services	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 2-2001 SLI EPD ALTCS Services

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	1,173,739.8	1,316,838.8
Expenditure Category Total	1,173,739.8	1,316,838.8
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	151,326.1	153,746.4
2546-A Prescription Drug Rebate Fund (Appropriated)	5,475.8	7,441.3
	156,801.9	161,187.7
Non-Appropriated		
2223-N Long Term Care System Fund (Non-Appropriated)	#######	903,541.8
2546-N Prescription Drug Rebate Fund (Non-Appropriated)	(10,613.1)	21,600.3
9691-N County Funds (Non-Appropriated)	0.0	230,509.0
	1,016,937.9	1,155,651.1
Fund Source Total	1,173,739.8	1,316,838.8

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	0.0	0.0
Information Technology Services	0.0	0.0
Utilities	0.0	0.0
Non-Building or Land Rent	0.0	0.0
Building Rent Charges to State Agencies	0.0	0.0
COP Building Rent Charges to State Agencies	0.0	0.0
Rental of Land & Buildings	0.0	0.0
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	0.0	0.0
Repair & Maintenance	0.0	0.0
Software Support and Maintenance	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 2-2001 SLI EPD ALTCS Services

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Operating Supplies	0.0	0.0
Resale Supplies	0.0	0.0
Sales of Assets	0.0	0.0
Conference, Education & Training	0.0	0.0
Advertising	0.0	0.0
Printing & Photography	0.0	0.0
Postage & Delivery	0.0	0.0
Miscellaneous Operating	0.0	0.0
Depreciation Expense	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	0.0	0.0
Vehicles - Non-Capital	0.0	0.0
Furniture - Non-Capital	0.0	0.0
EDP Equipment - Mainframe - Non-Capital	0.0	0.0
Telecommunication Equipment - Non Capital	0.0	0.0
Other Equipment - Non-Capital	0.0	0.0
Purchased Or Licensed Software/Website	0.0	0.0
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0

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All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 2-2001 SLI EPD ALTCS Services

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	12.2	0.0
Expenditure Category Total	12.2	0.0
Fund Source		
Non-Appropriated		
2223-N Long Term Care System Fund (Non-Appropriated)	12.2	0.0
	12.2	0.0
Fund Source Total	12.2	0.0

All dollars are presented in thousands (not FTE).

Arizona Health Care Cost Containment System

Member Month Summary

QUARTER	EPD MEMBER MONTHS	TRIBAL CASE MANAGEMENT	TOTAL MEMBER MONTHS
2011.3	75,384	7,075	82,459
2011.4	75,519	7,141	82,661
2012.1	75,454	7,153	82,607
2012.2	75,704	7,272	82,976
2012.3	76,224	7,395	83,619
2012.4	76,489	7,483	83,972
2013.1	75,711	7,447	83,159
2013.2	75,820	7,576	83,396
2013.3	76,499	7,619	84,117
2013.4	77,090	7,602	84,692
2014.1	76,910	7,552	84,461
2014.2	77,351	7,648	84,999
2014.3	78,029	7,695	85,724
2014.4	78,804	7,642	86,446
2015.1	78,677	7,560	86,237
2015.2	78,891	7,495	86,386
2015.3	78,863	7,491	86,354
2015.4	79,018	7,513	86,531
2016.1	78,402	7,521	85,923
2016.2	79,001	7,553	86,554
FORECAST DATA			
2016.3	79,999	7,562	87,561
2016.4	80,359	7,565	87,924
2017.1	80,210	7,568	87,778
2017.2	80,455	7,571	88,026
2017.3	80,979	7,574	88,553
2017.4	81,338	7,577	88,916
2018.1	81,190	7,580	88,770
2018.2	81,434	7,584	89,018

Arizona Health Care Cost Containment System

Growth Rate Summary

QUARTER	EPD MEMBER MONTHS	TRIBAL CASE MANAGEMENT	TOTAL MEMBER MONTHS
2011.3	0.22%	0.94%	0.28%
2011.4	0.18%	0.94%	0.25%
2012.1	-0.09%	0.17%	-0.06%
2012.2	0.33%	1.66%	0.45%
2012.3	0.69%	1.68%	0.77%
2012.4	0.35%	1.20%	0.42%
2013.1	-1.02%	-0.48%	-0.97%
2013.2	0.14%	1.73%	0.29%
2013.3	0.89%	0.56%	0.86%
2013.4	0.77%	-0.22%	0.68%
2014.1	-0.23%	-0.66%	-0.27%
2014.2	0.57%	1.27%	0.64%
2014.3	0.88%	0.62%	0.85%
2014.4	0.99%	-0.69%	0.84%
2015.1	-0.16%	-1.07%	-0.24%
2015.2	0.27%	-0.86%	0.17%
2015.3	-0.04%	-0.06%	-0.04%
2015.4	0.20%	0.29%	0.20%
2016.1	-0.78%	0.10%	-0.70%
2016.2	0.76%	0.43%	0.74%
FORECAST DATA			
2016.3	1.26%	0.12%	1.16%
2016.4	0.45%	0.04%	0.41%
2017.1	-0.19%	0.04%	-0.17%
2017.2	0.31%	0.04%	0.28%
2017.3	0.65%	0.04%	0.60%
2017.4	0.44%	0.04%	0.41%
2018.1	-0.18%	0.04%	-0.16%
2018.2	0.30%	0.04%	0.28%

Arizona Health Care Cost Containment System

Year-to-Year Changes

STATE FISCAL YEAR	EPD MEMBER MONTHS	TRIBAL CASE MANAGEMENT	TOTAL MEMBER MONTHS
2009-10	297,410	27,236	324,646
2010-11	300,739	27,784	328,523
2011-12	302,061	28,641	330,702
2012-13	304,245	29,901	334,145
2013-14	307,849	30,420	338,270
2014-15	314,401	30,391	344,793
2015-16	315,285	30,077	345,362
FORECAST DATA			
2016-17	321,023	30,266	351,289
2017-18	324,941	30,316	355,257

STATE FISCAL YEAR	EPD MEMBER MONTHS	TRIBAL CASE MANAGEMENT	TOTAL MEMBER MONTHS
2009-10	3.47%	0.76%	3.24%
2010-11	1.12%	2.01%	1.19%
2011-12	0.44%	3.08%	0.66%
2012-13	0.72%	4.40%	1.04%
2013-14	1.18%	1.74%	1.23%
2014-15	2.13%	-0.10%	1.93%
2015-16	0.28%	-1.03%	0.17%
FORECAST DATA			
2016-17	1.82%	0.63%	1.72%
2017-18	1.22%	0.16%	1.13%

ALTCS - Elderly and Physically Disabled (Excl. Tribal Case Mgmt.)

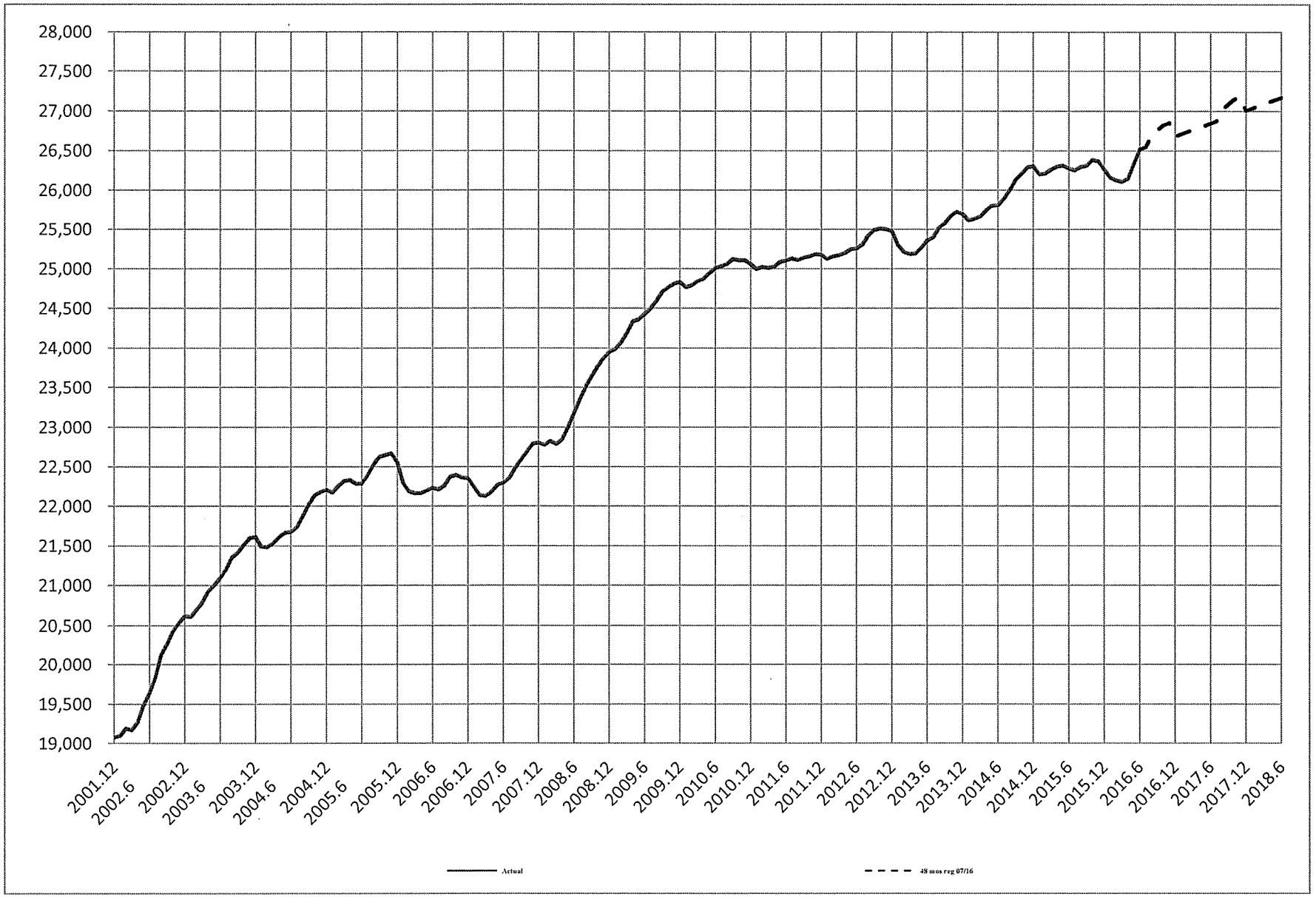
	MEMBER MONTHS ACTUAL (1)	PERCENT QTR.GROWTH	MEMBER MONTHS FORECAST (2)	SFY TOTAL	YEAR TO YEAR GROWTH %	JUNE TO JUNE GROWTH %	
2009.3	73,788	0.91%					
2009.4	74,402	0.83%					
2010.1	74,396	-0.01%					
2010.2	74,823	0.57%		297,410	3.47%	2.38%	SFY 09-10
2010.3	75,214	0.52%					
2010.4	75,277	0.08%					
2011.1	75,027	-0.33%					
2011.2	75,221	0.26%		300,739	1.12%	0.39%	SFY 10-11
2011.3	75,384	0.22%					
2011.4	75,519	0.18%					
2012.1	75,454	-0.09%					
2012.2	75,704	0.33%		302,061	0.44%	0.61%	SFY 11-12
2012.3	76,224	0.69%					
2012.4	76,489	0.35%					
2013.1	75,711	-1.02%					
2013.2	75,820	0.14%		304,245	0.72%	0.39%	SFY 12-13
2013.3	76,499	0.89%					
2013.4	77,090	0.77%					
2014.1	76,910	-0.23%					
2014.2	77,351	0.57%		307,849	1.18%	1.77%	SFY 13-14
2014.3	78,029	0.88%					
2014.4	78,804	0.99%					
2015.1	78,677	-0.16%					
2015.2	78,891	0.27%		314,401	2.13%	1.83%	SFY 14-15
2015.3	78,863	-0.04%					
2015.4	79,018	0.20%					
2016.1	78,402	-0.78%					
2016.2	79,001	0.76%		315,285	0.28%	0.92%	SFY 15-16
2016.3		1.26%	79,999				
2016.4		0.45%	80,359				
2017.1		-0.19%	80,210				
2017.2		0.31%	80,455	321,023	1.82%	1.23%	SFY 16-17
2017.3		0.65%	80,979				
2017.4		0.44%	81,338				
2018.1		-0.18%	81,190				
2018.2		0.30%	81,434	324,941	1.22%	1.22%	SFY 17-18

(1) PMMIS
(2) Based on 48 Month Regression Forecast

Observations:	48
Adj. R Square:	0.8598
Standard Error:	151

June 2016 actuals included in base for forecast.

EPD FORECAST



ALTCS - Elderly and Physically Disabled (Tribes Only)

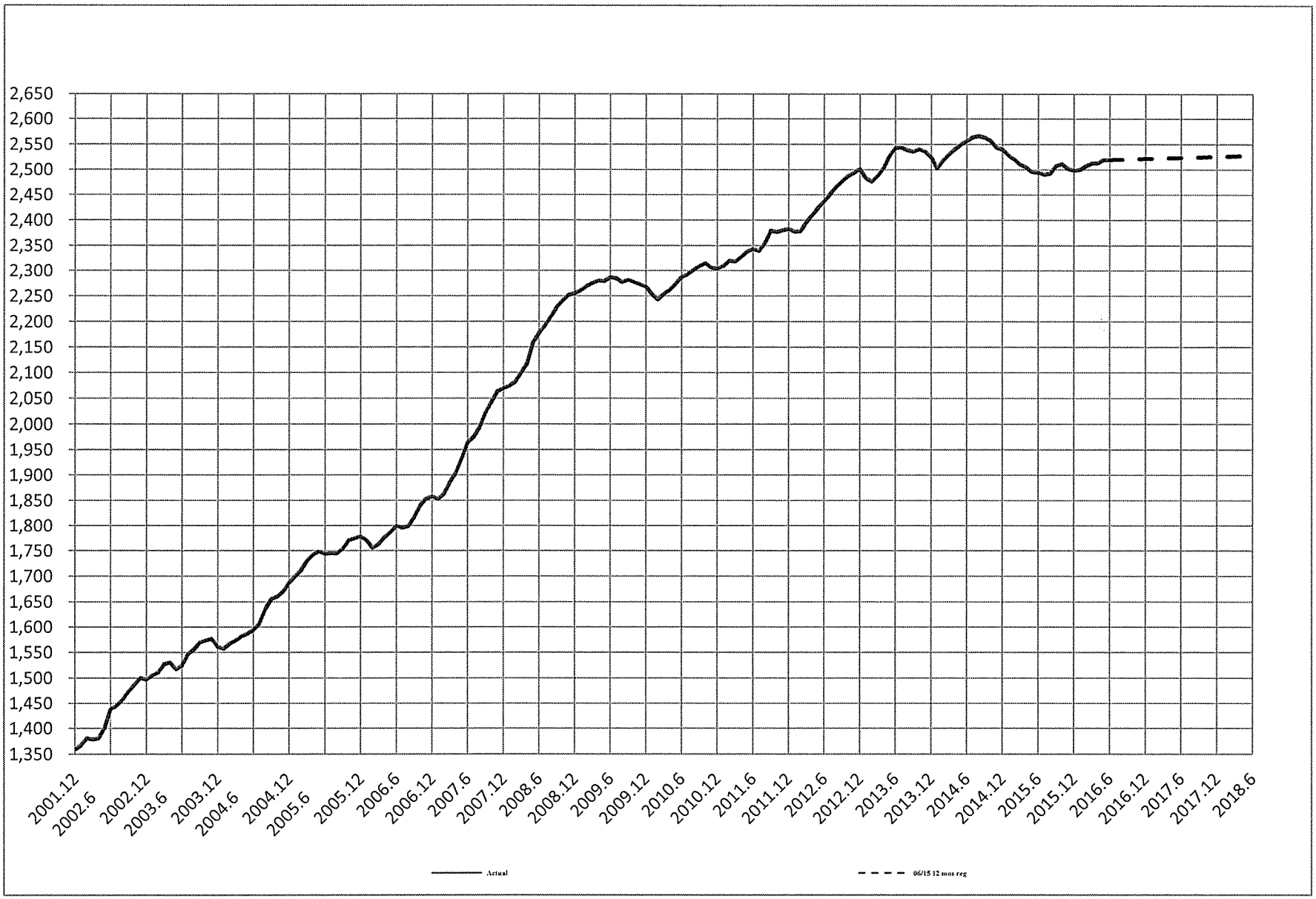
	MEMBER MONTHS ACTUAL (1)	PERCENT QTR.GROWTH	MEMBER MONTHS FORECAST (2)	SFY TOTAL	YEAR TO YEAR GROWTH %	JUNE TO JUNE GROWTH %	
2009.3	6,844	-0.04%					
2009.4	6,818	-0.37%					
2010.1	6,751	-0.99%					
2010.2	6,823	1.08%		27,236	0.76%	0.02%	SFY 09-10
2010.3	6,903	1.17%					
2010.4	6,925	0.32%					
2011.1	6,948	0.33%					
2011.2	7,009	0.88%		27,784	2.01%	2.44%	SFY 10-11
2011.3	7,075	0.94%					
2011.4	7,141	0.94%					
2012.1	7,153	0.17%					
2012.2	7,272	1.66%		28,641	3.08%	4.01%	SFY 11-12
2012.3	7,395	1.68%					
2012.4	7,483	1.20%					
2013.1	7,447	-0.48%					
2013.2	7,576	1.73%		29,901	4.40%	4.37%	SFY 12-13
2013.3	7,619	0.56%					
2013.4	7,602	-0.22%					
2014.1	7,552	-0.66%					
2014.2	7,648	1.27%		30,420	1.74%	0.54%	SFY 13-14
2014.3	7,695	0.62%					
2014.4	7,642	-0.69%					
2015.1	7,560	-1.07%					
2015.2	7,495	-0.86%		30,391	-0.10%	-2.45%	SFY 14-15
2015.3	7,491	-0.06%					
2015.4	7,513	0.29%					
2016.1	7,521	0.10%					
2016.2	7,553	0.43%		30,077	-1.03%	1.02%	SFY 15-16
2016.3		0.12%	7,562				
2016.4		0.04%	7,565				
2017.1		0.04%	7,568				
2017.2		0.04%	7,571	30,266	0.63%	0.16%	SFY 16-17
2017.3		0.04%	7,574				
2017.4		0.04%	7,577				
2018.1		0.04%	7,580				
2018.2		0.04%	7,584	30,316	0.16%	0.16%	SFY 17-18

(1) PMMIS
(2) Based on 48 Month Regression Forecast

Observations:	48
Adj. R Square:	0.0107
Standard Error:	27

June 2016 actuals included in base for forecast.

TRIBAL CASE MANAGEMENT



MEDICARE PART D "CLAWBACK" PAYMENTS

PROGRAM DESCRIPTION/BACKGROUND:

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA) established the Medicare Part D prescription drug program, which provides prescription drug coverage to Medicaid recipients who are Medicare eligible (dual eligible members). The Medicare Part D prescription drug benefit resulted in a reduction to capitation rates and fee-for-service payments since Medicaid no longer pays prescription drug expenditures (with certain exceptions as defined in the AHCCCS Medical Policy Manual) for those who are eligible for the Part D benefit, but states have to reimburse the federal government for this savings according to a prescribed formula.

METHODOLOGY:

CLAWBACK PMPM:

In accordance with the law, calendar year 2003 is the base year for the development of the clawback payment. CMS used a combination of fee-for-service claim information and encounter data provided through MSIS and/or PMMIS to develop the 2003 base PMPM. The PMPM calculated for 2003 was then trended forward using the National Health Expenditure (NHE) inflation factor to 2006. CMS will only be billing one rate for all full benefit dual eligible members regardless of enrollment (Acute Care, Behavioral Health, ALTCS, and DDD) or eligibility (managed care or fee-for-service). The CMS rates used as the basis for the clawback payments are shown below.

	Actual 1/1/2013 to 9/30/2013	Actual 10/1/2013 to 12/31/2013	Actual 1/1/2014 to 9/30/2014	Actual 10/1/2014 to 12/31/2014	Actual 1/1/2015 to 9/30/2015	Actual 10/1/2015 to 12/31/2015	Actual 1/1/2016 to 9/30/2016	Estimate 10/1/2016 to 12/31/2016	Estimate 1/1/2017 to 9/30/2017	Estimate 10/1/2017 to 12/31/2017	Estimate 1/1/2018 to 9/30/2018
Total Fund PMPM	201.12	201.13	193.01	193.01	200.04	200.04	223.29	223.28	249.54	249.51	259.45
FMAP	65.68%	67.23%	67.23%	68.46%	68.46%	68.92%	68.92%	69.24%	69.24%	69.53%	69.53%
State Match PMPM	69.03	65.91	63.25	60.87	63.09	62.17	69.40	68.68	76.76	76.03	79.05
Clawback %	78.33%	78.33%	76.67%	76.67%	75.00%	75.00%	75.00%	75.00%	75.00%	75.00%	75.00%
Clawback PMPM	54.07	51.63	48.49	46.67	47.32	46.63	52.05	51.51	57.57	57.02	59.29

The following factors impact the PMPM paid by the state:

- The total fund PMPM is adjusted every calendar year in January. Beginning with CY 2009, the annual increases were based on Part D program data. In addition, CMS adjusts the annual percentage increase to reflect prior-year revisions to previous percentage increases, based on subsequent data and projections. As a result of this methodology, the re-benchmarking and recalculations of prior-year NHE data continue to have an impact on future state costs.

- Average growth in the PMPM going back to the program's inception is 3.29%. The actual increase for CY 2016 was 11.62%. The announced parameters that will guide the Calendar Year 2017 PMPM change reflect a projected increase of 11.76%. AHCCCS is using the projected PMPMs published by Federal Funds Information for States (FFIS) in Issue Brief 16-19 (April 7, 2016) as the basis for the CY 2017 PMPM. For the January 2018 PMPM increase estimates, AHCCCS is using the average of the five most recent years which equates to a 3.98% growth rate.
- The State Match PMPM is calculated by taking the total fund PMPM multiplied by the state's Federal Matching Assistance Percentage (FMAP), which changes every October. For SFY 2017, the first quarter FMAP is 68.92%. Effective 10/1/16 it increases to 69.24%.

- It is assumed that the FMAP will increase from 69.24% in FFY 2017 to 69.53% in FFY 2018 based on Federal Funds Information for States (FFIS) in Issue Brief 16-14 (March 25, 2016).

- The percentage of estimated savings paid back to CMS has now stabilized at 75% beginning with Calendar Year 2015.

As a result of an initial invoicing lag when the program began in January 2006, the 12 payments made by the state each year are for the period of May through April, rather than the traditional July through June.

PROGRAM DISTRIBUTION:

The total clawback payment, which is calculated by multiplying the number of dual eligible members by the applicable PMPM rates, is then distributed to the various AHCCCS and Pass-Through programs using the fixed percentages used to calculate the calendar year 2003 drug costs used in the calculation of the above rates. These percentages will remain constant over the life of the clawback payment and will not be impacted by changes to enrollment. The percentages are as follows:

AHCCCS Acute	46.14%
ALTCS-EPD	33.18%
ALTCS-DD (DES)	3.53%
DHS BHS	17.15%

DUAL ELIGIBLE MEMBERSHIP:

AHCCCS is projecting full benefit dual eligible members using a 24 month regression for the current month enrollment plus an average amount of retro enrollment based on the last 12 months of invoices. The average amount of retro member months is 3,737. The methodology results in projected annual year over year growth of 4.85% in SFY 2017 and 4.96% in SFY 2018. Using this methodology, AHCCCS is forecasting that the 154,965 full benefit dual members (billed for clawback) in June 2016 will grow to 162,856 by June 2017 and 170,747 by June 2018.

In FY 2018, AHCCCS will require additional resources for this state only expenditure. The Acute Care and BHS Clawback is all General Fund. The ALTCS Clawback payment is split between General Fund and County Funds.

	SFY16 Actual	SFY17 Allocation	SFY17 Rebase	SFY18 Request	SFY18 Inc.(Dec)
AHCCCS ACUTE	40,657,468	42,527,100	47,029,500	53,262,300	10,735,200
AHCCCS ALTCS					
General Fund	11,555,498	14,094,700	14,201,400	15,687,700	1,593,000
County Fund	17,681,929	19,471,000	19,618,300	22,614,100	3,143,100
TOTAL ALTCS	29,237,427	33,565,700	33,819,700	38,301,800	4,736,100
BHS	15,112,173	17,349,400	17,480,600	19,797,300	2,447,900
DES-DD	3,110,553	3,370,600	3,598,100	4,074,900	704,300
Grand Total	88,117,621	96,812,800	101,927,900	115,436,300	18,623,500

PROPOSED SOLUTION TO THE PROBLEM:
For FY18, AHCCCS requests an increase of $10,735,200 General Fund to the Acute Care Clawback line item for these federally mandated payments. Within the ALTCS Clawback line item, AHCCCS requests a state match increase of $4,736,100 consisting of a General Fund increase of $1,593,000 and a County Fund increase of $3,143,000. For the BHS Clawback line, AHCCCS requests an increase of $2,447,900

Performance Measures to quantify the success of the solution:

- AHCCCS member enrollment in Newly Eligible Adults.
- Maintain the % of overall Health Plan compliance with key indicators at ≥99%.

STATUTORY AUTHORITY:
Section 103(f), Medicare Prescription Drug, Improvement, and Modernization Act (MMA) of 2003 (P.L. 108-173)
Social Security Act, Section 1935(42 U.S.C. 1396u-5)

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 2-2004 SLI Long Term Care Clawback Payments

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	32,318.0	33,565.7	4,736.1	38,301.8
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Expenditure Categories Total:	32,318.0	33,565.7	4,736.1	38,301.8
Fund Source					
Appropriated Funds					
1000-A	General Fund (Appropriated)	11,554.6	14,094.7	1,593.0	15,687.7
		11,554.6	14,094.7	1,593.0	15,687.7
Non-Appropriated Funds					
2223-N	Long Term Care System Fund (Non-Appropriated)	17,682.8	19,471.0	0.0	19,471.0
2500-N	IGA and ISA Fund (Non-Appropriated)	3,080.6	0.0	0.0	0.0
9691-N	County Funds (Non-Appropriated)	0.0	0.0	3,143.1	3,143.1
		20,763.4	19,471.0	3,143.1	22,614.1
	Fund Source Total:	32,318.0	33,565.7	4,736.1	38,301.8

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 2-2004 SLI Long Term Care Clawback Payments

Fund: 1000-A General Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	11,554.6	14,094.7	1,593.0	15,687.7
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Appropriated Total:		11,554.6	14,094.7	1,593.0	15,687.7
Fund Total:		11,554.6	14,094.7	1,593.0	15,687.7
Program Total For Selected Funds:		11,554.6	14,094.7	1,593.0	15,687.7

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 2-2004 SLI Long Term Care Clawback Payments

Fund: 2223-N Long Term Care System Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	17,682.8	19,471.0	0.0	19,471.0
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Non-Appropriated Total:	17,682.8	19,471.0	0.0	19,471.0
	Fund Total:	17,682.8	19,471.0	0.0	19,471.0
	Program Total For Selected Funds:	17,682.8	19,471.0	0.0	19,471.0

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 2-2004 SLI Long Term Care Clawback Payments

Fund: 2500-N IGA and ISA Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	3,080.6	0.0	0.0	0.0
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Non-Appropriated Total:	3,080.6	0.0	0.0	0.0
	Fund Total:	3,080.6	0.0	0.0	0.0
	Program Total For Selected Funds:	3,080.6	0.0	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 2-2004 SLI Long Term Care Clawback Payments

Fund: 9691-N County Funds Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	3,143.1	3,143.1
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Non-Appropriated Total:	0.0	0.0	3,143.1	3,143.1
	Fund Total:	0.0	0.0	3,143.1	3,143.1
	Program Total For Selected Funds:	0.0	0.0	3,143.1	3,143.1

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 2-2004 SLI Long Term Care Clawback Payments

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	0.0	0.0
Boards and Commissions	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	0.0	0.0
Attorney General Legal Services	0.0	0.0
External Legal Services	0.0	0.0
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	0.0	0.0
Hospital Services	0.0	0.0
Other Medical Services	0.0	0.0
Institutional Care	0.0	0.0
Education And Training	0.0	0.0
Vendor Travel	0.0	0.0
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0
Other Professional And Outside Services	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 2-2004 SLI Long Term Care Clawback Payments

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	32,318.0	33,565.7
Expenditure Category Total	32,318.0	33,565.7
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	11,554.6	14,094.7
	11,554.6	14,094.7
Non-Appropriated		
2223-N Long Term Care System Fund (Non-Appropriated)	17,682.8	19,471.0
2500-N IGA and ISA Fund (Non-Appropriated)	3,080.6	0.0
	20,763.4	19,471.0
Fund Source Total	32,318.0	33,565.7

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	0.0	0.0
Information Technology Services	0.0	0.0
Utilities	0.0	0.0
Non-Building or Land Rent	0.0	0.0
Building Rent Charges to State Agencies	0.0	0.0
COP Building Rent Charges to State Agencies	0.0	0.0
Rental of Land & Buildings	0.0	0.0
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	0.0	0.0
Repair & Maintenance	0.0	0.0
Software Support and Maintenance	0.0	0.0
Operating Supplies	0.0	0.0
Resale Supplies	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 2-2004 SLI Long Term Care Clawback Payments

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Sales of Assets	0.0	0.0
Conference, Education & Training	0.0	0.0
Advertising	0.0	0.0
Printing & Photography	0.0	0.0
Postage & Delivery	0.0	0.0
Miscellaneous Operating	0.0	0.0
Depreciation Expense	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	0.0	0.0
Vehicles - Non-Capital	0.0	0.0
Furniture - Non-Capital	0.0	0.0
EDP Equipment - Mainframe - Non-Capital	0.0	0.0
Telecommunication Equipment - Non Capital	0.0	0.0
Other Equipment - Non-Capital	0.0	0.0
Purchased Or Licensed Software/Website	0.0	0.0
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 2-2004 SLI Long Term Care Clawback Payments

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	0.0	0.0
Expenditure Category Total	0.0	0.0

All dollars are presented in thousands (not FTE).

NURSING FACILITY ASSESSMENT

Description of problem or issue and how this furthers the agency mission or goals:

Laws 2012, Chapter 213 amended Title 36, Chapter 29 by adding Article 6, establishing an assessment on the nursing facilities within the state beginning October 1, 2012. Since the assessment is neither uniform nor broad-based, Arizona was required to obtain a waiver from CMS of these requirements. A State Plan Amendment (SPA) that describes the assessment structure was also required. On June 21, 2012, AHCCCS submitted a waiver to CMS which outlined the specifics of the assessment. CMS approval was granted on October 23, 2012. The SPA was approved by CMS on November 1, 2012.

The enacting legislation included a delayed repeal date of September 30, 2015. Laws 2015, Chapter 39 amended the legislation to extend the repeal date to September 30, 2023. This decision package assumes that the assessment is continued with the same general provisions as the existing assessment, including the application of the assessment (to all Nursing facilities except for Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/ID) facilities, Continuing Care Retirement Centers, tribally owned facilities, and facilities with 58 or fewer beds), the amount of the assessment, payment provisions (based on AHCCCS bed days), etc.

Actual Experience/Methodology

The first assessment revenues were recorded in March 2013 for the period October 1, 2012 to December 31, 2012, with the first payments also going out in March. Revenues and payments for the quarter January 1, 2013 to March 31, 2013 were made in May 2013. Therefore, there is a lag of approximately one quarter. Since the inception in SFY 2013, the assessment has collected over $66.9 million which has enabled the state to draw in an additional $126.2 million in federal funding.

Effective September 6, 2014, an updated rule increased the assessment from $7.50 per non-Medicare bed day or $1.00 per non-Medicare bed day for facilities with high Medicaid utilization to $10.50 and $1.40 respectively.

Currently, there is a proposed rule to increase the assessment amounts effective 01/01/2017. The high volume providers would increase from $1.40 to $1.80 per NF-day, and all other non-exempt providers from $10.50 to $15.63. It is estimated the assessment increase the assessment by approximately $10.8 million on an annualized basis. Half of this increase would impact the FY 2017 rebase and the fully annualized impact would be realized in FY 2018.

The FY 2017 and FY 2018 estimates for revenue generation are based on prior year experience adjusted for the increased rate of collection. There will always be a rolling fund balance that will be paid out in reconciliation the following year. The federal matching funds are based on the regular Title XIX FMAP rate. For FY 2017 this is a blended rate of one quarter at the FFY 2016 rate of 68.92% and three quarters at the FFY 2017 rate of 69.24% for an average SFY 2017 rate of 69.16%. For FY 2018 this is a blended rate of one quarter at the FFY 2017 rate of 69.23% and three quarters at the FFY 2018 rate of 69.53% for an average SFY 2018 rate of 69.46%.

	FY 2016 Actual	FY 2017 Approp	FY 2017 Rebase	FY 2018 Request	FY 2018 Inc.(Dec)
NF Assessment Fund State	$18,011,934	$22,189,400	$27,589,400	$32,989,400	$10,800,000
NF Assessment Fund Fed	$43,286,150	$49,760,700	$61,870,400	$75,022,100	$25,261,400
Total Funds	**$61,298,085**	**$71,950,100**	**$89,459,800**	**$108,011,500**	**$36,061,400**

AHCCCS requests that the footnote language allowing AHCCCS to increase the appropriation for payments in excess of the published appropriation be continued in FY 2018.

Statutory Authority:

Title 36, Chapter 29, Article 6
A.R.S. 36-2999.51 through A.R.S. 36-2999.57

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
NURSING FACILITY ASSESSMENT
FISCAL YEAR 2018 BUDGET REQUEST

	FY 2016 Actual	FY 2017 Approp	FY 2017 Rebase	FY 2018 Request	FY 2018 Inc.(Dec)
NF Assessment Fund State	$18,011,934	$22,189,400	$27,589,400	$32,989,400	$10,800,000
NF Assessment Fund Fed	$43,286,150	$49,760,700	$61,870,400	$75,022,100	$25,261,400
Total Funds	**$61,298,085**	**$71,950,100**	**$89,459,800**	**$108,011,500**	**$36,061,400**

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 2-2005 Nursing Facility Assessment

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	61,270.5	22,189.4	36,061.4	58,250.8
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Expenditure Categories Total:	61,270.5	22,189.4	36,061.4	58,250.8

Fund Source				
Non-Appropriated Funds				
2567-N Nursing Facility Provider Assessment Fund (Non-A	61,270.5	22,189.4	36,061.4	58,250.8
	61,270.5	22,189.4	36,061.4	58,250.8
Fund Source Total:	61,270.5	22,189.4	36,061.4	58,250.8

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 2-2005 Nursing Facility Assessment

Fund: 2567-N Nursing Facility Provider Assessment Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	61,270.5	22,189.4	36,061.4	58,250.8
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Non-Appropriated Total:	61,270.5	22,189.4	36,061.4	58,250.8
	Fund Total:	61,270.5	22,189.4	36,061.4	58,250.8
	Program Total For Selected Funds:	61,270.5	22,189.4	36,061.4	58,250.8

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 2-2005 Nursing Facility Assessment

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	61,270.5	22,189.4
Expenditure Category Total	61,270.5	22,189.4

Fund Source		
Non-Appropriated		
2567-N Nursing Facility Provider Assessment Fund (Non-Appropriate	61,270.5	22,189.4
	61,270.5	22,189.4
Fund Source Total	61,270.5	22,189.4

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	0.0	0.0
Information Technology Services	0.0	0.0
Utilities	0.0	0.0
Non-Building or Land Rent	0.0	0.0
Building Rent Charges to State Agencies	0.0	0.0
COP Building Rent Charges to State Agencies	0.0	0.0
Rental of Land & Buildings	0.0	0.0
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	0.0	0.0
Repair & Maintenance	0.0	0.0
Software Support and Maintenance	0.0	0.0
Operating Supplies	0.0	0.0
Resale Supplies	0.0	0.0
Sales of Assets	0.0	0.0
Conference, Education & Training	0.0	0.0
Advertising	0.0	0.0
Printing & Photography	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 2-2005 Nursing Facility Assessment

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	0.0	0.0
Boards and Commissions	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	0.0	0.0
Attorney General Legal Services	0.0	0.0
External Legal Services	0.0	0.0
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	0.0	0.0
Hospital Services	0.0	0.0
Other Medical Services	0.0	0.0
Institutional Care	0.0	0.0
Education And Training	0.0	0.0
Vendor Travel	0.0	0.0
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0
Other Professional And Outside Services	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 2-2005 Nursing Facility Assessment

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Postage & Delivery	0.0	0.0
Miscellaneous Operating	0.0	0.0
Depreciation Expense	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	0.0	0.0
Vehicles - Non-Capital	0.0	0.0
Furniture - Non-Capital	0.0	0.0
EDP Equipment - Mainframe - Non-Capital	0.0	0.0
Telecommunication Equipment - Non Capital	0.0	0.0
Other Equipment - Non-Capital	0.0	0.0
Purchased Or Licensed Software/Website	0.0	0.0
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 2-2005 Nursing Facility Assessment

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	0.0	0.0
Expenditure Category Total	0.0	0.0

All dollars are presented in thousands (not FTE).

BOARD OF NURSING

BUDGET JUSTIFICATION

The State Board of Nursing assures that standards of practice are met and that persons engaged in the practice of nursing are competent. It approves individuals for licensure, registration and certification, approves educational programs for nurses and nursing assistants, investigates complaints concerning licensee's compliance with the law, and determines and administers disciplinary actions in the event of proven violations of the Nurse Practice Act.

The mission is to protect the public health, safety and welfare through the safe and competent practice of nurses and nursing assistants.

The Board of Nursing allocation reflects amounts to be passed through to the Board of Nursing for the cost of administering the Nurse Aid Training Program. The Board of Nursing appropriation was rolled into the Central Administration appropriation; however, for purposes of this budget submittal, the costs will be shown in the Board of Nursing cost center.

The FY 2017 allocation (within the Central Administration appropriation) is $209,800 ($104,900 General Fund).

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 2-2002 Board of Nursing

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000	Other Operating Expenses	209.8	209.8	0.0	209.8
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Expenditure Categories Total:	209.8	209.8	0.0	209.8
Fund Source					
Appropriated Funds					
1000-A	General Fund (Appropriated)	104.9	104.9	0.0	104.9
		104.9	104.9	0.0	104.9
Non-Appropriated Funds					
2120-N	AHCCCS Fund (Non-Appropriated)	104.9	104.9	0.0	104.9
		104.9	104.9	0.0	104.9
	Fund Source Total:	209.8	209.8	0.0	209.8

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 2-2002 Board of Nursing

Fund: 1000-A General Fund

Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000	Other Operating Expenses	104.9	104.9	0.0	104.9
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Appropriated Total:	104.9	104.9	0.0	104.9
	Fund Total:	104.9	104.9	0.0	104.9
	Program Total For Selected Funds:	104.9	104.9	0.0	104.9

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 2-2002 Board of Nursing

Fund: 2120-N AHCCCS Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000	Other Operating Expenses	104.9	104.9	0.0	104.9
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Non-Appropriated Total:		104.9	104.9	0.0	104.9
Fund Total:		104.9	104.9	0.0	104.9
Program Total For Selected Funds:		104.9	104.9	0.0	104.9

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 2-2002 Board of Nursing

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	0.0	0.0
Boards and Commissions	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	0.0	0.0
Attorney General Legal Services	0.0	0.0
External Legal Services	0.0	0.0
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	0.0	0.0
Hospital Services	0.0	0.0
Other Medical Services	0.0	0.0
Institutional Care	0.0	0.0
Education And Training	0.0	0.0
Vendor Travel	0.0	0.0
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0
Other Professional And Outside Services	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 2-2002 Board of Nursing

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	0.0	0.0
Information Technology Services	0.0	0.0
Utilities	0.0	0.0
Non-Building or Land Rent	0.0	0.0
Building Rent Charges to State Agencies	0.0	0.0
COP Building Rent Charges to State Agencies	0.0	0.0
Rental of Land & Buildings	0.0	0.0
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	209.8	209.8
Repair & Maintenance	0.0	0.0
Software Support and Maintenance	0.0	0.0
Operating Supplies	0.0	0.0
Resale Supplies	0.0	0.0
Sales of Assets	0.0	0.0
Conference, Education & Training	0.0	0.0
Advertising	0.0	0.0
Printing & Photography	0.0	0.0
Postage & Delivery	0.0	0.0
Miscellaneous Operating	0.0	0.0
Depreciation Expense	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 2-2002 Board of Nursing

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Expenditure Category Total	209.8	209.8
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	104.9	104.9
	104.9	104.9
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	104.9	104.9
	104.9	104.9
Fund Source Total	209.8	209.8

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	0.0	0.0
Vehicles - Non-Capital	0.0	0.0
Furniture - Non-Capital	0.0	0.0
EDP Equipment - Mainframe - Non-Capital	0.0	0.0
Telecommunication Equipment - Non Capital	0.0	0.0
Other Equipment - Non-Capital	0.0	0.0
Purchased Or Licensed Software/Website	0.0	0.0
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0

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All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 2-2002 Board of Nursing

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	0.0	0.0
Expenditure Category Total	0.0	0.0

All dollars are presented in thousands (not FTE).

LONG TERM CARE PASS-THROUGH

DEPARTMENT OF ECONOMIC SECURITY DEVELOPMENTALLY DISABLED (DES DD) – PASS-THROUGH

DESCRIPTION OF THE PROBLEM

The Developmentally Disabled program budget is appropriated within the Department of Economic Security Long Term Care budget unit. As the single state Medicaid Agency for Arizona, AHCCCS passes through the Title XIX Federal funding for this program. The funding flows through the AHCCCS financial systems as follows:

1) DES transfers the state match (General Fund) to AHCCCS via the Intergovernmental/Interagency Service fund (IGA and ISA Fund 2500).
2) AHCCCS draws down the federal match based on the Title XIX FMAP into the LTC System Fund (2223).
3) AHCCCS transfers both the federal match and state match back to DES in the respective funds.

The official budget request for this program will come from ADES. ADES provided the following figures to AHCCCS to more accurately reflect the revenue, sources, and uses schedule:

STATUTORY AUTHORITY

A.R.S. §41-1954.

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
FY2015-FY2017
PROGRAMMATIC PASS-THROUGH LINES

LTC - 2003		FY16 Actual	FY17 Approp/Est	FY18 Request	FY18 DP
DES DD	2500	373,803,278	406,647,300	490,435,400	83,788,100
	2223	826,093,392	788,690,800	995,947,400	207,256,600
	TF	1,199,896,670	1,195,338,100	1,486,382,800	291,044,700

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 2-2003 Programmatic Pass Through Funding

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	1,199,896.7	1,195,338.2	291,044.7	1,486,382.9
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Expenditure Categories Total:	1,199,896.7	1,195,338.2	291,044.7	1,486,382.9
Fund Source					
Non-Appropriated Funds					
2223-N	Long Term Care System Fund (Non-Appropriated)	826,093.4	788,690.8	207,256.6	995,947.4
2500-N	IGA and ISA Fund (Non-Appropriated)	373,803.3	406,647.4	83,788.1	490,435.5
		1,199,896.7	1,195,338.2	291,044.7	1,486,382.9
	Fund Source Total:	1,199,896.7	1,195,338.2	291,044.7	1,486,382.9

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 2-2003 Programmatic Pass Through Funding

Fund: 2223-N Long Term Care System Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Non-Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	826,093.4	788,690.8	207,256.6	995,947.4
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Non-Appropriated Total:		826,093.4	788,690.8	207,256.6	995,947.4
Fund Total:		826,093.4	788,690.8	207,256.6	995,947.4
Program Total For Selected Funds:		826,093.4	788,690.8	207,256.6	995,947.4

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 2-2003 Programmatic Pass Through Funding

Fund: 2500-N IGA and ISA Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Non-Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	373,803.3	406,647.4	83,788.1	490,435.5
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Non-Appropriated Total:		373,803.3	406,647.4	83,788.1	490,435.5
Fund Total:		373,803.3	406,647.4	83,788.1	490,435.5
Program Total For Selected Funds:		373,803.3	406,647.4	83,788.1	490,435.5

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 2-2003 Programmatic Pass Through Funding

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	0.0	0.0
Boards and Commissions	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	0.0	0.0
Attorney General Legal Services	0.0	0.0
External Legal Services	0.0	0.0
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	0.0	0.0
Hospital Services	0.0	0.0
Other Medical Services	0.0	0.0
Institutional Care	0.0	0.0
Education And Training	0.0	0.0
Vendor Travel	0.0	0.0
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0
Other Professional And Outside Services	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 2-2003 Programmatic Pass Through Funding

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	1,199,896.7	1,195,338.2
Expenditure Category Total	1,199,896.7	1,195,338.2
Fund Source		
Non-Appropriated		
2223-N Long Term Care System Fund (Non-Appropriated)	826,093.4	788,690.8
2500-N IGA and ISA Fund (Non-Appropriated)	373,803.3	406,647.4
	1,199,896.7	1,195,338.2
Fund Source Total	1,199,896.7	1,195,338.2

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	0.0	0.0
Information Technology Services	0.0	0.0
Utilities	0.0	0.0
Non-Building or Land Rent	0.0	0.0
Building Rent Charges to State Agencies	0.0	0.0
COP Building Rent Charges to State Agencies	0.0	0.0
Rental of Land & Buildings	0.0	0.0
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	0.0	0.0
Repair & Maintenance	0.0	0.0
Software Support and Maintenance	0.0	0.0
Operating Supplies	0.0	0.0
Resale Supplies	0.0	0.0
Sales of Assets	0.0	0.0
Conference, Education & Training	0.0	0.0
Advertising	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 2-2003 Programmatic Pass Through Funding

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Printing & Photography	0.0	0.0
Postage & Delivery	0.0	0.0
Miscellaneous Operating	0.0	0.0
Depreciation Expense	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	0.0	0.0
Vehicles - Non-Capital	0.0	0.0
Furniture - Non-Capital	0.0	0.0
EDP Equipment - Mainframe - Non-Capital	0.0	0.0
Telecommunication Equipment - Non Capital	0.0	0.0
Other Equipment - Non-Capital	0.0	0.0
Purchased Or Licensed Software/Website	0.0	0.0
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0
Expenditure Category Total	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 2-2003 Programmatic Pass Through Funding

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	0.0	0.0
Expenditure Category Total	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Summary of Expenditures and Budget Request

Agency: HCA Arizona Health Care Cost Containment System
Program: 3 Acute Care

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Summary					
3-3001	SLI Disproportionate Share Payments	98,068.6	5,087.1	0.0	5,087.1
3-3002	SLI Graduate Medical Education	163,725.9	162,992.6	102,737.2	265,729.8
3-3003	Critical Access Hospitals	10,491.9	10,491.9	0.0	10,491.9
3-3004	Breast and Cervical Cancer	1,746.2	1,901.0	(157.5)	1,743.5
3-3005	Ticket to Work	27,856.0	30,161.5	3,411.7	33,573.2
3-3006	Capitation	2,336,424.0	2,371,992.1	(96,637.6)	2,275,354.5
3-3007	Fee-for-Service	544,604.3	635,315.4	(11,829.0)	623,486.4
3-3008	Reinsurance	40,285.6	83,806.6	22,926.8	106,733.4
3-3009	Medicare Premiums	171,965.7	186,565.9	71,566.9	258,132.8
3-3010	Programmatic Pass Through Funding	1,341,540.6	87,983.9	0.0	87,983.9
3-3011	SLI Rural Hospital Reimbursement	11,496.7	12,158.1	0.0	12,158.1
3-3012	SLI Acute Care Clawback Payments	40,657.5	42,527.1	10,735.2	53,262.3
3-3013	SLI Safety Net Care Pool (SNCP)	118,584.6	137,000.0	(62,000.0)	75,000.0
3-3014	SLI Disproportionate Share Payments Voluntary M	38,855.1	19,896.0	(19,896.0)	0.0
3-3015	Delivery System Reform Incentive Payments	0.0	0.0	335,980.0	335,980.0
	Program Summary Total:	4,946,302.7	3,787,879.2	356,837.7	4,144,716.9
Expenditure Categories					
0000	FTE Positions	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	1,433.7	1,647.1	0.0	1,647.1
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	4,784,301.9	3,759,226.7	358,194.6	4,117,421.3
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	160,567.1	27,005.4	(1,356.9)	25,648.5
	Expenditure Categories Total:	4,946,302.7	3,787,879.2	356,837.7	4,144,716.9

Fund Source

Appropriated Funds

All dollars are presented in thousands (not FTE).

Program Summary of Expenditures and Budget Request

Agency: HCA Arizona Health Care Cost Containment System
Program: 3 Acute Care

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
1000-A	General Fund (Appropriated)	840,221.4	890,298.1	(40,055.8)	850,242.3
1306-A	Tobacco Tax and Health Care Fund (Appropriated)	34,498.5	37,432.4	0.0	37,432.4
2546-A	Prescription Drug Rebate Fund (Appropriated)	99,840.0	106,139.5	39,868.1	146,007.6
		974,559.9	1,033,870.0	(187.7)	1,033,682.3
Non-Appropriated Funds					
1303-N	Proposition 204 Protection Account (TPTF) (Non-A	3,352.2	0.0	0.0	0.0
1306-N	Tobacco Tax and Health Care Fund MNA (Non-App	44,702.3	700.0	0.0	700.0
2000-N	Federal Grant (Non-Appropriated)	85.1	85.0	0.0	85.0
2120-N	AHCCCS Fund (Non-Appropriated)	3,486,485.4	2,856,179.6	127,852.2	2,984,031.8
2130-N	Delivery System Reform Incentive Payment Fund(	0.0	0.0	102,616.7	102,616.7
2494-N	Prop 202 - Trauma and Emergency Services (Non-	23,027.4	23,027.4	0.0	23,027.4
2500-N	IGA and ISA Fund (Non-Appropriated)	531,670.1	106,198.5	6,553.0	112,751.5
2546-N	Prescription Drug Rebate Fund (Non-Appropriated)	(118,208.3)	(282,774.7)	120,231.6	(162,543.1)
3791-N	AHCCCS - 3rd Party Collection (Non-Appropriated)	628.6	905.7	0.0	905.7
9691-N	County Funds (Non-Appropriated)	0.0	49,687.7	(228.1)	49,459.6
		3,971,742.8	2,754,009.2	357,025.4	3,111,034.6
	Fund Source Total:	4,946,302.7	3,787,879.2	356,837.7	4,144,716.9

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3 Acute Care

Fund: 1000-A General Fund (Appropriated)

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures					
COST CENTER/PROGRAM BUDGET UNIT					
3-3001	SLI Disproportionate Share Payments	0.0	272.2	(2.6)	269.6
3-3003	Critical Access Hospitals	3,260.9	3,227.3	(30.4)	3,196.9
3-3004	Breast and Cervical Cancer	350.8	366.9	5.8	372.7
3-3005	Ticket to Work	8,670.6	9,069.3	1,183.7	10,253.0
3-3006	Capitation	660,182.8	677,692.7	(76,174.9)	601,517.8
3-3007	Fee-for-Service	65,915.5	80,536.0	(20.9)	80,515.1
3-3008	Reinsurance	12,011.4	24,704.1	4,788.5	29,492.6
3-3009	Medicare Premiums	46,054.6	48,162.7	19,495.0	67,657.7
3-3011	SLI Rural Hospital Reimbursement	3,117.3	3,739.8	(35.2)	3,704.6
3-3012	SLI Acute Care Clawback Payments	40,657.5	42,527.1	10,735.2	53,262.3
	Total	840,221.4	890,298.1	(40,055.8)	850,242.3
Appropriated Funding					
Expenditure Categories					
	FTE Positions	0.0	0.0	0.0	0.0
	Personal Services	0.0	0.0	0.0	0.0
	Employee Related Expenses	0.0	0.0	0.0	0.0
	Professional and Outside Services	0.0	0.0	0.0	0.0
	Travel In-State	0.0	0.0	0.0	0.0
	Travel Out of State	0.0	0.0	0.0	0.0
	Food (Library for Universities)	0.0	0.0	0.0	0.0
	Aid to Organizations and Individuals	828,293.9	877,254.6	(39,650.1)	837,604.5
	Other Operating Expenses	0.0	0.0	0.0	0.0
	Equipment	0.0	0.0	0.0	0.0
	Capital Outlay	0.0	0.0	0.0	0.0
	Debt Service	0.0	0.0	0.0	0.0
	Cost Allocation	0.0	0.0	0.0	0.0
	Transfers	11,927.5	13,043.5	(405.7)	12,637.8
Expenditure Categories Total:		840,221.4	890,298.1	(40,055.8)	850,242.3
Fund 1000-A Total:		840,221.4	890,298.1	(40,055.8)	850,242.3

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3 Acute Care

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program 3 Total:	840,221.4	890,298.1	(40,055.8)	850,242.3

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3 Acute Care

Fund: 1303-N Proposition 204 Protection Account (TPTF) (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
3-3010 Programmatic Pass Through Funding	3,352.2	0.0	0.0	0.0
Total	3,352.2	0.0	0.0	0.0
Non-Appropriated Funding				
Expenditure Categories				
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	3,352.2	0.0	0.0	0.0
Expenditure Categories Total:	3,352.2	0.0	0.0	0.0
Fund 1303-N Total:	3,352.2	0.0	0.0	0.0
Program 3 Total:	3,352.2	0.0	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3 Acute Care

Fund: 1306-A Tobacco Tax and Health Care Fund (Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
3-3006 Capitation	34,498.5	37,432.4	0.0	37,432.4
Total	34,498.5	37,432.4	0.0	37,432.4
Appropriated Funding				
Expenditure Categories				
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	34,498.5	36,688.0	0.0	36,688.0
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	744.4	0.0	744.4
Expenditure Categories Total:	34,498.5	37,432.4	0.0	37,432.4
Fund 1306-A Total:	34,498.5	37,432.4	0.0	37,432.4
Program 3 Total:	34,498.5	37,432.4	0.0	37,432.4

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3 Acute Care

Fund: 1306-N Tobacco Tax and Health Care Fund MNA (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
3-3010 Programmatic Pass Through Funding	44,702.3	700.0	0.0	700.0
Total	44,702.3	700.0	0.0	700.0
Non-Appropriated Funding				
Expenditure Categories				
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	44,702.3	700.0	0.0	700.0
Expenditure Categories Total:	44,702.3	700.0	0.0	700.0
Fund 1306-N Total:	44,702.3	700.0	0.0	700.0
Program 3 Total:	44,702.3	700.0	0.0	700.0

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3 Acute Care

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Fund: 2000-N Federal Grant (Non-Appropriated)				
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
3-3010 Programmatic Pass Through Funding	85.1	85.0	0.0	85.0
Total	85.1	85.0	0.0	85.0
Non-Appropriated Funding				
Expenditure Categories				
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	85.1	85.0	0.0	85.0
Expenditure Categories Total:	85.1	85.0	0.0	85.0
Fund 2000-N Total:	85.1	85.0	0.0	85.0
Program 3 Total:	85.1	85.0	0.0	85.0

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3 Acute Care

Fund: 2120-N AHCCCS Fund (Non-Appropriated)

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures					
	COST CENTER/PROGRAM BUDGET UNIT				
3-3001	SLI Disproportionate Share Payments	98,068.6	4,814.9	2.6	4,817.5
3-3002	SLI Graduate Medical Education	111,329.0	112,725.7	71,053.0	183,778.7
3-3003	Critical Access Hospitals	7,231.0	7,264.6	30.4	7,295.0
3-3004	Breast and Cervical Cancer	1,395.4	1,534.1	(163.3)	1,370.8
3-3005	Ticket to Work	19,185.4	21,092.2	2,228.0	23,320.2
3-3006	Capitation	1,660,111.0	1,783,619.8	(180,334.3)	1,603,285.5
3-3007	Fee-for-Service	478,688.8	554,779.4	(11,808.1)	542,971.3
3-3008	Reinsurance	28,274.2	59,102.5	18,138.3	77,240.8
3-3009	Medicare Premiums	125,911.1	138,403.2	52,071.9	190,475.1
3-3010	Programmatic Pass Through Funding	844,581.8	55,790.1	0.0	55,790.1
3-3011	SLI Rural Hospital Reimbursement	8,379.4	8,418.3	35.2	8,453.5
3-3013	SLI Safety Net Care Pool (SNCP)	77,187.8	94,858.8	(42,988.8)	51,870.0
3-3014	SLI Disproportionate Share Payments Voluntary	26,141.9	13,776.0	(13,776.0)	0.0
3-3015	Delivery System Reform Incentive Payments	0.0	0.0	233,363.3	233,363.3
	Total	3,486,485.4	2,856,179.6	127,852.2	2,984,031.8
Non-Appropriated Funding					
Expenditure Categories					
	FTE Positions	0.0	0.0	0.0	0.0
	Personal Services	0.0	0.0	0.0	0.0
	Employee Related Expenses	0.0	0.0	0.0	0.0
	Professional and Outside Services	0.0	0.0	0.0	0.0
	Travel In-State	0.0	0.0	0.0	0.0
	Travel Out of State	0.0	0.0	0.0	0.0
	Food (Library for Universities)	0.0	0.0	0.0	0.0
	Aid to Organizations and Individuals	3,392,593.0	2,851,571.0	128,803.4	2,980,374.4
	Other Operating Expenses	0.0	0.0	0.0	0.0
	Equipment	0.0	0.0	0.0	0.0
	Capital Outlay	0.0	0.0	0.0	0.0
	Debt Service	0.0	0.0	0.0	0.0
	Cost Allocation	0.0	0.0	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3 Acute Care

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Fund: 2120-N AHCCCS Fund (Non-Appropriated)				
Non-Appropriated Funding				
Transfers	93,892.4	4,608.6	(951.2)	3,657.4
Expenditure Categories Total:	3,486,485.4	2,856,179.6	127,852.2	2,984,031.8
Fund 2120-N Total:	3,486,485.4	2,856,179.6	127,852.2	2,984,031.8
Program 3 Total:	3,486,485.4	2,856,179.6	127,852.2	2,984,031.8

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3 Acute Care

Fund: 2130-N Delivery System Reform Incentive Payment Fund(Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
3-3015 Delivery System Reform Incentive Payments	0.0	0.0	102,616.7	102,616.7
Total	0.0	0.0	102,616.7	102,616.7
Non-Appropriated Funding				
Expenditure Categories				
FTE Positions	0.0	0.0	0.0	0.0
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	0.0	102,616.7	102,616.7
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	0.0	0.0	102,616.7	102,616.7
Fund 2130-N Total:	0.0	0.0	102,616.7	102,616.7
Program 3 Total:	0.0	0.0	102,616.7	102,616.7

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3 Acute Care

Fund: 2494-N Prop 202 - Trauma and Emergency Services (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
3-3010 Programmatic Pass Through Funding	23,027.4	23,027.4	0.0	23,027.4
Total	23,027.4	23,027.4	0.0	23,027.4
Non-Appropriated Funding				
Expenditure Categories				
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	23,027.4	23,027.4	0.0	23,027.4
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	23,027.4	23,027.4	0.0	23,027.4
Fund 2494-N Total:	23,027.4	23,027.4	0.0	23,027.4
Program 3 Total:	23,027.4	23,027.4	0.0	23,027.4

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3 Acute Care

Fund: 2500-N IGA and ISA Fund (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
3-3002 SLI Graduate Medical Education	52,396.9	50,266.9	31,684.2	81,951.1
3-3010 Programmatic Pass Through Funding	425,163.2	7,670.4	0.0	7,670.4
3-3013 SLI Safety Net Care Pool (SNCP)	41,396.8	42,141.2	(19,011.2)	23,130.0
3-3014 SLI Disproportionate Share Payments Voluntary	12,713.2	6,120.0	(6,120.0)	0.0
Total	531,670.1	106,198.5	6,553.0	112,751.5
Non-Appropriated Funding				
Expenditure Categories				
FTE Positions	0.0	0.0	0.0	0.0
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	531,670.1	106,198.5	6,553.0	112,751.5
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	531,670.1	106,198.5	6,553.0	112,751.5
Fund 2500-N Total:	531,670.1	106,198.5	6,553.0	112,751.5
Program 3 Total:	531,670.1	106,198.5	6,553.0	112,751.5

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3 Acute Care

Fund: 2546-A Prescription Drug Rebate Fund (Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
3-3006 Capitation	99,840.0	106,139.5	39,868.1	146,007.6
Total	99,840.0	106,139.5	39,868.1	146,007.6
Appropriated Funding				
Expenditure Categories				
FTE Positions	0.0	0.0	0.0	0.0
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	99,840.0	106,139.5	39,868.1	146,007.6
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	99,840.0	106,139.5	39,868.1	146,007.6
Fund 2546-A Total:	99,840.0	106,139.5	39,868.1	146,007.6
Program 3 Total:	99,840.0	106,139.5	39,868.1	146,007.6

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3 Acute Care

Fund: 2546-N Prescription Drug Rebate Fund (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
3-3006 Capitation	(118,208.3)	(282,774.7)	120,231.6	(162,543.1)
Total	(118,208.3)	(282,774.7)	120,231.6	(162,543.1)
Non-Appropriated Funding				
Expenditure Categories				
FTE Positions	0.0	0.0	0.0	0.0
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	(118,208.3)	(282,774.7)	120,231.6	(162,543.1)
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	(118,208.3)	(282,774.7)	120,231.6	(162,543.1)
Fund 2546-N Total:	(118,208.3)	(282,774.7)	120,231.6	(162,543.1)
Program 3 Total:	(118,208.3)	(282,774.7)	120,231.6	(162,543.1)

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3 Acute Care

Fund: 3791-N AHCCCS - 3rd Party Collection (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
3-3006 Capitation	0.0	194.7	0.0	194.7
3-3010 Programmatic Pass Through Funding	628.6	711.0	0.0	711.0
Total	628.6	905.7	0.0	905.7
Non-Appropriated Funding				
Expenditure Categories				
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	1,433.7	1,647.1	0.0	1,647.1
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	(7,412.7)	(8,565.3)	0.0	(8,565.3)
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	6,607.6	7,823.9	0.0	7,823.9
Expenditure Categories Total:	628.6	905.7	0.0	905.7
Fund 3791-N Total:	628.6	905.7	0.0	905.7
Program 3 Total:	628.6	905.7	0.0	905.7

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3 Acute Care

Fund: 9691-N County Funds (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
3-3006 Capitation	0.0	49,687.7	(228.1)	49,459.6
Total	0.0	49,687.7	(228.1)	49,459.6
Non-Appropriated Funding				
Expenditure Categories				
FTE Positions	0.0	0.0	0.0	0.0
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	49,687.7	(228.1)	49,459.6
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	0.0	49,687.7	(228.1)	49,459.6
Fund 9691-N Total:	0.0	49,687.7	(228.1)	49,459.6
Program 3 Total:	0.0	49,687.7	(228.1)	49,459.6

All dollars are presented in thousands (not FTE).

PROGRAM DESCRIPTION/BACKGROUND:

Capitation is a fixed (per member) monthly payment to health plan contractors for the provision of covered services to members. It is an actuarially determined amount to cover expected utilization and costs for the individual rate codes in a risk-sharing managed-care environment. Contracts are awarded for a multi-year period upon completion of a competitive bidding process in which health plans respond to a request for proposals from AHCCCS. Health plans bid by AHCCCS eligibility group, or rate code. Varying capitation rates are due to the nature of the distinctly different demographic groups covered (e.g. Children, Pregnant Women, Aged, Blind, Disabled, etc.)

Additionally, pursuant to the provisions of A.R. S. § 36-2901.06, capitation rates may reflect program changes, such as a required expansion of available services, or changes in eligibility requirements. Rates also vary by health and geographical area, but remain within the parameters set by actuarial study and contract negotiation. Since the starting point for new or renewed health plan contracts coincides with the new federal fiscal year, SFY 2017 reflects three months of capitation rates paid at a level negotiated for the period of October 2015 through September 2016, and nine months at new rates estimated for the contract year beginning in October 2016. Likewise, SFY 2018 will reflect three months of capitation rates paid at a level negotiated for the period of October 2016 through September 2017, and nine months at rates estimated for the contract year beginning in October 2017.

RISK POOLS:
Risk pools have been established by age and sex groupings to more closely reflect the costs associated with program demographics. SOBRA women and SOBRA children have been combined into the same risk pools as 1931/TANF. Below are current demographic groupings:

1931/TANF <1 year male & female
1931/TANF 1-13 years male & female
1931/TANF 14-44 years female
1931/TANF 14-44 years male
1931/TANF 45+ years male & female
SOBRA <1 year, male & female
SOBRA 1-13 years, male & female
SOBRA 14-18 years, female
SOBRA 14-18 years, male
SOBRA Pregnant Women 14-44, female
SSI with Medicare
SSI without Medicare
SOBRA Family Planning
Title XIX Supplemental Birth Payment

PRIOR PERIOD COVERAGE (PPC) RECONCILIATION:

AHCCCS performs a reconciliation process which compares total PPC medical cost experience to the reimbursement associated with the prior period retro portion of the capitation rates for all rate categories. Section 1 of the FY 2013 Health and Welfare BRB requires AHCCCS to deposit reconciliation recoupments or penalties against program contractors or health plans into the General Fund or the fund from which the appropriation was made and prohibits these recoupments or penalties from being credited against future payments. As a result, only additional payments are included in the AHCCCS budget request. For FY 2017 and FY 2018, no additional payments are expected to be paid as a result of reconciliations.

ACUTE PROGRAM TIERED PROSPECTIVE RECONCILIATION:

The AHCCCS Acute Care CRS RFP (RFP No. YH14-0001) the various acute care reconciliations with a tiered prospective reconciliation, effective October 1, 2013 based on prospective, fully adjudicated medical expense encounters, and self-reported sub-capitated expenses, net of reinsurance. For each contract year, the amount due from or due to the Contractor as the result of this reconciliation will be based on aggregated profits and losses across all of the tiered reconciliation risk groups. Individual risk groups will not be reconciled separately. The expenses will be reconciled against prospective capitation including Delivery Supplement payments and will be net of the administrative and premium tax components. No additional payments to Contractors as a result of Acute Program Tiered Prospective Reconciliation are anticipated in FY 2017 or FY 2018.

METHODOLOGY:

A combination of AutoRegressive Integrated Moving Average (ARIMA – See attached ARIMA overview) time series forecasting, linear regression and growth rates were used to project member month growth and births by rate category. (TANF/1931, SSI With Medicare, SSI Without Medicare, SOBRA Children, SOBRA Women, SOBRA Family Planning and Title XIX Births.) The resulting member months were then multiplied by estimated capitation rates to project future capitation payments.

Prior period member months were calculated based on a ratio of date-of-service prior period member months to date-of-payment regular member months for each risk pool. Prior period member months were then forecast for each risk pool by multiplying these ratios by projected member months.

Member Growth

Children previously categorized as TANF/1931 due to eligible parents or caretaker relatives are moving into the SOBRA Children and Pregnant Women categories. This change is to align with CMS guidance that eligibility should be determined for each individual, and not just for the family. As a result, it is anticipated that ultimately all TANF/1931 children will convert to SOBRA.

Growth in the SOBRA children and SOBRA Women populations has occurred in addition to the transfer of members from TANF/1931. The average monthly growth rate for the combined SOBRA population was about 2.23% (about 30.23% annually) in the first half of FY 2016, which declined substantially to about 0.51% (6.27% annually) during the latter half of FY 2016. The transition from TANF/1931 appears to be nearing completion, so it is assumed that the long-term growth rate for of the SOBRA population will stabilize at an annual rate of 2.0% for FY 2017 and 2018.

TANF/1931 – From June 2015 to June 2016, TANF/1931 member months dropped by 41.7%, as members continued to transition to SOBRA. As the effects of this transition appear to be receding, growth for FY 2017 and 2018 are assumed to stabilize at an annual rate of 2.0%.

SOBRA Children – From June 2015 to June 2016, SOBRA Children member months grew by 25.85%. This growth is in line with expectations regarding the TANF/1931 transition, as well as implementation of the Affordable Care Act (ACA). Some additional growth related to the transition is expected during the first three months of FY 2017, but is then assumed to revert to normal population growth of 2.0% annually for the remainder of FY 2017 and the duration of FY 2018.

SSI – Both the SSI with Medicare and SSI without Medicare populations were substantially impacted by CRS and BH integrations described below. MAGI implementation, along with the fact that the last COLA increase was less than the FBR increase, may have caused a shift to SSI Traditional programs from SSI Proposition 204, due to changes in income determination. The implementation of HEAplus, which has more electronic data sources for income, is an additional factor that may explain these shifts.

Member months for Traditional SSI with Medicare, Traditional SSI without Medicare, Prop. 204 SSI with Medicare, and Prop. 204 SSI without Medicare were combined and forecast in aggregate using a 48 month regression with corrections to account for the CRS and BH integration implementation. This aggregate forecast was then split by the percentage that each component represented of the total as of June 2016 (40.83% Traditional SSI with Medicare, 35.97% Traditional SSI without Medicare, 22.00% Prop. 204 SSI with Medicare, 1.20% Prop. 204 SSI without Medicare). The June-over-June growth rates for Traditional SSI with Medicare are 22.65% for FY 2016; 2.48% for FY 2017; and 2.42% for FY 2018. The corresponding rates for Traditional SSI without Medicare are -8.80% for FY 2016; 2.48% for FY 2017; and 2.42% for FY 2018.

The SOBRA Pregnant Women population increased by 30.32% from June 2015 to June 2016. The sizeable increase during that period is largely attributable to the shift from the TANF/1931 population mentioned above. For FY 2017 and 2018, growth is assumed to slow to 2.0% annually as indicated above.

Growth in Title XIX births has slowed substantially in recent years. The June-over-June change for Title XIX births are -5.49% for FY 2016, 1.45% for FY 2017, and 2.13% for FY 2018. Title XIX births were forecast using a 48 month regression model.

Below is a chart indicating year-to-year forecast growth rate data (total member months for a given year compared to total member months for the previous year). The growth rates shown in the table do not correspond to the growth rates cited above which are from June of the comparison year to June of the following year. SFY 2009-16 figures are actuals. CMDP is not included.

SFY	TANF (AFDC)	SSI w/ Medicare	SSI w/o Medicare	SOBRA Children	SOBRA Mothers	Total Categorical	TITLE XIX Births
2008-09	12.21%	2.22%	2.12%	8.12%	1.19%	8.98%	2.44%
2009-10	13.55%	5.79%	4.10%	21.51%	-0.08%	15.01%	-0.67%
2010-11	1.82%	5.42%	3.58%	1.94%	-0.25%	2.16%	-1.87%
2011-12	8.17%	8.50%	5.38%	-1.01%	8.30%	4.43%	5.23%
2012-13	0.13%	4.89%	4.45%	-2.96%	5.91%	-0.31%	4.55%
2013-14	-2.22%	2.06%	-3.55%	-3.21%	-1.64%	-2.40%	-1.16%
2014-15	-0.73%	-2.48%	-9.06%	16.58%	4.24%	4.78%	-3.81%
2015-16	-41.60%	-3.50%	-7.52%	56.08%	78.57%	3.73%	-7.48%
2016-17	-12.57%	13.56%	-1.04%	6.20%	-3.68%	1.02%	1.44%
2017-18	2.00%	2.45%	2.45%	2.01%	2.00%	2.06%	1.97%

(Above percentages exclude CMDP.)

Newly Eligible Children – The expansion of Medicaid eligibility for children ages 6 to18 is contained in ACA §2001(a)(5)(B), which is distinct from the provision expanding eligibility to include childless adults found in ACA § 2001(a)(1). A 2.0% growth factor was used to project member months through the end of FY 2018, with the population reaching 74,272 in June 2018.

The FMAP for Newly Eligible Children is the Title XXI as long as the state has sufficient allotment availability. In October 2015, the Title XXI FMAP increased to 100.00%.

GMH/SA and SMI Integration Impact:

This request reflects the realignment of funding for integrated capitation payments between Acute and Behavioral Health line items. In FY 2016, when the physical health and behavioral health portions of capitation were separately appropriated to ADHS and AHCCCS, respectively, integrated capitation payments were manually split between the agencies. In FY 2017, funding for all integrated payments has been appropriated to AHCCCS and will be paid from single appropriations. Payments to Regional Behavioral Health Authorities (RBHAs) for Seriously Mentally Ill (SMI) Integrated care will be made from the Behavioral Health appropriations and payments to Acute Managed Care Organizations (MCOs) for General Mental Health and Substance Abuse (GMH/SA) dual eligibles will be made from the Acute appropriations.

The net impact of the shift of SMI Integrated physical health expenditures to the Traditional Behavioral Health line and GMH/SA duals behavioral health expenditures to the Traditional Acute line is a decrease of $135,764,700 Total Fund ($41,455,800 General Fund).

Prior Period Methodology:

As in prior years, AHCCCS continues to forecast Prior Period Member-Months (PPC) by computing a 3-month moving average ratio of PPC to corresponding prospective member-months for every given risk pool. In prior year estimates, the time lag inherent to PPC member-month counts required that the forecast ratio be computed using data from as much as 18 months prior. For the FY 2017 and 2018 PPC forecast, AHCCCS used a completion factor methodology to produce actual PPC estimates for more recent months, and then used those completed months in the calculation of the forecast ratio. PPC forecast amounts for each risk pool were computed by multiplying the 3-month moving average ratio (April to June 2016) by the corresponding prospective member-month forecast. This PPC forecast methodology was used for all programs and risk pools.

ACA HEALTH INSURER FEE

The ACA includes an $8.0 billion fee on the health insurance industry beginning in 2014. This health insurer fee (HIF) increases to $14.3 billion by 2018 and is then indexed to the rate of premium growth thereafter as shown in the table below. The previous 2017 fee amount does not shift to 2018; the applicable amount for fee year 2018 remains at $14.3 billion (see Treas. Reg. § 57.4(a)(3)).

Fee Year	Applicable Amount
2014	$ 8,000,000,000
2015	$11,300,000,000
2016	$11,300,000,000
2017 (Moratorium)	$13,900,000,000
2018	$14,300,000,000
2019 and thereafter	The applicable amount in the preceding fee year increased by the rate of premium growth (within the meaning of section 36B(b)(3)(A)(ii).

The fee is considered an excise tax and is nondeductible for income tax purposes. CMS mandates actuarially sound Medicaid managed care capitation rates that allow participating insurers to cover projected expenses. Therefore this fee impacts Medicaid managed care expenditures.

The CMS currently approved payment methodology for this fee is a mass adjustment to capitation payments. It is anticipated that, most if not all, health plans will get tax filing extensions. As a result, AHCCCS makes one payment in the fall that includes an estimate for the tax liability. If there is a material difference in the final tax filings an additional adjustment is made.

The FMAP applied is the FMAP in effect for the month of the capitation adjustment. The payments made in FY 2017 (for the Calendar Year 2016 fee) will adjust capitation for October 2015 and use the FMAP in effect on that date. There will be no payment in FY 2018 because the Consolidated Appropriations Act of 2016, Title II, § 201, Moratorium on Annual Fee on Health Insurance Providers, suspends collection of the health insurance provider fee for the 2017 calendar year. Thus, health insurers are not required to pay these fees for calendar year 2017.

In total funds, the Medicaid system paid $90.4 million in FY 2016 for the 2015 Fee Year. In FY 2017, the fee is projected to increase to $103.1 million due to caseload increases which will increase revenue for Medicaid health plans and, thus, increase the amount required in reimbursement.

The allocation by program for FY 2017 (Acute, CRS, EDP, DD, and BHS, etc.) is based on the corresponding percentage of total FY 2016 actual HIF payments.

Based on projected amounts and allocation methodology, the FY 2017 impact of this fee for Acute is $44,212,600 Total Fund ($13,419,600 General Fund).

No health insurer provider fees will be paid in FY 2018 generating a one-time cost savings of $54,385,600 ($16,337,400 General Fund). This fee will be back in effect for FY 2019 and generate a cost increase of $55,950,400 ($16,649,000 General Fund).

Capitation Rates

Overall Acute Capitation rates for CYE 2017 are increasing by 3.12% over the blended rates for CYE 2016. CYE 2017 capitation rates were developed as a rate update from the previously submitted CYE 2016 capitation rates.

Due to a program change (high acuity pediatric adjustor) that will be implemented effective January 1, 2017, there are two sets of capitation rates for CYE 2017. One set for the time frame from October 1, 2016 through December 31, 2016 and another from January 1, 2017 through September 30, 2017. The rate development process was the same for both sets of rates except the latter set includes the impact of the high acuity pediatric adjustor.

Primary drivers of the CYE 2017 rates include medical trend, an FQHC experience adjustment, and a revision to criteria regarding member use of certain Hepatitis C drugs:

- The medical trend analysis used historical yearly encounter data for the time period October 1, 2012 through September 30, 2015 with adjustments for completion factors, historical programmatic changes, and historical provider fee-for-service rate schedule changes. More recent data, through March 31, 2016, was used for experience adjustments. Medical trend includes both utilization and unit cost trends and accounts for 0.52 percentage points of the total acute rate increase. The biggest drivers of trend growth for CYE 2017 were pharmacy and emergency room expenses.

- Effective April 1, 2015, Acute Capitation rates were increased to include reimbursement for Federally Qualified Health Center/Rural Health Clinic (FQHC/RHC) services. Prior to this, FQHC/RHC services were reimbursed by a combination of fee-for-service claims payments and quarterly supplemental payments, along with an annual reconciliation to the Prospective Payment System rates; during CYE 16, actual utilization exceeded initial expectations, necessitating additional capitation rate adjustments. These experience adjustments contribute 0.81% to the overall capitation rate increase.

- Effective October 1, 2016, amendments relaxing clinical criteria governing the use of certain Hepatitis C drugs, in combination with existing trends, will likely result in a significant increase in utilization. This prospective increase contributes 1.19% to the overall rate increase.

- Effective January 1, 2017, AHCCCS will address the costs associated with high-acuity pediatric cases by using an adjustment factor of 1.945 in place of the current adjustor of 1.60 in the following instances: for inpatient stays, where an APR-DRG assignment of level 3 or 4 Severity of Illness is indicated. This change accounts for 0.11 percentage points of the total acute rate increase.

- Various Fee For Service (FFS) rates will be revised based on access-to-care requirements and legislative mandates on October 1, 2016, contributing 0.26% to the total capitation rate increase.

- In pursuit of improved member health outcomes and care experience, AHCCCS has proposed differential Value-Based Purchasing (VBP) rates for FFS providers that have agreed to participate in the VBP initiative. The proposed differentials contribute 0.13% to the total capitation rate increase.

- Other miscellaneous adjustments, including state or court mandated benefit changes, and reinsurance offsets, account for 0.10 percentage points of the total acute rate increase.

In CYE 2018, AHCCCS expects that increases to utilization and medical inflation will require an increase to capitation rates in order for them to remain actuarially sound. AHCCCS estimates a CYE 2018 rate increase of 3.0% for all risk pools.

Acute Prospective Capitation Rate Increases (excludes CMDP):

Age Group	1/1/16-9/30/16 Rates	10/1/16-12/31/16 Rates	1/1/17-9/30/17 Rates	10/1/17-9/30/18 Rates	
				Rate	Chg %
TA/SO < 1	$488.38	$468.91	$472.50	$486.67	3.0
TA/SO 1 - 13	$111.33	$111.81	$112.23	$115.59	3.0
TA/SO 14 - 44 F	$247.31	$253.06	$253.26	$260.86	3.0
TA/SO 14 - 44 M	$155.10	$151.73	$152.42	$156.99	3.0
TA/SO 45+	$423.39	$429.12	$429.11	$441.99	3.0
SSI w/Medicare	$165.32	$135.04	$134.96	$139.01	3.0
SSI w/o Medicare	$863.93	$924.56	$926.68	$954.48	3.0
Births	$6,104.30	$6,185.53	$6,185.53	$6,371.09	3.0

Acute Prior Period Capitation Rate Increases (excludes CMDP):

Age Group	10/1/15-9/30/16 Rates	10/1/16-12/31/16 Rates	1/1/17-9/30/17 Rates	10/1/17-9/30/18 Rates	
				Rate	Chg %
TA/SO < 1	$1,006.39	$1,010.42	$1,010.42	$1,040.73	3.0
TA/SO 1 - 13	$53.37	$53.99	$53.99	$55.61	3.0
TA/SO 14 - 44 F	$193.65	$195.08	$195.08	$200.94	3.0
TA/SO 14 - 44 M	$145.09	$144.58	$144.58	$148.92	3.0
TA/SO 45+	$327.71	$326.47	$326.47	$336.26	3.0
SSI w/Medicare	$68.08	$68.18	$68.18	$70.23	3.0
SSI w/o Medicare	$575.73	$574.77	$574.77	$592.01	3.0

Note: The increases for CYE 2017 are based on statewide weighted rates at all reinsurance deductible levels and use constant member month weighting based on projected CYE 2017 member months for KidsCare, Traditional Medicaid Services, and Proposition 204.

CMDP Rate Differential:

Children enrolled in the Arizona Department of Child Safety (ADCS) Comprehensive Medical and Dental Program (CMDP) are currently paid at a single rate regardless of age, sex, or program type, which is higher than a comparable statewide weighted rate for other AHCCCS health plans. This rate results in higher capitation expenditures than would occur if children enrolled in CMDP were paid at the statewide weighted rates. If CMDP capitation expenditures are calculated using a statewide weighted rate, this would result in a variance between estimated CMDP capitation expenditures and actual capitation expenditures experienced. AHCCCS has always forecast CMDP and non-CMDP member months separately and has used a separate CMDP rate in estimating CMDP capitation costs because it is believed that this results in a more accurate forecast of total Traditional capitation expenditures. Beginning in SFY 2015, CMDP rates are set on a State Fiscal Year basis, rather than the normal Contract Year from October 1 through September 30. This adds to the differences that result when CMDP is not forecast separately.

In FY 2017, using the actual rates to budget for CMDP capitation (rather than the statewide average for other AHCCCS health plans) would result in an additional $13,320,700 TF ($4,107,600 GF). In FY 2018, using the actual rates to budget for CMDP would result in an additional $13,879,200 TF ($4,239,500 GF). This includes both prospective and prior period capitation. (See attached Tables 1 and 2).

FMAP

It is assumed that the FMAP will increase from 69.24% in FFY 2017 to 69.53% in FFY 2018 based on Federal Funds Information for States (FFIS) in Issue Brief 16-24 (March 25, 2016).

FFY	FMAP
Oct. 2015 – Sept. 2016	68.92%
Oct. 2016 – Sept. 2017	69.24%
Oct. 2017 – Sept. 2018	69.53%

Maricopa County Acute Care Contribution $0 TF ($228,100 GF) Increase:

Laws 2005, Chapter 328, Section 13 amended A.R.S 11-292 and established a GDP price deflator adjustment for Maricopa County with the intent that the Maricopa County contribution be reduced in each subsequent year according to changes in the GDP price deflator. Resulting reductions in Maricopa County's contribution will be offset by a corresponding increase in the General Fund. Using 1.20% as the GDP price deflator, as recommended by JLBC, results in a County fund decrease and corresponding General Fund increase of $228,100.

STATUTORY AUTHORITY:

A.R.S Title 36, Chapter 29, Article 1.

TABLE 1

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
COMPARISON OF CMDP RATES TO REGULAR RATES FOR CMDP MEMBER MONTHS - PROSPECTIVE (Sept. 2018 Budget Submittal)

	Member Months	CMDP Rate	Total Fund
2016.3	54,624	$230.02	$12,564,612
2016.4	55,812	$231.29	$12,908,757
2017.1	57,030	$231.80	$13,219,554
2017.2	58,272	$231.80	$13,507,450
SFY17 TOTAL:	225,738	$231.24	$52,200,374

	< 1 (1931/SOBRA)			1 TO 13 (1931/SOBRA)			14 TO 18 Female (1931/SOBRA)			14 TO 18 Male (1931/SOBRA)			SSI w/o Medicare			Total		
	MM	Rate	Dollars	MM	Rate	Dollars	MM	Rate	Dollars	MM	Rate	Dollars	MM	Rate	Dollars	MM	Rate	Dollars
2016.3	4,410	$488.38	$2,153,773	38,855	$111.33	$4,325,673	4,756	$247.31	$1,176,207	5,459	$155.10	$846,696	1,144	$863.93	$988,333	54,624	$173.75	$9,490,683
2016.4	4,505	$468.91	$2,112,430	39,701	$111.81	$4,439,034	4,859	$253.06	$1,229,641	5,578	$151.73	$846,336	1,169	$924.56	$1,080,808	55,812	$173.95	$9,708,248
2017.1	4,604	$472.50	$2,175,375	40,566	$112.23	$4,552,579	4,965	$253.26	$1,257,452	5,700	$152.42	$868,768	1,195	$926.68	$1,107,387	57,030	$174.67	$9,961,561
2017.2	4,704	$472.50	$2,222,624	41,450	$112.23	$4,651,787	5,073	$253.26	$1,284,805	5,824	$152.42	$887,668	1,221	$926.68	$1,131,481	58,272	$174.67	$10,178,365
SFY17 TOTAL:	18,223	$475.45	$8,664,202	160,572	$111.91	$17,969,073	19,653	$251.77	$4,948,105	22,561	$152.90	$3,449,468	4,729	$910.98	$4,308,009	225,738	$174.27	$39,338,857

SFY17 TF Shortfall if Regular Acute rate used for CMDP: (12,861,516)

SFY17 GF Shortfall if Regular Acute rate used for CMDP: (3,966,039)

	Member Months	CMDP Rate	Total Fund
2017.3	59,540	$235.28	$14,008,791
2017.4	60,836	$235.28	$14,313,548
2018.1	62,162	$235.28	$14,625,730
2018.2	63,517	$235.28	$14,944,211
SFY18 TOTAL:	246,055	$235.28	$57,892,279

	< 1 (1931/SOBRA)			1 TO 13 (1931/SOBRA)			14 TO 18 Female (1931/SOBRA)			14 TO 18 Male (1931/SOBRA)			SSI w/o Medicare			Total		
	MM	Rate	Dollars	MM	Rate	Dollars	MM	Rate	Dollars	MM	Rate	Dollars	MM	Rate	Dollars	MM	Rate	Dollars
2017.3	4,806	$472.50	$2,270,819	42,352	$112.23	$4,753,015	5,184	$253.26	$1,312,917	5,951	$152.42	$907,024	1,247	$926.68	$1,155,575	59,540	$174.66	$10,399,350
2017.4	4,911	$486.67	$2,390,036	43,274	$115.59	$5,002,042	5,297	$260.86	$1,381,775	6,080	$156.99	$954,499	1,274	$954.48	$1,216,008	60,836	$179.90	$10,944,360
2018.1	5,018	$486.67	$2,442,110	44,217	$115.59	$5,111,043	5,412	$260.86	$1,411,774	6,213	$156.99	$975,379	1,302	$954.48	$1,242,733	62,162	$179.90	$11,183,039
2018.2	5,128	$486.67	$2,495,644	45,180	$115.59	$5,222,356	5,530	$260.86	$1,442,556	6,348	$156.99	$996,573	1,331	$954.48	$1,270,413	63,517	$179.91	$11,427,541
SFY18 TOTAL:	19,863	$483.24	$9,598,609	175,023	$114.78	$20,088,456	21,423	$259.02	$5,549,022	24,592	$155.88	$3,833,475	5,154	$947.75	$4,884,728	246,055	$178.64	$43,954,291

SFY18 TF Shortfall if Regular Acute rate used for CMDP: (13,937,988)

SFY18 GF Shortfall if Regular Acute rate used for CMDP: (4,257,372)

TABLE 2

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
COMPARISON OF CMDP RATES TO REGULAR RATES FOR CMDP MEMBER MONTHS - PRIOR PERIOD (Sept. 2018 Budget Submittal)

	Member Months	CMDP Rate	Total Fund
2016.3	1,404	$304.47	$427,542
2016.4	1,434	$305.69	$438,344
2017.1	1,466	$305.69	$448,440
2017.2	1,497	$305.69	$457,527
SFY17 TOTAL:	5,801	$305.44	$1,771,854

	< 1 (1931/SOBRA)			1 TO 13 (1931/SOBRA)			14 TO 18 Female (1931/SOBRA)			14 TO 18 Male (1931/SOBRA)			SSI w/o Medicare			Total		
	MM	Rate	Dollars	MM	Rate	Dollars	MM	Rate	Dollars	MM	Rate	Dollars	MM	Rate	Dollars	MM	Rate	Dollars
2016.3	198	$1,006.39	$199,265	742	$53.37	$39,599	144	$193.65	$27,886	312	$145.09	$45,270	8	$575.73	$4,606	1,404	$225.52	$316,626
2016.4	202	$1,010.42	$204,104	758	$53.99	$40,925	147	$195.08	$28,677	319	$144.58	$46,122	8	$574.77	$4,598	1,434	$226.24	$324,427
2017.1	207	$1,010.42	$209,156	774	$53.99	$41,789	150	$195.08	$29,263	326	$144.58	$47,134	9	$574.77	$5,173	1,466	$226.82	$332,515
2017.2	211	$1,010.42	$213,198	791	$53.99	$42,707	153	$195.08	$29,848	333	$144.58	$48,146	9	$574.77	$5,173	1,497	$226.50	$339,072
SFY17 TOTAL:	818	$1,009.44	$825,724	3,065	$53.84	$165,019	594	$194.74	$115,674	1,290	$144.71	$186,672	34	$574.99	$19,550	5,801	$226.28	$1,312,639

SFY17 TF Shortfall if Regular Acute rate used for CMDP: (459,215)

SFY17 GF Shortfall if Regular Acute rate used for CMDP: (141,610)

	Member Months	CMDP Rate	Total Fund
2017.3	1,530	$230.02	$352,155
2017.4	1,564	$231.29	$361,774
2018.1	1,598	$231.29	$369,355
2018.2	1,634	$231.29	$378,126
SFY18 TOTAL:	6,326	$231.02	$1,461,410

	< 1 (1931/SOBRA)			1 TO 13 (1931/SOBRA)			14 TO 18 Female (1931/SOBRA)			14 TO 18 Male (1931/SOBRA)			SSI w/o Medicare			Total		
	MM	Rate	Dollars	MM	Rate	Dollars	MM	Rate	Dollars	MM	Rate	Dollars	MM	Rate	Dollars	MM	Rate	Dollars
2017.3	216	$1,010.42	$218,250	808	$53.99	$43,625	157	$195.08	$30,628	340	$144.58	$49,158	9	$574.77	$5,173	1,530	$226.69	$346,834
2017.4	220	$1,040.73	$228,961	826	$55.61	$45,934	161	$200.94	$32,351	348	$200.94	$69,926	9	$592.01	$5,328	1,564	$244.56	$382,500
2018.1	225	$1,040.73	$234,164	844	$55.61	$46,935	165	$200.94	$33,155	355	$200.94	$71,332	9	$592.01	$5,328	1,598	$244.63	$390,915
2018.2	230	$1,040.73	$239,368	863	$55.61	$47,992	168	$200.94	$33,757	363	$200.94	$72,940	10	$592.01	$5,920	1,634	$244.78	$399,977
SFY18 TOTAL:	891	$1,033.38	$920,743	3,341	$55.22	$184,486	651	$199.53	$129,891	1,406	$187.31	$263,356	37	$587.81	$21,749	6,326	$240.31	$1,520,225

SFY18 TF Shortfall if Regular Acute rate used for CMDP: 58,815

SFY18 GF Shortfall if Regular Acute rate used for CMDP: 17,906

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
TRADITIONAL MEDICAID SERVICES
ACUTE CAPITATION

	FY17 Allocation	FY18 Request	FY18 Inc/(Dec)
General Fund	677,692,700	600,196,500	(77,496,200)
County Fund	49,687,700	49,459,600	(228,100)
Tobacco MNA	37,432,400	37,432,400	-
Prescription Drug Rebate	106,139,500	146,007,600	39,868,100
TPL Fund	194,700	194,700	-
Subtotal State Match	871,147,000	833,290,800	(37,856,200)
Prescription Drug Federal	301,143,200	426,099,500	124,956,300
Federal Title XIX	1,783,619,800	1,600,270,500	(183,349,300)
Subtotal Federal Funding	2,084,763,000	2,026,370,000	(58,393,000)
Grand Total	2,955,910,000	2,859,660,800	(96,249,200)

Arizona Health Care Cost Containment System

ACUTE CAPITATION SUMMARY, SFY2016-SFY2018

	Acute Capitation SFY2016	Acute Capitation SFY2017	Acute Capitation SFY2018
TOTAL FUND:			
Regular and PP Capitation*	$2,570,819,300	$2,602,130,400	$2,728,476,700
Medicare Primary Care Rate	$14,460,900	$0	$0
ACA Health Insurer Fee	$38,786,100	$44,212,600	$0
Integrated Physical Health	$117,596,100	$0	$0
ACA Newly Eligible Children	$108,086,600	$125,439,000	$131,184,100
Total Capitation:	$2,849,749,000	$2,771,782,000	$2,859,660,800
STATE FUND (INCL. TT):			
Regular and PP Capitation*	$802,171,700	$802,471,000	$833,290,800
Medicare Primary Care Rate	$4,494,400	$0	$0
ACA Health Insurer Fee	$12,147,300	$13,419,600	$0
Integrated Physical Health	$36,626,400	$0	$0
ACA Newly Eligible Children	$2,934,800	$0	$0
Total Capitation:	$858,374,600	$815,890,600	$833,290,800
FEDERAL FUND:			
Regular and PP Capitation*	$1,768,647,600	$1,799,659,400	$1,895,185,900
Medicare Primary Care Rate	$9,966,500	$0	$0
ACA Health Insurer Fee	$26,638,800	$30,793,000	$0
Integrated Physical Health	$80,969,700	$0	$0
ACA Newly Eligible Children	$105,151,800	$125,439,000	$131,184,100
Total Capitation:	$1,991,374,400	$1,955,891,400	$2,026,370,000

* Includes CMDP.

REGULAR CAPITATION RATES, ARIZONA FISCAL YEARS 2015-2017

QUARTER	Risk Pools Title XIX					SSI		Title XIX
	<1, M/F	1-13, M/F	14-44, F	14-44, M	45+, M/F	With Medicare	Without Medicare	Births
Regular Capitation Rates (Non-CMDP)								
2014.4	$479.97	$102.78	$241.27	$151.89	$405.87	$142.43	$802.43	$6,079.39
2015.1	$479.97	$102.78	$241.27	$151.89	$405.87	$142.43	$802.43	$6,079.39
2015.2	$506.77	$110.02	$248.71	$156.40	$417.56	$150.82	$810.67	$6,084.60
2015.3	$506.77	$110.02	$248.71	$156.40	$417.56	$150.82	$810.67	$6,084.60
CY 2015 Inflation:	4.06%	3.75%	3.72%	3.54%	2.81%	-0.69%	4.09%	2.07%
2015.4	$484.21	$110.78	$246.37	$153.92	$417.22	$165.04	$860.35	$6,103.44
2016.1	$488.38	$111.33	$247.31	$155.10	$423.39	$165.32	$863.93	$6,104.30
2016.2	$488.38	$111.33	$247.31	$155.10	$423.39	$165.32	$863.93	$6,104.30
2016.3	$488.38	$111.33	$247.31	$155.10	$423.39	$165.32	$863.93	$6,104.30
CY 2016 Inflation:	-3.63%	1.19%	-0.56%	-0.83%	1.40%	9.62%	6.57%	0.32%
2016.4	$468.91	$111.81	$253.06	$151.73	$429.12	$135.04	$924.56	$6,185.53
2017.1	$472.50	$112.23	$253.26	$152.42	$429.11	$134.96	$926.68	$6,185.53
2017.2	$472.50	$112.23	$253.26	$152.42	$429.11	$134.96	$926.68	$6,185.53
2017.3	$472.50	$112.23	$253.26	$152.42	$429.11	$134.96	$926.68	$6,185.53
CY 2017 Inflation:	-3.25%	0.81%	2.41%	-1.73%	1.35%	-18.36%	7.26%	1.33%
2017.4	$486.67	$115.59	$260.86	$156.99	$441.99	$139.01	$954.48	$6,371.09
2018.1	$486.67	$115.59	$260.86	$156.99	$441.99	$139.01	$954.48	$6,371.09
2018.2	$486.67	$115.59	$260.86	$156.99	$441.99	$139.01	$954.48	$6,371.09
2018.3	$486.67	$115.59	$260.86	$156.99	$441.99	$139.01	$954.48	$6,371.09
CY 2018 Inflation:	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Regular Capitation Rates (CMDP)								
2014.4	$228.55	$228.55	$228.55	$228.55			$228.55	NA
2015.1	$239.41	$239.41	$239.41	$239.41			$239.41	NA
2015.2	$248.27	$248.27	$248.27	$248.27			$248.27	NA
2015.3	$251.59	$251.59	$251.59	$251.59			$251.59	NA
CY 2015 Inflation:	3.00%	3.00%	3.00%	3.00%			3.00%	NA
2015.4	$251.34	$251.34	$251.34	$251.34			$251.34	NA
2016.1	$253.64	$253.64	$253.64	$253.64			$253.64	NA
2016.2	$253.64	$253.64	$253.64	$253.64			$253.64	NA
2016.3	$230.02	$230.02	$230.02	$230.02			$230.02	NA
CY 2016 Inflation:	-9.31%	-9.31%	-9.31%	-9.31%			-9.31%	NA
2016.4	$231.29	$230.02	$230.02	$230.02			$230.02	NA
2017.1	$231.80	$231.80	$231.80	$231.80			$231.80	NA
2017.2	$231.80	$231.80	$231.80	$231.80			$231.80	NA
2017.3	$235.28	$235.28	$235.28	$235.28			$235.28	NA
CY 2017 Inflation:	1.50%	1.50%	1.50%	1.50%			1.50%	NA
2017.4	$235.28	$235.28	$235.28	$235.28			$235.28	NA
2018.1	$235.28	$235.28	$235.28	$235.28			$235.28	NA
2018.2	$235.28	$235.28	$235.28	$235.28			$235.28	NA
2018.3	$242.34	$242.34	$242.34	$242.34			$242.34	NA
CY 2018 Inflation:	3.00%	3.00%	3.00%	3.00%			3.00%	NA

PRIOR PERIOD CAPITATION RATES, ARIZONA FISCAL YEARS 2015-2017

	Risk Pools Categorical					SSI	
QUARTER	<1, M/F	1-13, M/F	14-44, F	14-44, M	45+, M/F	With Medicare	Without Medicare
Prior Period Capitation Rates (Non-CMDP)							
2014.4	$1,121.09	$59.36	$199.67	$166.39	$421.90	$92.10	$506.38
2015.1	$1,121.09	$59.36	$199.67	$166.39	$421.90	$92.10	$506.38
2015.2	$1,125.50	$60.61	$201.10	$166.47	$423.36	$92.16	$505.15
2015.3	$1,125.50	$60.61	$201.10	$166.47	$423.36	$92.16	$505.15
CY 2015 Inflation:	4.77%	4.63%	1.74%	-0.59%	2.97%	-0.72%	5.18%
2015.4	$1,006.39	$53.37	$193.65	$145.09	$327.71	$68.08	$575.73
2016.1	$1,006.39	$53.37	$193.65	$145.09	$327.71	$68.08	$575.73
2016.2	$1,006.39	$53.37	$193.65	$145.09	$327.71	$68.08	$575.73
2016.3	$1,006.39	$53.37	$193.65	$145.09	$327.71	$68.08	$575.73
CY 2016 Inflation:	-10.58%	-11.95%	-3.71%	-12.84%	-22.59%	-26.13%	13.97%
2016.4	$1,010.42	$53.99	$195.08	$144.58	$326.47	$68.18	$574.77
2017.1	$1,010.42	$53.99	$195.08	$144.58	$326.47	$68.18	$574.77
2017.2	$1,010.42	$53.99	$195.08	$144.58	$326.47	$68.18	$574.77
2017.3	$1,010.42	$53.99	$195.08	$144.58	$326.47	$68.18	$574.77
CY 2017 Inflation:	0.40%	1.17%	0.74%	-0.35%	-0.38%	0.15%	-0.17%
2017.4	$1,040.73	$55.61	$200.94	$148.92	$336.26	$70.23	$592.01
2018.1	$1,040.73	$55.61	$200.94	$148.92	$336.26	$70.23	$592.01
2018.2	$1,040.73	$55.61	$200.94	$148.92	$336.26	$70.23	$592.01
2018.3	$1,040.73	$55.61	$200.94	$148.92	$336.26	$70.23	$592.01
CY 2018 Inflation:	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
2018.4	$1,071.95	$57.28	$206.96	$153.39	$346.35	$72.34	$609.77
2019.1	$1,071.95	$57.28	$206.96	$153.39	$346.35	$72.34	$609.77
2019.2	$1,071.95	$57.28	$206.96	$153.39	$346.35	$72.34	$609.77
2019.3	$1,071.95	$57.28	$206.96	$153.39	$346.35	$72.34	$609.77
CY 2019 Inflation:	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Prior Period Capitation Rates (CMDP)							
2013.4	$370.18	$370.18	$370.18	$370.18			$370.18
2014.1	$449.94	$449.94	$449.94	$449.94			$449.94
2014.2	$449.94	$449.94	$449.94	$449.94			$449.94
2014.3	$449.94	$449.94	$449.94	$449.94			$449.94
CY 2014 Inflation:	3.00%	3.00%	3.00%	3.00%			3.00%
2014.4	$449.94	$449.94	$449.94	$449.94			$449.94
2015.1	$464.56	$464.56	$464.56	$464.56			$464.56
2015.2	$471.05	$471.05	$471.05	$471.05			$471.05
2015.3	$401.43	$401.43	$401.43	$401.43			$401.43
CY 2015 Inflation:	3.00%	3.00%	3.00%	3.00%			3.00%
2015.4	$401.18	$401.18	$401.18	$401.18			$401.18
2016.1	$401.18	$401.18	$401.18	$401.18			$401.18
2016.2	$401.18	$401.18	$401.18	$401.18			$401.18
2016.3	$304.47	$304.47	$304.47	$304.47			$304.47
CY 2016 Inflation:	-24.11%	-24.11%	-24.11%	-24.11%			-24.11%
2016.4	$305.69	$305.69	$305.69	$305.69			$305.69
2017.1	$305.69	$305.69	$305.69	$305.69			$305.69
2017.2	$305.69	$305.69	$305.69	$305.69			$305.69
2017.3	$230.02	$230.02	$230.02	$230.02			$230.02
CY 2017 Inflation:	1.50%	1.50%	1.50%	1.50%			1.50%
2017.4	$231.29	$230.02	$230.02	$230.02			$230.02
2018.1	$231.29	$231.29	$231.29	$231.29			$231.29
2018.2	$231.29	$231.29	$231.29	$231.29			$231.29
2018.3	$238.23	$238.23	$238.23	$238.23			$238.23
CY 2018 Inflation:	3.00%	3.00%	3.00%	3.00%			3.00%

Arizona Health Care Cost Containment System

TITLE XIX CAPITATION PAYMENTS, ARIZONA FISCAL YEAR 2015-16
(Regular and Prior Period)

QUARTER	TANF					SOBRA Children				SOBRA Women	SSI		SOBRA Births	Title XIX Subtotal
	<1, M/F	1-13, M/F	14-44, F	14-44, M	45+, M/F	<1, M/F	1-13, M/F	14-44, F	14-44, M	14-44, F	W/ Med.	W/O Med.		
Regular Capitation (Excludes CMDP):														
2015.3	22,842,328	31,006,484	94,218,673	24,329,307	39,716,992	55,819,580	118,849,612	38,410,214	24,340,224	20,570,279	20,772,120	132,268,527	50,958,529	674,102,869
2015.4	21,477,269	21,016,376	69,687,916	16,626,823	24,792,525	54,597,093	125,194,058	37,636,383	23,479,779	23,386,588	20,887,333	128,370,781	48,424,692	615,577,616
2016.1	21,336,634	14,132,445	66,453,807	15,434,726	25,472,756	55,844,140	133,134,660	39,920,847	24,967,612	19,726,992	25,144,711	128,768,630	43,737,320	614,075,280
2016.2	19,924,007	12,516,046	62,282,418	14,640,410	24,685,635	56,955,328	134,746,347	39,445,249	24,801,707	21,342,833	26,831,143	128,445,988	42,706,792	609,323,903
SFY16 TOTAL:	85,580,238	78,671,351	292,642,814	71,031,266	114,667,908	223,216,141	511,924,677	155,412,693	97,589,322	85,026,692	93,635,307	517,853,926	185,827,333	2,513,079,668
CMDP:														
2015.3	229,798	340,500	50,002	93,433		884,972	8,862,731	1,077,492	1,186,887	15,929		344,963		13,086,707
2015.4	152,610	273,171	45,478	81,370		1,029,847	9,148,137	1,108,392	1,251,808	12,808		350,549		13,454,170
2016.1	88,155	213,575	47,625	76,049		1,135,835	9,391,218	1,129,545	1,295,848	10,475		365,396		13,753,721
2016.2	51,283	190,446	44,011	66,903		1,125,962	9,644,173	1,169,927	1,348,192	12,516		333,092		13,986,505
SFY16 TOTAL:	521,846	1,017,692	187,116	317,755		4,176,616	37,046,259	4,485,356	5,082,735	51,728		1,394,000		54,281,103
Total Capitation														
2015.3	23,072,126	31,346,984	94,268,675	24,422,740	39,716,992	56,704,552	127,712,343	39,487,706	25,527,111	20,586,208	20,772,120	132,613,490	50,958,529	687,189,576
2015.4	21,629,879	21,289,547	69,733,394	16,708,193	24,792,525	55,626,940	134,342,195	38,744,775	24,731,587	23,399,396	20,887,333	128,721,330	48,424,692	629,031,786
2016.1	21,424,789	14,346,020	66,501,432	15,510,775	25,472,756	56,979,975	142,525,878	41,050,392	26,263,460	19,737,467	25,144,711	129,134,026	43,737,320	627,829,001
2016.2	19,975,290	12,706,492	62,326,429	14,707,313	24,685,635	58,081,290	144,390,520	40,615,176	26,149,899	21,355,349	26,831,143	128,779,080	42,706,792	623,310,408
SFY16 TOTAL:	86,102,084	79,689,043	292,829,930	71,349,021	114,667,908	227,392,757	548,970,936	159,898,049	102,672,057	85,078,420	93,635,307	519,247,926	185,827,333	2,567,360,771

Arizona Health Care Cost Containment System

TITLE XIX CAPITATION PAYMENTS, ARIZONA FISCAL YEAR 2015-16 (Regular)

	TANF					SOBRA Children				SOBRA Women	SSI		Title XIX	Title XIX
QUARTER	<1, M/F	1-13, M/F	14-44, F	14-44, M	45+, M/F	<1, M/F	1-13, M/F	14-44, F	14-44, M	14-44, F	W/ Med.	W/O Med.	Births	Subtotal
Regular Capitation (Excludes CMDP):														
2015.3	20,614,896	30,509,368	91,676,345	23,234,865	38,444,308	53,426,572	117,096,117	37,618,858	23,680,672	19,564,213	20,521,336	130,344,417	50,958,529	657,690,496
2015.4	19,505,019	20,721,137	67,858,594	15,960,966	24,172,597	52,400,671	123,575,866	36,882,170	22,914,536	22,273,173	20,688,129	126,367,509	48,424,692	601,745,059
2016.1	19,392,511	13,934,869	64,715,864	14,821,135	24,844,871	53,615,977	131,422,138	39,123,847	24,371,026	18,791,221	24,939,320	126,767,331	43,737,320	600,477,430
2016.2	18,108,598	12,341,068	60,653,568	14,058,395	24,077,152	54,682,828	133,013,094	38,657,744	24,209,085	20,330,413	26,611,976	126,449,704	42,706,792	595,900,417
SFY16 TOTAL:	77,621,024	77,506,442	284,904,371	68,075,361	111,538,928	214,126,048	505,107,215	152,282,619	95,175,319	80,959,020	92,760,761	509,928,961	185,827,333	2,455,813,402
CMDP:														
2015.3	223,021	332,039	48,446	90,170		829,998	8,563,266	1,009,537	1,083,327	14,617		334,776		12,529,197
2015.4	149,859	270,866	45,284	80,947		957,455	8,873,961	1,055,110	1,142,547	12,607		346,566		12,935,202
2016.1	86,580	211,789	47,423	75,658		1,056,667	9,112,233	1,075,715	1,183,680	10,313		361,280		13,221,338
2016.2	50,366	188,852	43,824	66,558		1,047,482	9,357,672	1,114,172	1,231,493	12,322		329,341		13,442,082
SFY16 TOTAL:	509,826	1,003,546	184,977	313,333		3,891,602	35,907,132	4,254,534	4,641,047	49,859		1,371,963		52,127,819
Total Capitation														
2015.3	20,837,917	30,841,407	91,724,791	23,325,035	38,444,308	54,256,570	125,659,383	38,628,395	24,763,999	19,578,830	20,521,336	130,679,193	50,958,529	670,219,693
2015.4	19,654,878	20,992,003	67,903,878	16,041,913	24,172,597	53,358,126	132,449,827	37,937,280	24,057,083	22,285,780	20,688,129	126,714,075	48,424,692	614,680,261
2016.1	19,479,091	14,146,658	64,763,287	14,896,793	24,844,871	54,672,644	140,534,371	40,199,562	25,554,706	18,801,534	24,939,320	127,128,611	43,737,320	613,698,768
2016.2	18,158,964	12,529,920	60,697,392	14,124,953	24,077,152	55,730,310	142,370,766	39,771,916	25,440,578	20,342,735	26,611,976	126,779,045	42,706,792	609,342,499
SFY16 TOTAL:	78,130,850	78,509,988	285,089,348	68,388,694	111,538,928	218,017,650	541,014,347	156,537,153	99,816,366	81,008,879	92,760,761	511,300,924	185,827,333	2,507,941,221

Arizona Health Care Cost Containment System

TITLE XIX CAPITATION PAYMENTS, ARIZONA FISCAL YEAR 2015-16 (Prior Period)

QUARTER	TANF					SOBRA Children				SOBRA Women	SSI		Title XIX
	<1, M/F	1-13, M/F	14-44, F	14-44, M	45+, M/F	<1, M/F	1-13, M/F	14-44, F	14-44, M	14-44, F	W/ Med.	W/O Med.	Subtotal
Prior Period Capitation (Excludes CMDP):													
2015.3	2,227,432	497,116	2,542,328	1,094,442	1,272,684	2,393,008	1,753,495	791,356	659,552	1,006,066	250,784	1,924,110	16,412,373
2015.4	1,972,250	295,239	1,829,322	665,857	619,928	2,196,422	1,618,192	754,213	565,243	1,113,415	199,204	2,003,272	13,832,557
2016.1	1,944,123	197,576	1,737,943	613,591	627,885	2,228,163	1,712,522	797,000	596,586	935,771	205,391	2,001,299	13,597,850
2016.2	1,815,409	174,978	1,628,850	582,015	608,483	2,272,500	1,733,253	787,505	592,622	1,012,420	219,167	1,996,284	13,423,486
SFY16 TOTAL:	7,959,214	1,164,909	7,738,443	2,955,905	3,128,980	9,090,093	6,817,462	3,130,074	2,414,003	4,067,672	874,546	7,924,965	57,266,266
CMDP:													
2015.3	6,777	8,461	1,556	3,263		54,974	299,465	67,955	103,560	1,312		10,187	557,510
2015.4	2,751	2,305	194	423		72,392	274,176	53,282	109,261	201		3,983	518,968
2016.1	1,575	1,786	202	391		79,168	278,985	53,830	112,168	162		4,116	532,383
2016.2	917	1,594	187	345		78,480	286,501	55,755	116,699	194		3,751	544,423
SFY16 TOTAL:	12,020	14,146	2,139	4,422		285,014	1,139,127	230,822	441,688	1,869		22,037	2,153,284
Total Member Months:													
2015.3	2,234,209	505,577	2,543,884	1,097,705	1,272,684	2,447,982	2,052,960	859,311	763,112	1,007,378	250,784	1,934,297	16,969,883
2015.4	1,975,001	297,544	1,829,516	666,280	619,928	2,268,814	1,892,368	807,495	674,504	1,113,616	199,204	2,007,255	14,351,525
2016.1	1,945,698	199,362	1,738,145	613,982	627,885	2,307,331	1,991,507	850,830	708,754	935,933	205,391	2,005,415	14,130,233
2016.2	1,816,326	176,572	1,629,037	582,360	608,483	2,350,980	2,019,754	843,260	709,321	1,012,614	219,167	2,000,035	13,967,909
SFY16 TOTAL:	7,971,234	1,179,055	7,740,582	2,960,327	3,128,980	9,375,107	7,956,589	3,360,896	2,855,691	4,069,541	874,546	7,947,002	59,419,550

Arizona Health Care Cost Containment System

TITLE XIX MEMBER MONTHS, ARIZONA FISCAL YEAR 2015-16 (Regular)

QUARTER	TANF					SOBRA Children				SOBRA Women	SSI		Title XIX Subtotal	Title XIX Births
	<1, M/F	1-13, M/F	14-44, F	14-44, M	45+, M/F	<1, M/F	1-13, M/F	14-44, F	14-44, M	14-44, F	W/ Med.	W/O Med.		
Regular Member Months (Excludes CMDP):														
2015.3	40,679	277,299	368,611	148,558	92,069	105,427	1,064,284	151,257	151,408	78,663	136,068	160,786	2,775,109	8,375
2015.4	40,282	187,041	275,438	103,698	57,938	108,219	1,115,465	149,705	148,875	90,407	146,311	146,878	2,570,257	7,934
2016.1	39,708	125,169	261,679	95,558	58,681	109,782	1,180,488	158,197	157,130	75,982	150,856	146,734	2,559,964	7,165
2016.2	37,079	110,853	245,253	90,640	56,868	111,967	1,194,779	156,313	156,086	82,206	160,974	146,366	2,549,384	6,996
SFY16 TOTAL:	157,748	700,362	1,150,981	438,454	265,556	435,395	4,555,016	615,472	613,499	327,258	594,209	600,764	10,454,714	30,470
CMDP:														
2015.3	886	1,320	193	358		3,299	34,037	4,013	4,306	58		1,331	49,801	
2015.4	596	1,078	180	322		3,809	35,307	4,198	4,546	50		1,379	51,465	
2016.1	341	835	187	298		4,166	35,926	4,241	4,667	41		1,424	52,126	
2016.2	199	745	173	262		4,130	36,894	4,393	4,855	49		1,298	52,998	
SFY16 TOTAL:	2,022	3,978	733	1,240		15,404	142,164	16,845	18,374	198		5,432	206,390	
Total Member Months:														
2015.3	41,565	278,619	368,804	148,916	92,069	108,726	1,098,321	155,270	155,714	78,721	136,068	162,117	2,824,910	8,375
2015.4	40,878	188,119	275,618	104,020	57,938	112,028	1,150,772	153,903	153,421	90,457	146,311	148,257	2,621,722	7,934
2016.1	40,049	126,004	261,866	95,856	58,681	113,948	1,216,414	162,438	161,797	76,023	150,856	148,158	2,612,090	7,165
2016.2	37,278	111,598	245,426	90,902	56,868	116,097	1,231,673	160,706	160,941	82,255	160,974	147,664	2,602,382	6,996
SFY16 TOTAL:	159,770	704,340	1,151,714	439,694	265,556	450,799	4,697,180	632,317	631,873	327,456	594,209	606,196	10,661,104	30,470

Arizona Health Care Cost Containment System

TITLE XIX MEMBER MONTHS, ARIZONA FISCAL YEAR 2015-16 (Prior Period)

QUARTER	TANF					SOBRA Children				SOBRA Women	SSI		Title XIX Subtotal
	<1, M/F	1-13, M/F	14-44, F	14-44, M	45+, M/F	<1, M/F	1-13, M/F	14-44, F	14-44, M	14-44, F	W/ Med.	W/O Med.	
Regular Member Months (Excludes CMDP):													
2015.3	1,979	8,202	12,642	6,574	3,006	2,126	28,930	3,935	3,962	5,003	2,721	3,809	82,889
2015.4	1,960	5,532	9,446	4,589	1,892	2,182	30,321	3,895	3,896	5,750	2,926	3,480	75,869
2016.1	1,932	3,702	8,975	4,229	1,916	2,214	32,089	4,116	4,112	4,832	3,017	3,476	74,610
2016.2	1,804	3,279	8,411	4,011	1,857	2,258	32,477	4,067	4,084	5,228	3,219	3,467	74,162
SFY16 TOTAL:	7,675	20,715	39,474	19,403	8,671	8,780	123,817	16,013	16,054	20,813	11,883	14,232	307,530
CMDP:													
2015.3	17	21	4	8		137	746	169	258	3		25	1,388
2015.4	7	6	0	1		180	683	133	272	1		10	1,293
2016.1	4	4	1	1		197	695	134	280	0		10	1,326
2016.2	2	4	0	1		196	714	139	291	0		9	1,356
SFY16 TOTAL:	30	35	5	11		710	2,838	575	1,101	4		54	5,363
Total Member Months:													
2015.3	1,996	8,223	12,646	6,582	3,006	2,263	29,676	4,104	4,220	5,006	2,721	3,834	84,277
2015.4	1,967	5,538	9,446	4,590	1,892	2,362	31,004	4,028	4,168	5,751	2,926	3,490	77,162
2016.1	1,936	3,706	8,976	4,230	1,916	2,411	32,784	4,250	4,392	4,832	3,017	3,486	75,936
2016.2	1,806	3,283	8,411	4,012	1,857	2,454	33,191	4,206	4,375	5,228	3,219	3,476	75,518
SFY16 TOTAL:	7,705	20,750	39,479	19,414	8,671	9,490	126,655	16,588	17,155	20,817	11,883	14,286	312,893

Arizona Health Care Cost Containment System

TITLE XIX CAPITATION PAYMENTS, ARIZONA FISCAL YEAR 2016-17
(Regular and Prior Period)

QUARTER	TANF					SOBRA Children				SOBRA Women	SSI		SOBRA	Title XIX
	<1, M/F	1-13, M/F	14-44, F	14-44, M	45+, M/F	<1, M/F	1-13, M/F	14-44, F	14-44, M	14-44, F	W/ Med.	W/O Med.	Births	Subtotal
Regular Capitation (Excludes CMDP):														
2016.3	19,236,990	14,162,779	67,452,452	16,188,725	26,721,856	58,139,444	136,137,468	39,964,859	25,239,492	20,307,660	27,859,222	129,227,958	48,767,632	629,406,537
2016.4	18,638,802	14,296,280	69,336,333	15,926,991	27,206,473	56,200,981	137,439,709	41,130,307	24,845,968	20,867,940	22,940,101	139,006,454	49,999,796	637,836,135
2017.1	18,861,065	14,419,785	69,733,746	16,075,677	27,341,260	56,894,179	138,627,611	41,366,251	25,079,744	20,987,203	23,066,858	140,177,094	47,518,781	640,149,254
2017.2	18,954,673	14,491,348	70,079,830	16,155,460	27,476,951	57,176,541	139,315,608	41,571,549	25,204,212	21,091,362	23,207,647	141,032,672	45,072,528	640,830,381
SFY17 TOTAL:	75,691,530	57,370,192	276,602,361	64,346,853	108,746,540	228,411,145	551,520,396	164,032,966	100,369,416	83,254,165	97,073,828	549,444,178	191,358,737	2,548,222,307
CMDP:														
2016.3	72,284	170,795	38,692	61,080		1,002,241	8,992,508	1,089,371	1,289,789	9,831		265,729		12,992,320
2016.4	74,265	174,520	39,535	62,411		1,029,630	9,189,270	1,113,275	1,318,266	10,046		271,527		13,282,745
2017.1	76,048	179,690	40,707	64,262		1,054,236	9,460,233	1,145,968	1,356,630	10,343		279,567		13,667,684
2017.2	77,703	183,604	41,594	65,662		1,077,196	9,666,259	1,170,924	1,386,175	10,568		285,655		13,965,340
SFY17 TOTAL:	300,300	708,609	160,528	253,415		4,163,303	37,308,270	4,519,538	5,350,860	40,788		1,102,478		53,908,089
Total Capitation														
2016.3	19,309,274	14,333,574	67,491,144	16,249,805	26,721,856	59,141,685	145,129,976	41,054,230	26,529,281	20,317,491	27,859,222	129,493,687	48,767,632	642,398,857
2016.4	18,713,067	14,470,800	69,375,868	15,989,402	27,206,473	57,230,611	146,628,979	42,243,582	26,164,234	20,877,986	22,940,101	139,277,981	49,999,796	651,118,880
2017.1	18,937,113	14,599,475	69,774,453	16,139,939	27,341,260	57,948,415	148,087,844	42,512,219	26,436,374	20,997,546	23,066,858	140,456,661	47,518,781	653,816,938
2017.2	19,032,376	14,674,952	70,121,424	16,221,122	27,476,951	58,253,737	148,981,867	42,742,473	26,590,387	21,101,930	23,207,647	141,318,327	45,072,528	654,795,721
SFY17 TOTAL:	75,991,830	58,078,801	276,762,889	64,600,268	108,746,540	232,574,448	588,828,666	168,552,504	105,720,276	83,294,953	97,073,828	550,546,656	191,358,737	2,602,130,396

Arizona Health Care Cost Containment System

TITLE XIX CAPITATION PAYMENTS, ARIZONA FISCAL YEAR 2016-17 (Regular)

QUARTER	TANF					SOBRA Children				SOBRA Women	SSI		Title XIX Births	Title XIX Subtotal
	<1, M/F	1-13, M/F	14-44, F	14-44, M	45+, M/F	<1, M/F	1-13, M/F	14-44, F	14-44, M	14-44, F	W/ Med.	W/O Med.		
Regular Capitation (Excludes CMDP):														
2016.3	17,484,180	13,964,779	65,688,391	15,545,159	26,063,182	55,819,698	134,386,321	39,166,980	24,636,409	19,344,345	27,631,657	127,219,521	48,767,632	615,718,254
2016.4	16,870,246	14,094,976	67,550,408	15,282,514	26,547,028	53,860,366	135,659,073	40,321,648	24,241,499	19,892,684	22,710,792	136,988,980	49,999,796	624,020,010
2017.1	17,083,731	14,217,481	67,938,958	15,428,001	26,678,541	54,541,946	136,838,137	40,553,578	24,472,274	20,007,107	22,836,141	138,147,230	47,518,781	626,261,906
2017.2	17,168,518	14,288,041	68,276,135	15,504,569	26,810,944	54,812,635	137,517,254	40,754,843	24,593,728	20,106,402	22,975,523	138,990,419	45,072,528	626,871,539
SFY17 TOTAL:	68,606,675	56,565,277	269,453,892	61,760,243	106,099,695	219,034,645	544,400,785	160,797,049	97,943,910	79,350,538	96,154,113	541,346,150	191,358,737	2,492,871,709
CMDP:														
2016.3	71,200	169,598	38,554	60,817		943,107	8,767,858	1,045,584	1,195,020	9,703		263,221		12,564,662
2016.4	73,153	173,292	39,394	62,141		968,966	8,958,807	1,068,355	1,221,044	9,914		268,953		12,844,019
2017.1	74,911	178,436	40,563	63,986		992,252	9,224,751	1,100,070	1,257,292	10,208		276,937		13,219,406
2017.2	76,542	182,322	41,446	65,380		1,013,862	9,425,649	1,124,027	1,284,673	10,431		282,968		13,507,300
SFY17 TOTAL:	295,806	703,648	159,957	252,324		3,918,187	36,377,065	4,338,036	4,958,029	40,256		1,092,079		52,135,387
Total Capitation														
2016.3	17,555,380	14,134,377	65,726,945	15,605,976	26,063,182	56,762,805	143,154,179	40,212,564	25,831,429	19,354,048	27,631,657	127,482,742	48,767,632	628,282,916
2016.4	16,943,399	14,268,268	67,589,802	15,344,655	26,547,028	54,829,332	144,617,880	41,390,003	25,462,543	19,902,598	22,710,792	137,257,933	49,999,796	636,864,029
2017.1	17,158,642	14,395,917	67,979,521	15,491,987	26,678,541	55,534,198	146,062,888	41,653,648	25,729,566	20,017,315	22,836,141	138,424,167	47,518,781	639,481,312
2017.2	17,245,060	14,470,363	68,317,581	15,569,949	26,810,944	55,826,497	146,942,903	41,878,870	25,878,401	20,116,833	22,975,523	139,273,387	45,072,528	640,378,839
SFY17 TOTAL:	68,902,481	57,268,925	269,613,849	62,012,567	106,099,695	222,952,832	580,777,850	165,135,085	102,901,939	79,390,794	96,154,113	542,438,229	191,358,737	2,545,007,096

Arizona Health Care Cost Containment System

TITLE XIX CAPITATION PAYMENTS, ARIZONA FISCAL YEAR 2016-17 (Prior Period)

QUARTER	TANF					SOBRA Children				SOBRA Women	SSI		Title XIX Subtotal
	<1, M/F	1-13, M/F	14-44, F	14-44, M	45+, M/F	<1, M/F	1-13, M/F	14-44, F	14-44, M	14-44, F	W/ Med.	W/O Med.	
Prior Period Capitation (Excludes CMDP):													
2016.3	1,752,810	198,000	1,764,061	643,566	658,674	2,319,746	1,751,147	797,879	603,083	963,315	227,565	2,008,437	13,688,283
2016.4	1,768,556	201,304	1,785,925	644,477	659,445	2,340,615	1,780,636	808,659	604,469	975,256	229,309	2,017,474	13,816,125
2017.1	1,777,334	202,304	1,794,788	647,676	662,719	2,352,233	1,789,474	812,673	607,470	980,096	230,717	2,029,864	13,887,348
2017.2	1,786,155	203,307	1,803,695	650,891	666,007	2,363,906	1,798,354	816,706	610,484	984,960	232,124	2,042,253	13,958,842
SFY17 TOTAL:	7,084,855	804,915	7,148,469	2,586,610	2,646,845	9,376,500	7,119,611	3,235,917	2,425,506	3,903,627	919,715	8,098,028	55,350,598
CMDP:													
2016.3	1,084	1,197	138	263		59,134	224,650	43,787	94,769	128		2,508	427,658
2016.4	1,112	1,228	141	270		60,664	230,463	44,920	97,222	132		2,574	438,726
2017.1	1,137	1,254	144	276		61,984	235,482	45,898	99,338	135		2,630	448,278
2017.2	1,161	1,282	148	282		63,334	240,610	46,897	101,502	137		2,687	458,040
SFY17 TOTAL:	4,494	4,961	571	1,091		245,116	931,205	181,502	392,831	532		10,399	1,772,702
Total Member Months:													
2016.3	1,753,894	199,197	1,764,199	643,829	658,674	2,378,880	1,975,797	841,666	697,852	963,443	227,565	2,010,945	14,115,941
2016.4	1,769,668	202,532	1,786,066	644,747	659,445	2,401,279	2,011,099	853,579	701,691	975,388	229,309	2,020,048	14,254,851
2017.1	1,778,471	203,558	1,794,932	647,952	662,719	2,414,217	2,024,956	858,571	706,808	980,231	230,717	2,032,494	14,335,626
2017.2	1,787,316	204,589	1,803,843	651,173	666,007	2,427,240	2,038,964	863,603	711,986	985,097	232,124	2,044,940	14,416,882
SFY17 TOTAL:	7,089,349	809,876	7,149,040	2,587,701	2,646,845	9,621,616	8,050,816	3,417,419	2,818,337	3,904,159	919,715	8,108,427	57,123,300

Arizona Health Care Cost Containment System

TITLE XIX MEMBER MONTHS, ARIZONA FISCAL YEAR 2016-17 (Regular)

QUARTER	TANF					SOBRA Children				SOBRA Women	SSI		Title XIX Subtotal	Title XIX Births
	<1, M/F	1-13, M/F	14-44, F	14-44, M	45+, M/F	<1, M/F	1-13, M/F	14-44, F	14-44, M	14-44, F	W/ Med.	W/O Med.		
Regular Member Months (Excludes CMDP):														
2016.3	35,800	125,437	265,611	100,226	61,559	114,295	1,207,114	158,372	158,841	78,219	167,142	147,257	2,619,873	7,989
2016.4	35,978	126,060	266,930	100,723	61,864	114,863	1,213,282	159,333	159,770	78,607	168,174	148,167	2,633,751	8,083
2017.1	36,156	126,686	268,254	101,223	62,171	115,434	1,219,304	160,124	160,563	78,997	169,207	149,077	2,647,196	7,682
2017.2	36,336	127,314	269,586	101,726	62,480	116,006	1,225,355	160,919	161,360	79,389	170,240	149,987	2,660,698	7,287
SFY17 TOTAL:	144,270	505,497	1,070,381	403,898	248,074	460,598	4,865,055	638,748	640,534	315,212	674,763	594,488	10,561,518	31,041
CMDP:														
2016.3	310	737	168	264		4,100	38,118	4,546	5,195	42		1,144	54,624	
2016.4	316	753	171	270		4,189	38,948	4,645	5,308	43		1,169	55,812	
2017.1	323	770	175	276		4,281	39,796	4,746	5,424	44		1,195	57,030	
2017.2	330	787	179	282		4,374	40,663	4,849	5,542	45		1,221	58,272	
SFY17 TOTAL:	1,279	3,047	693	1,092		16,944	157,525	18,786	21,469	174		4,729	225,738	
Total Member Months:														
2016.3	36,110	126,174	265,779	100,490	61,559	118,395	1,245,232	162,918	164,036	78,261	167,142	148,401	2,674,497	7,989
2016.4	36,294	126,813	267,101	100,993	61,864	119,052	1,252,230	163,978	165,078	78,650	168,174	149,336	2,689,563	8,083
2017.1	36,479	127,456	268,429	101,499	62,171	119,715	1,259,100	164,870	165,987	79,041	169,207	150,272	2,704,226	7,682
2017.2	36,666	128,101	269,765	102,008	62,480	120,380	1,266,018	165,768	166,902	79,434	170,240	151,208	2,718,970	7,287
SFY17 TOTAL:	145,549	508,544	1,071,074	404,990	248,074	477,542	5,022,580	657,534	662,003	315,386	674,763	599,217	10,787,256	31,041

Arizona Health Care Cost Containment System

TITLE XIX MEMBER MONTHS, ARIZONA FISCAL YEAR 2016-17 (Prior Period)

QUARTER	TANF					SOBRA Children				SOBRA Women	SSI		Title XIX
	<1, M/F	1-13, M/F	14-44, F	14-44, M	45+, M/F	<1, M/F	1-13, M/F	14-44, F	14-44, M	14-44, F	W/ Med.	W/O Med.	Subtotal
Regular Member Months (Excludes CMDP):													
2016.3	1,742	3,710	9,109	4,435	2,010	2,305	32,813	4,120	4,156	4,974	3,342	3,489	76,205
2016.4	1,750	3,729	9,155	4,457	2,020	2,316	32,980	4,145	4,181	4,999	3,363	3,510	76,605
2017.1	1,759	3,747	9,200	4,480	2,030	2,328	33,144	4,166	4,202	5,024	3,384	3,532	76,996
2017.2	1,768	3,766	9,246	4,502	2,040	2,340	33,309	4,186	4,222	5,049	3,404	3,553	77,385
SFY17 TOTAL:	7,019	14,952	36,710	17,874	8,100	9,289	132,246	16,617	16,761	20,046	13,493	14,084	307,191
CMDP:													
2016.3	4	4	0	1		194	738	144	311	0		8	1,404
2016.4	4	4	0	1		198	754	147	318	0		8	1,434
2017.1	4	4	0	1		203	770	150	325	0		9	1,466
2017.2	4	4	0	1		207	787	153	332	0		9	1,497
SFY17 TOTAL:	16	16	0	4		802	3,049	594	1,286	0		34	5,801
Total Member Months:													
2016.3	1,746	3,714	9,109	4,436	2,010	2,499	33,551	4,264	4,467	4,974	3,342	3,497	77,609
2016.4	1,754	3,733	9,155	4,458	2,020	2,514	33,734	4,292	4,499	4,999	3,363	3,518	78,039
2017.1	1,763	3,751	9,200	4,481	2,030	2,531	33,914	4,316	4,527	5,024	3,384	3,541	78,462
2017.2	1,772	3,770	9,246	4,503	2,040	2,547	34,096	4,339	4,554	5,049	3,404	3,562	78,882
SFY17 TOTAL:	7,035	14,968	36,710	17,878	8,100	10,091	135,295	17,211	18,047	20,046	13,493	14,118	312,992

Arizona Health Care Cost Containment System

TITLE XIX CAPITATION PAYMENTS, ARIZONA FISCAL YEAR 2017-18
(Regular and Prior Period)

QUARTER	TANF					SOBRA Children				SOBRA Women	SSI		SOBRA Births	Title XIX Subtotal
	<1, M/F	1-13, M/F	14-44, F	14-44, M	45+, M/F	<1, M/F	1-13, M/F	14-44, F	14-44, M	14-44, F	W/ Med.	W/O Med.		
Regular Capitation (Excludes CMDP):														
2017.3	19,048,742	14,563,269	70,427,631	16,235,637	27,613,317	57,460,304	140,007,023	41,777,865	25,329,297	21,196,036	23,348,437	141,888,250	50,159,074	649,054,882
2017.4	19,717,521	15,074,193	72,900,153	16,805,913	28,583,092	59,477,655	144,918,885	43,244,572	26,218,994	21,940,173	24,194,157	147,025,482	52,598,763	672,699,553
2018.1	19,815,377	15,149,006	73,261,952	16,889,320	28,724,948	59,772,837	145,638,109	43,459,192	26,349,117	22,049,060	24,339,173	147,906,725	49,980,946	673,335,762
2018.2	19,913,720	15,224,188	73,625,546	16,973,141	28,867,508	60,069,487	146,360,901	43,674,878	26,479,885	22,158,490	24,484,187	148,787,965	47,414,989	674,034,885
SFY18 TOTAL:	78,495,360	60,010,656	290,215,282	66,904,011	113,788,865	236,780,283	576,924,918	172,156,507	104,377,293	87,343,759	96,365,954	585,608,422	200,153,772	2,669,125,082
CMDP:														
2017.3	80,276	190,076	43,099	68,023		1,100,188	9,960,504	1,201,806	1,410,398	10,923		295,538		14,360,831
2017.4	82,030	194,213	44,037	69,504		1,124,424	10,177,425	1,227,980	1,441,113	11,161		301,975		14,673,862
2018.1	83,816	198,451	44,997	71,019		1,148,912	10,400,137	1,254,931	1,472,948	11,406		308,561		14,995,178
2018.2	85,641	202,773	45,977	72,566		1,173,933	10,626,633	1,282,261	1,505,027	11,654		315,283		15,321,748
SFY18 TOTAL:	331,763	785,513	178,110	281,112		4,547,457	41,164,699	4,966,978	5,829,486	45,144		1,221,357		59,351,619
Total Capitation														
2017.3	19,129,018	14,753,345	70,470,730	16,303,660	27,613,317	58,560,492	149,967,527	42,979,671	26,739,695	21,206,959	23,348,437	142,183,788	50,159,074	663,415,713
2017.4	19,799,551	15,268,406	72,944,190	16,875,417	28,583,092	60,602,079	155,096,310	44,472,552	27,660,107	21,951,334	24,194,157	147,327,457	52,598,763	687,373,415
2018.1	19,899,193	15,347,457	73,306,949	16,960,339	28,724,948	60,921,749	156,038,246	44,714,123	27,822,065	22,060,466	24,339,173	148,215,286	49,980,946	688,330,940
2018.2	19,999,361	15,426,961	73,671,523	17,045,707	28,867,508	61,243,420	156,987,534	44,957,139	27,984,912	22,170,144	24,484,187	149,103,248	47,414,989	689,356,633
SFY18 TOTAL:	78,827,123	60,796,169	290,393,392	67,185,123	113,788,865	241,327,740	618,089,617	177,123,485	110,206,779	87,388,903	96,365,954	586,829,779	200,153,772	2,728,476,701

Arizona Health Care Cost Containment System

TITLE XIX CAPITATION PAYMENTS, ARIZONA FISCAL YEAR 2017-18 (Regular)

QUARTER	TANF					SOBRA Children				SOBRA Women	SSI		Title XIX	Title XIX
	<1, M/F	1-13, M/F	14-44, F	14-44, M	45+, M/F	<1, M/F	1-13, M/F	14-44, F	14-44, M	14-44, F	W/ Med.	W/O Med.	Births	Subtotal
Regular Capitation (Excludes CMDP):														
2017.3	17,253,723	14,358,952	68,614,984	15,581,516	26,944,005	55,084,666	138,199,743	40,957,106	24,715,784	20,206,188	23,114,904	139,833,608	50,159,074	635,024,253
2017.4	17,859,475	14,862,702	71,023,861	16,128,824	27,890,279	57,018,604	143,048,149	42,394,995	25,583,938	20,915,570	23,952,168	144,896,439	52,598,763	658,173,767
2018.1	17,948,110	14,936,465	71,376,348	16,208,871	28,028,696	57,301,582	143,758,088	42,605,398	25,710,909	21,019,372	24,095,733	145,764,921	49,980,946	658,735,439
2018.2	18,037,186	15,010,593	71,730,583	16,289,315	28,167,801	57,585,968	144,471,550	42,816,846	25,838,511	21,123,691	24,239,297	146,633,401	47,414,989	659,359,731
SFY18 TOTAL:	71,098,494	59,168,712	282,745,776	64,208,526	111,030,781	226,990,820	569,477,530	168,774,345	101,849,142	83,264,821	95,402,102	577,128,369	200,153,772	2,611,293,190
CMDP:														
2017.3	79,383	189,090	42,985	67,806		1,051,494	9,775,511	1,165,749	1,332,358	10,818		293,471		14,008,665
2017.4	81,112	193,206	43,921	69,283		1,074,394	9,988,404	1,191,137	1,361,374	11,053		299,863		14,313,747
2018.1	82,879	197,415	44,878	70,792		1,097,792	10,205,933	1,217,079	1,391,022	11,295		306,392		14,625,477
2018.2	84,683	201,715	45,855	72,333		1,121,700	10,428,200	1,243,584	1,421,317	11,540		313,067		14,943,994
SFY18 TOTAL:	328,057	781,426	177,639	280,214		4,345,380	40,398,048	4,817,549	5,506,071	44,706		1,212,793		57,891,883
Total Capitation														
2017.3	17,333,106	14,548,042	68,657,969	15,649,322	26,944,005	56,136,160	147,975,254	42,122,855	26,048,142	20,217,006	23,114,904	140,127,079	50,159,074	649,032,918
2017.4	17,940,587	15,055,908	71,067,782	16,198,107	27,890,279	58,092,998	153,036,553	43,586,132	26,945,312	20,926,623	23,952,168	145,196,302	52,598,763	672,487,514
2018.1	18,030,989	15,133,880	71,421,226	16,279,663	28,028,696	58,399,374	153,964,021	43,822,477	27,101,931	21,030,667	24,095,733	146,071,313	49,980,946	673,360,916
2018.2	18,121,869	15,212,308	71,776,438	16,361,648	28,167,801	58,707,668	154,899,750	44,060,430	27,259,828	21,135,231	24,239,297	146,946,468	47,414,989	674,303,725
SFY18 TOTAL:	71,426,551	59,950,138	282,923,415	64,488,740	111,030,781	231,336,200	609,875,578	173,591,894	107,355,213	83,309,527	95,402,102	578,341,162	200,153,772	2,669,185,073

TITLE XIX CAPITATION PAYMENTS, ARIZONA FISCAL YEAR 2017-18 (Prior Period)

QUARTER	TANF					SOBRA Children				SOBRA Women	SSI		Title XIX
	<1, M/F	1-13, M/F	14-44, F	14-44, M	45+, M/F	<1, M/F	1-13, M/F	14-44, F	14-44, M	14-44, F	W/ Med.	W/O Med.	Subtotal
Prior Period Capitation (Excludes CMDP):													
2017.3	1,795,019	204,317	1,812,647	654,121	669,312	2,375,638	1,807,280	820,759	613,513	989,848	233,533	2,054,642	14,030,629
2017.4	1,858,046	211,491	1,876,292	677,089	692,813	2,459,051	1,870,736	849,577	635,056	1,024,603	241,989	2,129,043	14,525,786
2018.1	1,867,267	212,541	1,885,604	680,449	696,252	2,471,255	1,880,021	853,794	638,208	1,029,688	243,440	2,141,804	14,600,323
2018.2	1,876,534	213,595	1,894,963	683,826	699,707	2,483,519	1,889,351	858,032	641,374	1,034,799	244,890	2,154,564	14,675,154
SFY18 TOTAL:	7,396,866	841,944	7,469,506	2,695,485	2,758,084	9,789,463	7,447,388	3,382,162	2,528,151	4,078,938	963,852	8,480,053	57,831,892
CMDP:													
2017.3	893	986	114	217		48,694	184,993	36,057	78,040	105		2,067	352,166
2017.4	918	1,007	116	221		50,030	189,021	36,843	79,739	108		2,112	360,115
2018.1	937	1,036	119	227		51,120	194,204	37,852	81,926	111		2,169	369,701
2018.2	958	1,058	122	233		52,233	198,433	38,677	83,710	114		2,216	377,754
SFY18 TOTAL:	3,706	4,087	471	898		202,077	766,651	149,429	323,415	438		8,564	1,459,736
Total Member Months:													
2017.3	1,795,912	205,303	1,812,761	654,338	669,312	2,424,332	1,992,273	856,816	691,553	989,953	233,533	2,056,709	14,382,795
2017.4	1,858,964	212,498	1,876,408	677,310	692,813	2,509,081	2,059,757	886,420	714,795	1,024,711	241,989	2,131,155	14,885,901
2018.1	1,868,204	213,577	1,885,723	680,676	696,252	2,522,375	2,074,225	891,646	720,134	1,029,799	243,440	2,143,973	14,970,024
2018.2	1,877,492	214,653	1,895,085	684,059	699,707	2,535,752	2,087,784	896,709	725,084	1,034,913	244,890	2,156,780	15,052,908
SFY18 TOTAL:	7,400,572	846,031	7,469,977	2,696,383	2,758,084	9,991,540	8,214,039	3,531,591	2,851,566	4,079,376	963,852	8,488,617	59,291,628

Arizona Health Care Cost Containment System

TITLE XIX MEMBER MONTHS, ARIZONA FISCAL YEAR 2017-18 (Regular)

QUARTER	TANF					SOBRA Children				SOBRA Women	SSI		Title XIX Subtotal	Title XIX Births
	<1, M/F	1-13, M/F	14-44, F	14-44, M	45+, M/F	<1, M/F	1-13, M/F	14-44, F	14-44, M	14-44, F	W/ Med.	W/O Med.		
Regular Member Months (Excludes CMDP):														
2017.3	36,516	127,946	270,924	102,231	62,790	116,582	1,231,436	161,718	162,161	79,783	171,273	150,897	2,674,257	8,109
2017.4	36,697	128,581	272,268	102,738	63,102	117,161	1,237,548	162,520	162,965	80,179	172,305	151,807	2,687,871	8,256
2018.1	36,879	129,219	273,619	103,248	63,415	117,742	1,243,690	163,327	163,774	80,577	173,338	152,717	2,701,545	7,845
2018.2	37,062	129,861	274,977	103,760	63,729	118,327	1,249,862	164,137	164,587	80,977	174,371	153,626	2,715,276	7,442
SFY18 TOTAL:	147,154	515,607	1,091,788	411,977	253,036	469,812	4,962,536	651,702	653,487	321,516	691,287	609,047	10,778,949	31,652
CMDP:														
2017.3	337	804	183	288		4,469	41,548	4,955	5,663	46		1,247	59,540	
2017.4	345	821	187	294		4,566	42,453	5,063	5,786	47		1,274	60,836	
2018.1	352	839	191	301		4,666	43,378	5,173	5,912	48		1,302	62,162	
2018.2	360	857	195	307		4,768	44,323	5,286	6,041	49		1,331	63,517	
SFY18 TOTAL:	1,394	3,321	756	1,190		18,469	171,702	20,477	23,402	190		5,154	246,055	
Total Member Months:														
2017.3	36,853	128,750	271,107	102,519	62,790	121,051	1,272,984	166,673	167,824	79,829	171,273	152,144	2,733,797	8,109
2017.4	37,042	129,402	272,455	103,032	63,102	121,727	1,280,001	167,583	168,751	80,226	172,305	153,081	2,748,707	8,256
2018.1	37,231	130,058	273,810	103,549	63,415	122,408	1,287,068	168,500	169,686	80,625	173,338	154,019	2,763,707	7,845
2018.2	37,422	130,718	275,172	104,067	63,729	123,095	1,294,185	169,423	170,628	81,026	174,371	154,957	2,778,793	7,442
SFY18 TOTAL:	148,548	518,928	1,092,544	413,167	253,036	488,281	5,134,238	672,179	676,889	321,706	691,287	614,201	11,025,004	31,652

Arizona Health Care Cost Containment System

TITLE XIX MEMBER MONTHS, ARIZONA FISCAL YEAR 2017-18 (Prior Period)

QUARTER	TANF					SOBRA Children				SOBRA Women	SSI		Title XIX Subtotal
	<1, M/F	1-13, M/F	14-44, F	14-44, M	45+, M/F	<1, M/F	1-13, M/F	14-44, F	14-44, M	14-44, F	W/ Med.	W/O Med.	
Regular Member Months (Excludes CMDP):													
2017.3	1,777	3,784	9,292	4,524	2,050	2,351	33,474	4,207	4,243	5,074	3,425	3,575	77,776
2017.4	1,785	3,803	9,338	4,547	2,060	2,363	33,640	4,228	4,264	5,099	3,446	3,596	78,169
2018.1	1,794	3,822	9,384	4,569	2,071	2,375	33,807	4,249	4,286	5,124	3,466	3,618	78,565
2018.2	1,803	3,841	9,431	4,592	2,081	2,386	33,975	4,270	4,307	5,150	3,487	3,639	78,962
SFY18 TOTAL:	7,159	15,250	37,445	18,232	8,262	9,475	134,896	16,954	17,100	20,447	13,824	14,428	313,472
CMDP:													
2017.3	4	4	0	1		212	804	157	339	0		9	1,530
2017.4	4	4	1	1		216	822	160	347	0		9	1,564
2018.1	4	4	1	1		221	840	164	354	0		9	1,598
2018.2	4	5	1	1		226	858	167	362	0		10	1,634
SFY18 TOTAL:	16	17	3	4		875	3,324	648	1,402	0		37	6,326
Total Member Months:													
2017.3	1,781	3,788	9,292	4,525	2,050	2,563	34,278	4,364	4,582	5,074	3,425	3,584	79,306
2017.4	1,789	3,807	9,339	4,548	2,060	2,579	34,462	4,388	4,611	5,099	3,446	3,605	79,733
2018.1	1,798	3,826	9,385	4,570	2,071	2,596	34,647	4,413	4,640	5,124	3,466	3,627	80,163
2018.2	1,807	3,846	9,432	4,593	2,081	2,612	34,833	4,437	4,669	5,150	3,487	3,649	80,596
SFY18 TOTAL:	7,175	15,267	37,448	18,236	8,262	10,350	138,220	17,602	18,502	20,447	13,824	14,465	319,798

Arizona Health Care Cost Containment System

ACA NEWLY ELIG. CHILDREN CAPITATION PAYMENTS, ARIZONA FISCAL YEAR 2015-16
(Regular and Prior Period)

QUARTER	6-13, M/F	14-19, F	14-19, M	Title XIX Births	TOTAL NEC REG CAP
Capitation					
2015.3	5,949,004	4,331,594	2,865,044	146,030	13,291,672
2015.4	15,257,995	9,241,103	5,977,137	146,483	30,622,718
2016.1	16,460,976	9,669,382	6,178,676	164,816	32,473,850
2016.2	16,340,123	9,238,510	5,930,529	189,233	31,698,395
SFY16 TOTAL:	54,008,098	32,480,589	20,951,386	646,562	108,086,635

Arizona Health Care Cost Containment System

ACA NEWLY ELIG. CHILDREN CAPITATION PAYMENTS, ARIZONA FISCAL YEAR 2015-16 (Regular)

QUARTER	6-13, M/F	14-19, F	14-19, M	Title XIX Births	TOTAL NEC REG CAP
Capitation					
2015.3	5,830,923	4,229,655	2,773,830	146,030	12,980,438
2015.4	15,079,918	9,066,305	5,849,166	146,483	30,141,872
2016.1	16,310,318	9,521,690	6,072,212	164,816	32,069,037
2016.2	16,190,571	9,097,400	5,828,341	189,233	31,305,545
SFY16 TOTAL:	53,411,730	31,915,050	20,523,549	646,562	106,496,891

ACA NEWLY ELIG. CHILDREN CAPITATION PAYMENTS, ARIZONA FISCAL YEAR 2015-16 (Prior Period)

QUARTER	6-13, M/F	14-19, F	14-19, M	TOTAL NEC PP CAP
Capitation				
2015.3	118,081	101,939	91,214	311,234
2015.4	178,077	174,798	127,971	480,846
2016.1	150,658	147,691	106,464	404,813
2016.2	149,552	141,110	102,188	392,850
SFY16 TOTAL:	596,368	565,538	427,836	1,589,743

Arizona Health Care Cost Containment System

ACA NEWLY ELIGIBLE CHILDREN MEMBER MONTHS
ARIZONA FISCAL YEAR 2015-16 (Regular)

QUARTER	6-13, M/F	14-19, F	14-19, M	TOTAL NEC MM	Title XIX Births
Total Member Months:					
2015.3	52,997	17,007	17,735	87,739	24
2015.4	136,120	36,800	38,002	210,922	24
2016.1	146,506	38,501	39,150	224,157	27
2016.2	145,430	36,785	37,578	219,794	31
SFY16 TOTAL:	481,053	129,093	132,465	742,611	106

Arizona Health Care Cost Containment System

ACA NEWLY ELIGIBLE CHILDREN MEMBER MONTHS
ARIZONA FISCAL YEAR 2015-16 (Prior Period)

QUARTER	6-13, M/F	14-19, F	14-19, M	TOTAL NEC MM
Member Months:				
2015.3	1,948	507	548	3,003
2015.4	3,337	903	882	5,121
2016.1	2,823	763	734	4,319
2016.2	2,802	729	704	4,235
SFY16 TOTAL:	10,910	2,901	2,868	16,679

Arizona Health Care Cost Containment System

ACA NEWLY ELIG. CHILDREN CAPITATION PAYMENTS, ARIZONA FISCAL YEAR 2016-17
(Regular and Prior Period)

QUARTER	6-13, M/F	14-19, F	14-19, M	Title XIX Births	TOTAL NEC REG CAP
Capitation					
2016.3	15,998,872	9,008,812	5,777,353	201,442	30,986,479
2016.4	16,149,114	9,261,982	5,681,564	167,009	31,259,670
2017.1	16,288,917	9,315,147	5,735,198	185,566	31,524,827
2017.2	16,369,757	9,361,378	5,763,661	173,195	31,667,991
SFY17 TOTAL:	64,806,660	36,947,319	22,957,776	727,212	125,438,967

Arizona Health Care Cost Containment System

ACA NEWLY ELIG. CHILDREN CAPITATION PAYMENTS, ARIZONA FISCAL YEAR 2016-17
(Regular)

QUARTER	6-13, M/F	14-19, F	14-19, M	Title XIX Births	TOTAL NEC REG CAP
Capitation					
2016.3	15,852,444	8,871,210	5,677,805	201,442	30,602,900
2016.4	16,000,241	9,122,675	5,581,875	167,009	30,871,800
2017.1	16,139,305	9,175,149	5,635,013	185,566	31,135,033
2017.2	16,219,403	9,220,684	5,662,980	173,195	31,276,262
SFY17 TOTAL:	64,211,392	36,389,719	22,557,672	727,212	123,885,995

ACA NEWLY ELIG. CHILDREN CAPITATION PAYMENTS, ARIZONA FISCAL YEAR 2015-16 (Prior Period)

QUARTER	6-13, M/F	14-19, F	14-19, M	TOTAL NEC PP CAP
Capitation				
2016.3	146,429	137,602	99,549	383,579
2016.4	148,873	139,307	99,690	387,870
2017.1	149,612	139,998	100,184	389,795
2017.2	150,354	140,693	100,682	391,729
SFY17 TOTAL:	595,268	557,600	400,104	1,552,972

Arizona Health Care Cost Containment System

ACA NEWLY ELIGIBLE CHILDREN MEMBER MONTHS
ARIZONA FISCAL YEAR 2016-17 (Regular)

QUARTER	6-13, M/F	14-19, F	14-19, M	TOTAL NEC MM	Title XIX Births
Total Member Months:					
2016.3	142,393	35,871	36,607	214,871	33
2016.4	143,100	36,049	36,789	215,938	27
2017.1	143,810	36,228	36,971	217,009	30
2017.2	144,524	36,408	37,155	218,086	28
SFY17 TOTAL:	573,827	144,555	147,522	865,904	118

Arizona Health Care Cost Containment System

ACA NEWLY ELIGIBLE CHILDREN MEMBER MONTHS
ARIZONA FISCAL YEAR 2016-17 (Prior Period)

QUARTER	6-13, M/F	14-19, F	14-19, M	TOTAL NEC MM
Member Months:				
2016.3	2,744	711	686	4,140
2016.4	2,757	714	689	4,161
2017.1	2,771	718	693	4,182
2017.2	2,785	721	696	4,202
SFY17 TOTAL:	11,057	2,863	2,765	16,685

Arizona Health Care Cost Containment System

ACA NEWLY ELIG. CHILDREN CAPITATION PAYMENTS, ARIZONA FISCAL YEAR 2017-18
(Regular and Prior Period)

QUARTER	6-13, M/F	14-19, F	14-19, M	Title XIX Births	TOTAL NEC REG CAP
Capitation					
2017.3	16,450,999	9,407,838	5,792,266	204,122	31,855,225
2017.4	17,028,147	9,738,121	5,995,720	172,019	32,934,008
2018.1	17,112,657	9,786,450	6,025,477	191,133	33,115,717
2018.2	17,197,586	9,835,020	6,055,381	191,133	33,279,119
SFY18 TOTAL:	67,789,390	38,767,429	23,868,844	758,407	131,184,070

Arizona Health Care Cost Containment System

ACA NEWLY ELIG. CHILDREN CAPITATION PAYMENTS, ARIZONA FISCAL YEAR 2016-17 (Regular)

QUARTER	6-13, M/F	14-19, F	14-19, M	Title XIX Births	TOTAL NEC REG CAP
Capitation					
2017.3	16,299,899	9,266,446	5,691,085	204,122	31,461,552
2017.4	16,871,742	9,591,765	5,890,987	172,019	32,526,512
2018.1	16,955,475	9,639,368	5,920,223	191,133	32,706,199
2018.2	17,039,624	9,687,208	5,949,605	191,133	32,867,569
SFY18 TOTAL:	67,166,739	38,184,786	23,451,899	758,407	129,561,832

ACA NEWLY ELIG. CHILDREN CAPITATION PAYMENTS, ARIZONA FISCAL YEAR 2015-16 (Prior Period)

QUARTER	6-13, M/F	14-19, F	14-19, M	TOTAL NEC PP CAP
Capitation				
2017.3	151,100	141,392	101,181	393,673
2017.4	156,406	146,356	104,734	407,496
2018.1	157,182	147,082	105,254	409,518
2018.2	157,962	147,812	105,776	411,551
SFY18 TOTAL:	622,651	582,642	416,945	1,622,238

Arizona Health Care Cost Containment System

ACA NEWLY ELIGIBLE CHILDREN MEMBER MONTHS
ARIZONA FISCAL YEAR 2016-17 (Regular)

QUARTER	6-13, M/F	14-19, F	14-19, M	TOTAL NEC MM	Title XIX Births
Total Member Months:					
2017.3	145,241	36,588	37,339	219,169	33
2017.4	145,962	36,770	37,525	220,256	27
2018.1	146,686	36,952	37,711	221,349	30
2018.2	147,414	37,136	37,898	222,448	30
SFY18 TOTAL:	585,304	147,446	150,473	883,222	120

Arizona Health Care Cost Containment System

ACA NEWLY ELIGIBLE CHILDREN MEMBER MONTHS
ARIZONA FISCAL YEAR 2016-17 (Prior Period)

QUARTER	6-13, M/F	14-19, F	14-19, M	TOTAL NEC MM
Member Months:				
2017.3	2,799	725	700	4,223
2017.4	2,813	728	703	4,244
2018.1	2,826	732	707	4,265
2018.2	2,841	736	710	4,286
SFY18 TOTAL:	11,278	2,921	2,820	17,019

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 3-3006 Capitation

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	2,324,496.5	2,358,464.7	(95,280.7)	2,263,184.0
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	11,927.5	13,527.4	(1,356.9)	12,170.5
	Expenditure Categories Total:	2,336,424.0	2,371,992.1	(96,637.6)	2,275,354.5
Fund Source					
Appropriated Funds					
1000-A	General Fund (Appropriated)	660,182.8	677,692.7	(76,174.9)	601,517.8
1306-A	Tobacco Tax and Health Care Fund (Appropriated)	34,498.5	37,432.4	0.0	37,432.4
2546-A	Prescription Drug Rebate Fund (Appropriated)	99,840.0	106,139.5	39,868.1	146,007.6
		794,521.3	821,264.6	(36,306.8)	784,957.8
Non-Appropriated Funds					
2120-N	AHCCCS Fund (Non-Appropriated)	1,660,111.0	1,783,619.8	(180,334.3)	1,603,285.5
2546-N	Prescription Drug Rebate Fund (Non-Appropriated)	(118,208.3)	(282,774.7)	120,231.6	(162,543.1)
3791-N	AHCCCS - 3rd Party Collection (Non-Appropriated)	0.0	194.7	0.0	194.7
9691-N	County Funds (Non-Appropriated)	0.0	49,687.7	(228.1)	49,459.6
		1,541,902.7	1,550,727.5	(60,330.8)	1,490,396.7
	Fund Source Total:	2,336,424.0	2,371,992.1	(96,637.6)	2,275,354.5

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3006 Capitation

Fund: 1000-A General Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	648,255.3	664,909.7	(75,771.8)	589,137.9
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	11,927.5	12,783.0	(403.1)	12,379.9
	Appropriated Total:	660,182.8	677,692.7	(76,174.9)	601,517.8
Fund Total:		660,182.8	677,692.7	(76,174.9)	601,517.8
Program Total For Selected Funds:		660,182.8	677,692.7	(76,174.9)	601,517.8

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3006 Capitation

Fund: 1306-A Tobacco Tax and Health Care Fund

Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	34,498.5	36,688.0	0.0	36,688.0
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	744.4	0.0	744.4
	Appropriated Total:	34,498.5	37,432.4	0.0	37,432.4
Fund Total:		34,498.5	37,432.4	0.0	37,432.4
Program Total For Selected Funds:		34,498.5	37,432.4	0.0	37,432.4

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3006 Capitation

Fund: 2120-N AHCCCS Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	1,660,111.0	1,783,619.8	(179,380.5)	1,604,239.3
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	(953.8)	(953.8)
	Non-Appropriated Total:	1,660,111.0	1,783,619.8	(180,334.3)	1,603,285.5
	Fund Total:	1,660,111.0	1,783,619.8	(180,334.3)	1,603,285.5
	Program Total For Selected Funds:	1,660,111.0	1,783,619.8	(180,334.3)	1,603,285.5

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3006 Capitation

Fund: 2546-N Prescription Drug Rebate Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Non-Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	(118,208.3)	(282,774.7)	120,231.6	(162,543.1)
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Non-Appropriated Total:		(118,208.3)	(282,774.7)	120,231.6	(162,543.1)
Fund Total:		(118,208.3)	(282,774.7)	120,231.6	(162,543.1)
Program Total For Selected Funds:		(118,208.3)	(282,774.7)	120,231.6	(162,543.1)

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3006 Capitation

Fund: 3791-N AHCCCS - 3rd Party Collection Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	194.7	0.0	194.7
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Non-Appropriated Total:	0.0	194.7	0.0	194.7
	Fund Total:	0.0	194.7	0.0	194.7
	Program Total For Selected Funds:	0.0	194.7	0.0	194.7

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3006 Capitation

Fund: 9691-N County Funds Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	49,687.7	(228.1)	49,459.6
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Non-Appropriated Total:	0.0	49,687.7	(228.1)	49,459.6
	Fund Total:	0.0	49,687.7	(228.1)	49,459.6
	Program Total For Selected Funds:	0.0	49,687.7	(228.1)	49,459.6

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3006 Capitation

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	0.0	0.0
Boards and Commissions	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	0.0	0.0
Attorney General Legal Services	0.0	0.0
External Legal Services	0.0	0.0
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	0.0	0.0
Hospital Services	0.0	0.0
Other Medical Services	0.0	0.0
Institutional Care	0.0	0.0
Education And Training	0.0	0.0
Vendor Travel	0.0	0.0
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0
Other Professional And Outside Services	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3006 Capitation

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	2,324,496.5	2,358,464.7
Expenditure Category Total	2,324,496.5	2,358,464.7

Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	648,255.3	664,909.7
1306-A Tobacco Tax and Health Care Fund (Appropriated)	34,498.5	36,688.0
2546-A Prescription Drug Rebate Fund (Appropriated)	99,840.0	106,139.5
	782,593.8	807,737.2
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	#######	1,783,619.8
2546-N Prescription Drug Rebate Fund (Non-Appropriated)	(118,208.3)	(282,774.7)
3791-N AHCCCS - 3rd Party Collection (Non-Appropriated)	0.0	194.7
9691-N County Funds (Non-Appropriated)	0.0	49,687.7
	1,541,902.7	1,550,727.5
Fund Source Total	2,324,496.5	2,358,464.7

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	0.0	0.0
Information Technology Services	0.0	0.0
Utilities	0.0	0.0
Non-Building or Land Rent	0.0	0.0
Building Rent Charges to State Agencies	0.0	0.0
COP Building Rent Charges to State Agencies	0.0	0.0
Rental of Land & Buildings	0.0	0.0
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3006 Capitation

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Repair & Maintenance	0.0	0.0
Software Support and Maintenance	0.0	0.0
Operating Supplies	0.0	0.0
Resale Supplies	0.0	0.0
Sales of Assets	0.0	0.0
Conference, Education & Training	0.0	0.0
Advertising	0.0	0.0
Printing & Photography	0.0	0.0
Postage & Delivery	0.0	0.0
Miscellaneous Operating	0.0	0.0
Depreciation Expense	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	0.0	0.0
Vehicles - Non-Capital	0.0	0.0
Furniture - Non-Capital	0.0	0.0
EDP Equipment - Mainframe - Non-Capital	0.0	0.0
Telecommunication Equipment - Non Capital	0.0	0.0
Other Equipment - Non-Capital	0.0	0.0
Purchased Or Licensed Software/Website	0.0	0.0
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3006 Capitation

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	11,927.5	13,527.4
Expenditure Category Total	11,927.5	13,527.4
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	11,927.5	12,783.0
1306-A Tobacco Tax and Health Care Fund (Appropriated)	0.0	744.4
	11,927.5	13,527.4
Fund Source Total	11,927.5	13,527.4

Arizona Health Care Cost Containment System

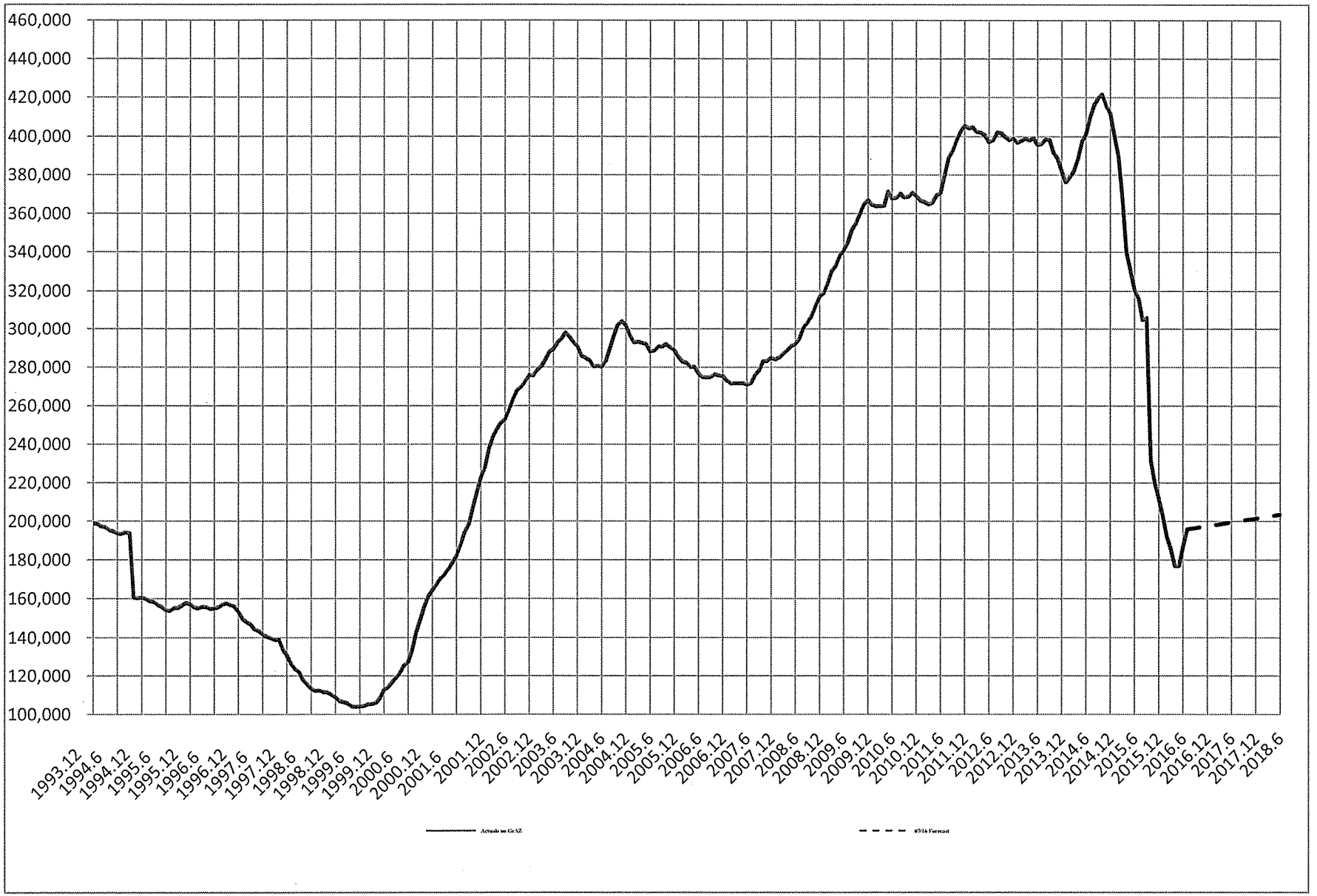
TANF/1931 Forecast

	MEMBER MONTHS ACTUAL (1)	PERCENT QTR.GROWTH	MEMBER MONTHS FORECAST (2)	SFY TOTAL	YEAR TO YEAR GROWTH %	JUNE TO JUNE GROWTH %	
2009.3	1,051,994	3.95%					
2009.4	1,091,846	3.79%					
2010.1	1,092,242	0.04%					
2010.2	1,103,127	1.00%		4,339,209	13.55%	7.84%	SFY 09-10
2010.3	1,106,701	0.32%					
2010.4	1,108,576	0.17%					
2011.1	1,097,431	-1.01%					
2011.2	1,105,666	0.75%		4,418,374	1.82%	0.81%	SFY 10-11
2011.3	1,161,273	5.03%					
2011.4	1,206,506	3.90%					
2012.1	1,211,596	0.42%					
2012.2	1,199,888	-0.97%		4,779,264	8.17%	7.15%	SFY 11-12
2012.3	1,202,020	0.18%					
2012.4	1,196,975	-0.42%					
2013.1	1,193,713	-0.27%					
2013.2	1,192,971	-0.06%		4,785,679	0.13%	-0.37%	SFY 12-13
2013.3	1,193,050	0.01%					
2013.4	1,162,049	-2.60%					
2014.1	1,137,079	-2.15%					
2014.2	1,187,208	4.41%		4,679,386	-2.22%	1.41%	SFY 13-14
2014.3	1,245,918	4.95%					
2014.4	1,249,397	0.28%					
2015.1	1,158,571	-7.27%					
2015.2	991,512	-14.42%		4,645,398	-0.73%	-20.06%	SFY 14-15
2015.3	927,216	-6.48%					
2015.4	664,396	-28.35%					
2016.1	580,794	-12.58%					
2016.2	540,692	-6.90%		2,713,098	-41.60%	-41.72%	SFY 15-16
2016.3		8.87%	588,634				
2016.4		0.50%	591,555				
2017.1		0.50%	594,491				
2017.2		0.50%	597,441	2,372,121	-12.57%	6.69%	SFY 16-17
2017.3		0.50%	600,406				
2017.4		0.50%	603,386				
2018.1		0.50%	606,381				
2018.2		0.50%	609,390	2,419,563	2.00%	2.00%	SFY 17-18

(1) PMMIS
(2) 2% growth rate adjusted for transfers of children to SOBRA.
July 2016 estimate included in base for forecast.

Does not include CMDP. AFDC TMA member months are included.

TANF/1931 Member Months



Arizona Health Care Cost Containment System

SSI With Medicare Forecast

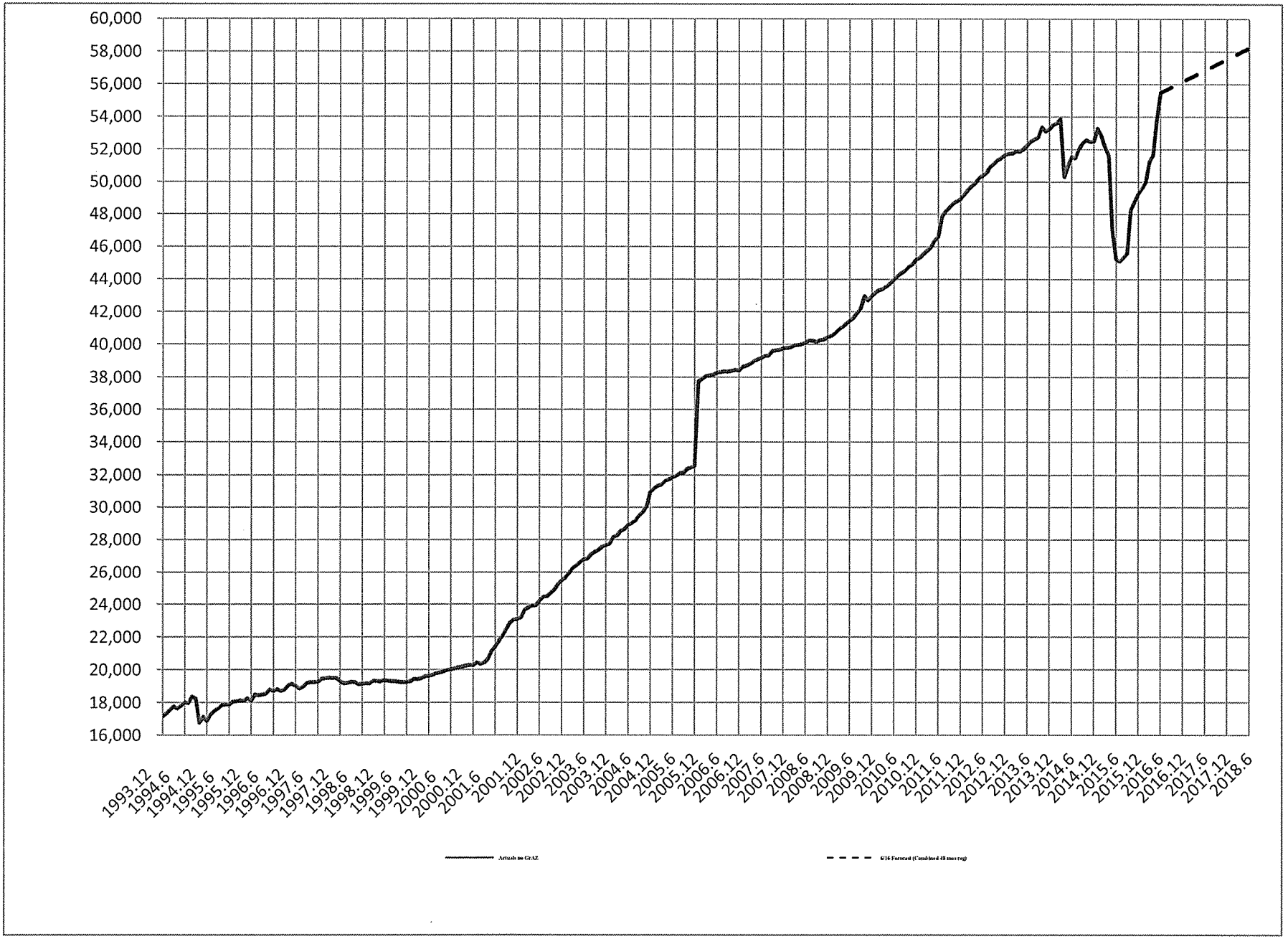
	MEMBER MONTHS ACTUAL (1)	PERCENT QTR.GROWTH	MEMBER MONTHS FORECAST (2)	SFY TOTAL	YEAR TO YEAR GROWTH %	JUNE TO JUNE GROWTH %	
2009.3	125,760	1.61%					
2009.4	128,694	2.33%					
2010.1	129,947	0.97%					
2010.2	131,311	1.05%		515,713	5.79%	6.12%	SFY 09-10
2010.3	133,132	1.39%					
2010.4	134,921	1.34%					
2011.1	136,640	1.27%					
2011.2	138,957	1.70%		543,650	5.42%	5.98%	SFY 10-11
2011.3	144,446	3.95%					
2011.4	146,372	1.33%					
2012.1	148,456	1.42%					
2012.2	150,562	1.42%		589,835	8.50%	8.08%	SFY 11-12
2012.3	152,643	1.38%					
2012.4	154,497	1.21%					
2013.1	155,391	0.58%					
2013.2	156,169	0.50%		618,701	4.89%	3.74%	SFY 12-13
2013.3	157,885	1.10%					
2013.4	159,725	1.17%					
2014.1	160,982	0.79%					
2014.2	152,864	-5.04%		631,456	2.06%	-1.37%	SFY 13-14
2014.3	155,931	2.01%					
2014.4	157,588	1.06%					
2015.1	158,331	0.47%					
2015.2	143,941	-9.09%		615,791	-2.48%	-12.25%	SFY 14-15
2015.3	136,068	-5.47%					
2015.4	146,311	7.53%					
2016.1	150,856	3.11%					
2016.2	160,974	6.71%		594,209	-3.50%	22.66%	SFY 15-16
2016.3		3.83%	167,142				
2016.4		0.62%	168,174				
2017.1		0.61%	169,207				
2017.2		0.61%	170,240	674,763	13.56%	2.48%	SFY 16-17
2017.3		0.61%	171,273				
2017.4		0.60%	172,305				
2018.1		0.60%	173,338				
2018.2		0.60%	174,371	691,287	2.45%	2.42%	SFY 17-18

(1) PMMIS
(2) Based on combined 48 Month Regression Forecast with Add Factor for June 2016.

Observations:	48
Adj. R Square:	0.9487
Standard Error:	1,179

June 2016 actual included in base for forecast.

SSI w/ Medicare Member Months



Arizona Health Care Cost Containment System

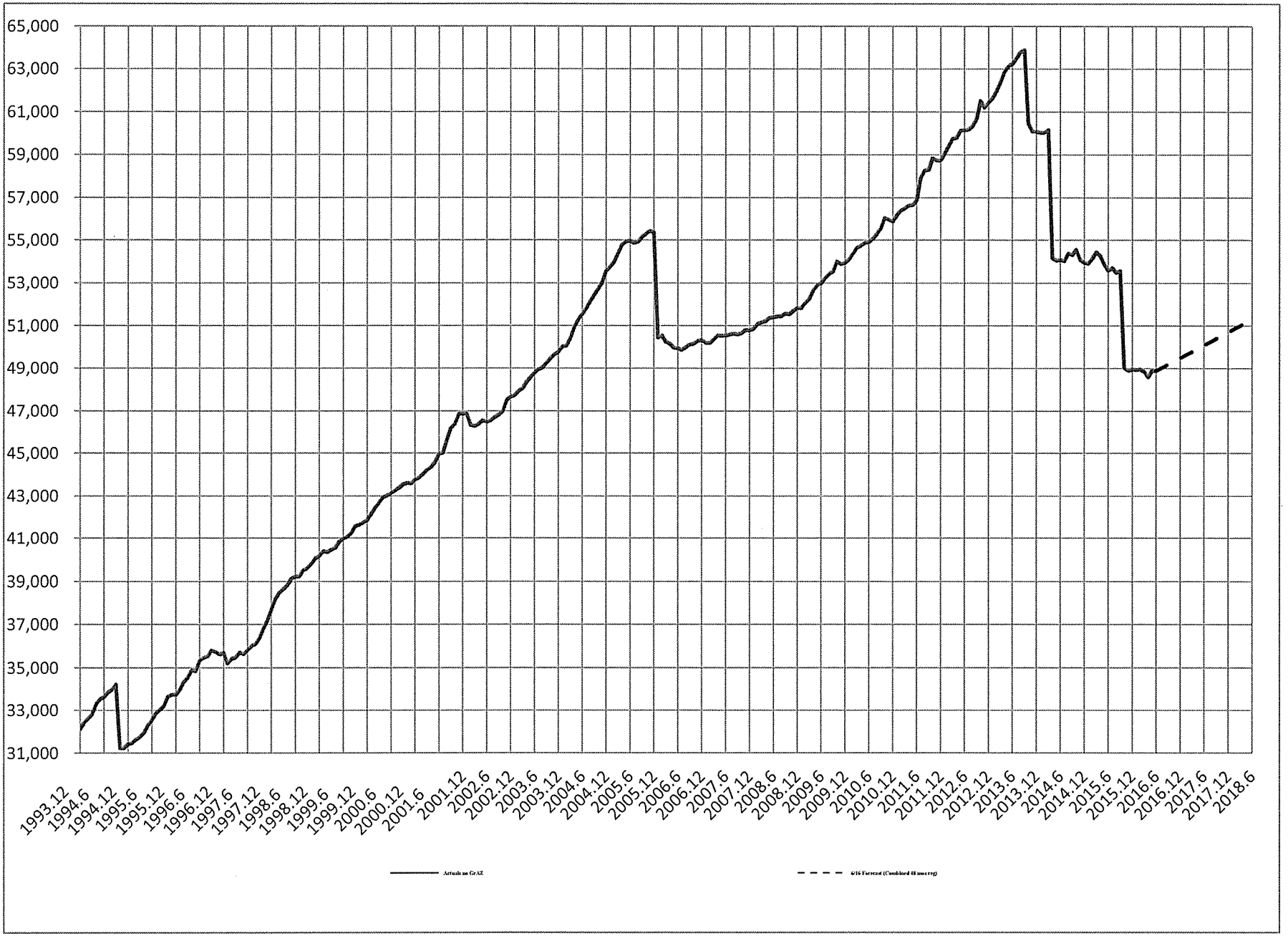
SSI Without Medicare Forecast

	MEMBER MONTHS ACTUAL (1)	PERCENT QTR.GROWTH	MEMBER MONTHS FORECAST (2)	SFY TOTAL	YEAR TO YEAR GROWTH %	JUNE TO JUNE GROWTH %	
2009.3	160,196	1.05%					
2009.4	161,857	1.04%					
2010.1	163,121	0.78%					
2010.2	164,516	0.85%		649,690	4.10%	3.61%	SFY 09-10
2010.3	165,906	0.84%					
2010.4	167,858	1.18%					
2011.1	169,031	0.70%					
2011.2	170,128	0.65%		672,923	3.58%	3.56%	SFY 10-11
2011.3	174,501	2.57%					
2011.4	176,306	1.03%					
2012.1	178,215	1.08%					
2012.2	180,073	1.04%		709,095	5.38%	5.78%	SFY 11-12
2012.3	181,217	0.63%					
2012.4	184,184	1.64%					
2013.1	186,019	1.00%					
2013.2	189,234	1.73%		740,653	4.45%	5.13%	SFY 12-13
2013.3	191,126	1.00%					
2013.4	180,657	-5.48%					
2014.1	180,232	-0.24%					
2014.2	162,337	-9.93%		714,352	-3.55%	-14.46%	SFY 13-14
2014.3	162,741	0.25%					
2014.4	162,602	-0.09%					
2015.1	162,511	-0.06%					
2015.2	161,759	-0.46%		649,613	-9.06%	-0.91%	SFY 14-15
2015.3	160,786	-0.60%					
2015.4	146,878	-8.65%					
2016.1	146,734	-0.10%					
2016.2	146,366	-0.25%		600,764	-7.52%	-8.80%	SFY 15-16
2016.3		0.61%	147,257				
2016.4		0.62%	148,167				
2017.1		0.61%	149,077				
2017.2		0.61%	149,987	594,488	-1.04%	2.48%	SFY 16-17
2017.3		0.61%	150,897				
2017.4		0.60%	151,807				
2018.1		0.60%	152,717				
2018.2		0.60%	153,626	609,047	2.45%	2.42%	SFY 16-17

(1) PMMIS

(2) Based on combined 48 Month Regression Forecast with Add Factor for June 2016.

SSI w/o Medicare Member Months



Arizona Health Care Cost Containment System

SOBRA Children Forecast

	MEMBER MONTHS ACTUAL (1)	PERCENT QTR.GROWTH	MEMBER MONTHS FORECAST (2)	SFY TOTAL	YEAR TO YEAR GROWTH %	JUNE TO JUNE GROWTH %	
2009.3	857,244	7.80%					
2009.4	905,114	5.58%					
2010.1	920,055	1.65%					
2010.2	924,000	0.43%		3,606,413	21.51%	12.80%	SFY 09-10
2010.3	920,987	-0.33%					
2010.4	921,131	0.02%					
2011.1	912,174	-0.97%					
2011.2	922,041	1.08%		3,676,334	1.94%	0.58%	SFY 10-11
2011.3	934,218	1.32%					
2011.4	918,066	-1.73%					
2012.1	896,424	-2.36%					
2012.2	890,387	-0.67%		3,639,095	-1.01%	-3.46%	SFY 11-12
2012.3	899,856	1.06%					
2012.4	885,405	-1.61%					
2013.1	872,687	-1.44%					
2013.2	873,527	0.10%		3,531,475	-2.96%	-2.07%	SFY 12-13
2013.3	880,779	0.83%					
2013.4	854,140	-3.02%					
2014.1	826,869	-3.19%					
2014.2	856,205	3.55%		3,417,992	-3.21%	-0.70%	SFY 13-14
2014.3	907,638	6.01%					
2014.4	925,169	1.93%					
2015.1	965,025	4.31%					
2015.2	1,186,840	22.99%		3,984,672	16.58%	47.39%	SFY 14-15
2015.3	1,472,375	24.06%					
2015.4	1,522,263	3.39%					
2016.1	1,605,598	5.47%					
2016.2	1,619,145	0.84%		6,219,381	56.08%	25.85%	SFY 15-16
2016.3		1.20%	1,638,622				
2016.4		0.53%	1,647,249				
2017.1		0.50%	1,655,424				
2017.2		0.50%	1,663,640	6,604,935	6.20%	2.91%	SFY 16-17
2017.3		0.50%	1,671,897				
2017.4		0.50%	1,680,194				
2018.1		0.50%	1,688,533				
2018.2		0.50%	1,696,913	6,737,536	2.01%	2.00%	SFY 17-18

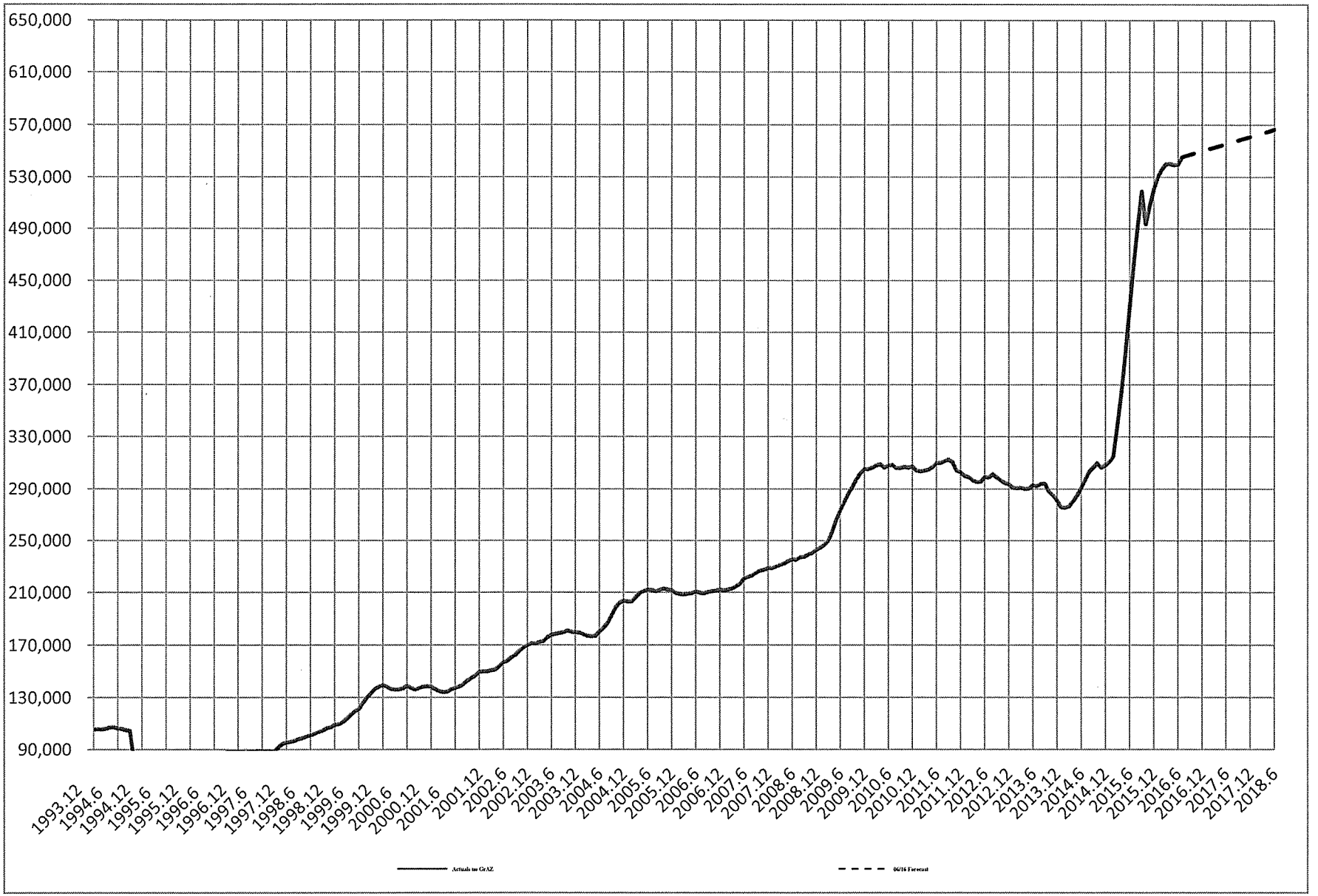
(1) PMMIS

(2) 2% growth rate.

July 2016 estimate included in base for forecast.

Does not include CMDP.

SOBRA Children Member Months



Arizona Health Care Cost Containment System

Title XIX Births Forecast Using Births per 1,000

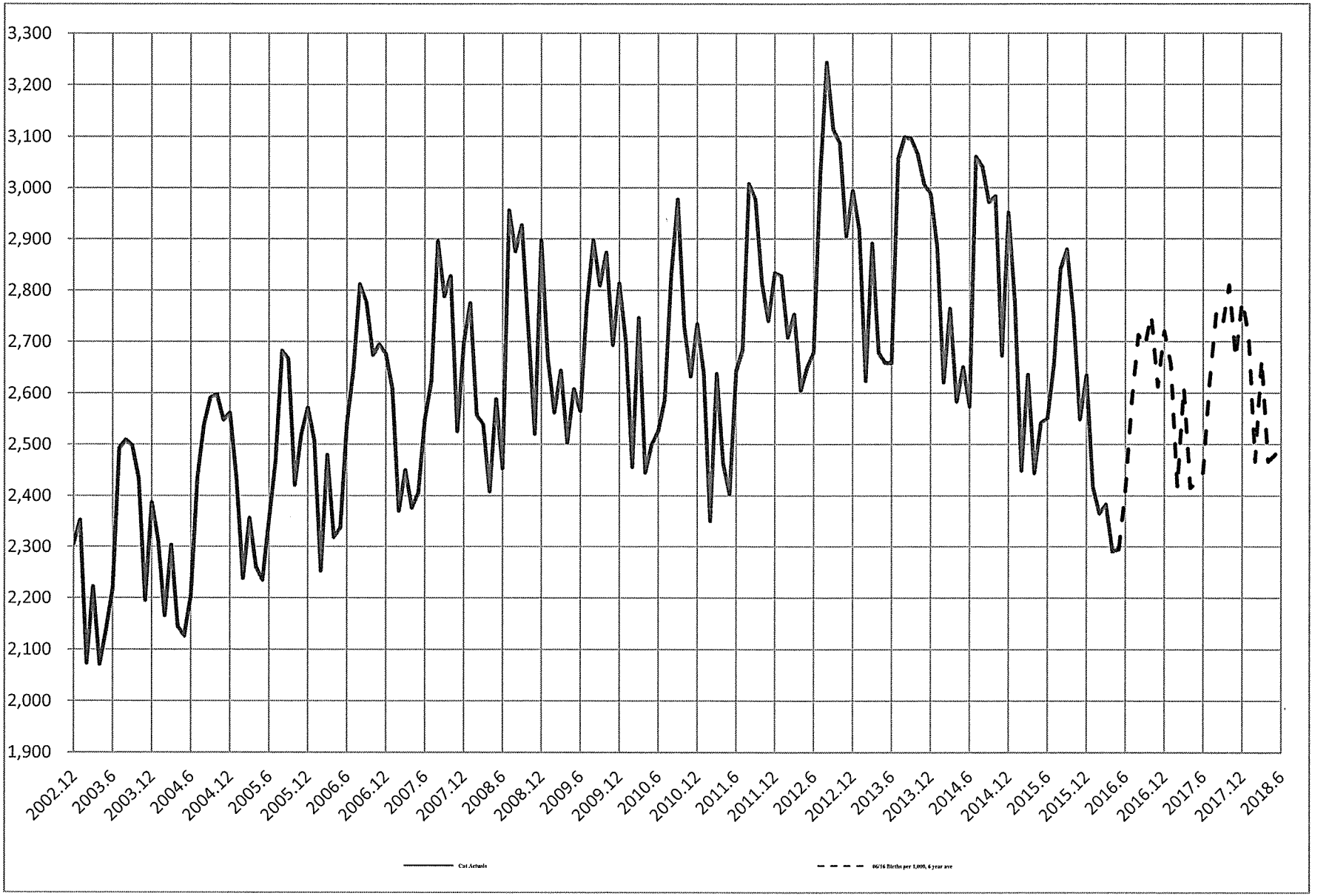
	Title XIX BIRTHS ACTUAL (1)	PERCENT QTR.GROWTH	Title XIX BIRTHS FORECAST (2)	SFY TOTAL	YEAR TO YEAR GROWTH %	JUNE TO JUNE GROWTH %	
2009.3	8,478	10.46%					
2009.4	8,379	-1.17%					
2010.1	7,902	-5.69%					
2010.2	7,469	-5.48%		32,228	-0.67%	-1.52%	SFY 09-10
2010.3	8,393	12.37%					
2010.4	8,096	-3.54%					
2011.1	7,627	-5.79%					
2011.2	7,508	-1.56%		31,624	-1.87%	4.67%	SFY 10-11
2011.3	8,668	15.45%					
2011.4	8,387	-3.24%					
2012.1	8,288	-1.18%					
2012.2	7,934	-4.27%		33,277	5.23%	1.36%	SFY 11-12
2012.3	9,378	18.20%					
2012.4	8,985	-4.19%					
2013.1	8,433	-6.14%					
2013.2	7,995	-5.19%		34,791	4.55%	-0.78%	SFY 12-13
2013.3	9,249	15.68%					
2013.4	9,059	-2.05%					
2014.1	8,270	-8.71%					
2014.2	7,808	-5.59%		34,386	-1.16%	-3.16%	SFY 13-14
2014.3	9,072	16.19%					
2014.4	8,608	-5.11%					
2015.1	7,860	-8.69%					
2015.2	7,535	-4.13%		33,075	-3.81%	-0.93%	SFY 14-15
2015.3	8,375	11.15%					
2015.4	7,934	-5.27%					
2016.1	7,296	-8.04%					
2016.2		-4.11%	6,996	30,601	-7.48%	-5.48%	SFY 15-16
2016.3		14.19%	7,989				
2016.4		1.18%	8,083				
2017.1		-4.96%	7,682				
2017.2		-5.15%	7,287	31,041	1.44%	1.45%	SFY 16-17
2017.3		11.29%	8,109				
2017.4		1.81%	8,256				
2018.1		-4.98%	7,845				
2018.2		-5.13%	7,442	31,652	1.97%	2.13%	SFY 17-18

(1) PMMIS

(2) Assumes 21.71 births per 1000 for 14-44 female TANF and SOBRA Women member months based on an average of Contract Years 10-15 and allocated according to average seasonal factors from Contract Years 10-15. Includes births for the Newly Eligible Adult population using 1.57 births per thousand member months for the period October 2015 to May 2016 for females only. Seasonal factors for NEA births were based on Contract Years 14-15 for Expansion State Adults.

Does not include CMDP.

Title XIX Births



Arizona Health Care Cost Containment System

SOBRA Women Forecast

	MEMBER MONTHS ACTUAL (1)	PERCENT FORECAST (2)	MEMBER MONTHS FORECAST	SFY TOTAL	YEAR TO YEAR GROWTH %	JUNE TO JUNE GROWTH %	
2009.3	39,911	1.68%					
2009.4	39,186	-1.82%					
2010.1	38,526	-1.68%					
2010.2	38,621	0.25%		156,245	-0.08%	-2.13%	SFY 09-10
2010.3	39,020	1.03%					
2010.4	39,257	0.61%					
2011.1	37,898	-3.46%					
2011.2	39,675	4.69%		155,850	-0.25%	3.69%	SFY 10-11
2011.3	41,650	4.98%					
2011.4	41,706	0.14%					
2012.1	41,508	-0.48%					
2012.2	43,922	5.82%		168,786	8.30%	11.85%	SFY 11-12
2012.3	46,412	5.67%					
2013.4	44,477	-4.17%					
2013.1	42,929	-3.48%					
2013.2	44,936	4.67%		178,753	5.91%	0.98%	SFY 12-13
2013.3	46,249	2.92%					
2013.4	44,898	-2.92%					
2014.1	42,186	-6.04%					
2014.2	42,488	0.72%		175,821	-1.64%	-6.60%	SFY 13-14
2014.3	42,829	0.80%					
2014.4	41,142	-3.94%					
2015.1	42,704	3.80%					
2015.2	56,593	32.52%		183,268	4.24%	50.60%	SFY 14-15
2015.3	78,663	39.00%					
2015.4	90,407	14.93%					
2016.1	75,982	-15.95%					
2016.2	82,206	8.19%		327,259	78.57%	31.27%	SFY 15-16
2016.3		-4.85%	78,219				
2016.4		0.50%	78,607				
2017.1		0.50%	78,997				
2017.2		0.50%	79,389	315,213	-3.68%	-4.78%	SFY 16-17
2017.3		0.50%	79,783				
2017.4		0.50%	80,179				
2018.1		0.50%	80,577				
2018.2		0.50%	80,977	321,517	2.00%	2.00%	SFY 17-18

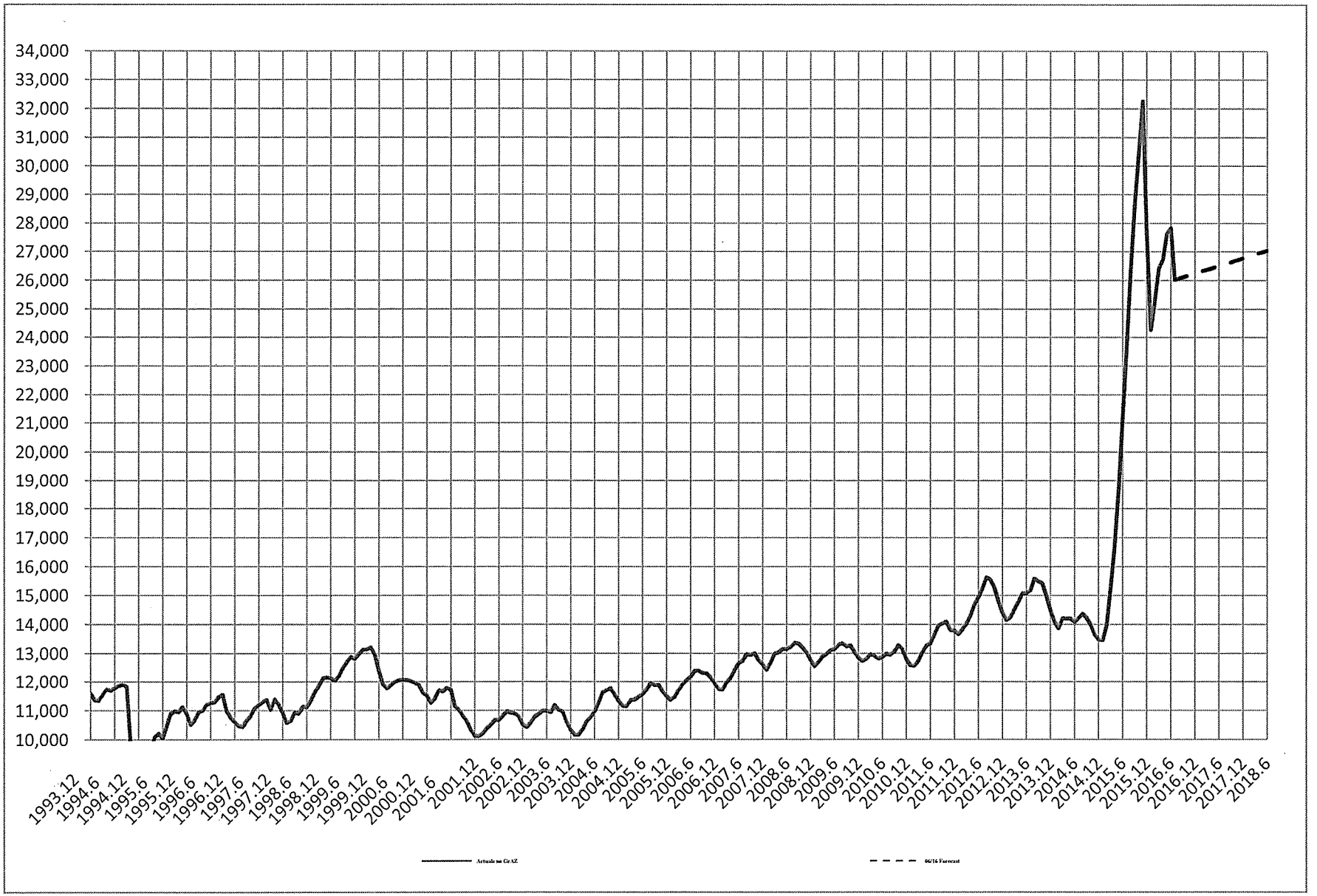
(1) PMMIS

(2) 2% growth rate.

July 2016 estimate included in base for forecast.

Does not include CMDP.

SOBRA Women Member Months



Arizona Health Care Cost Containment System

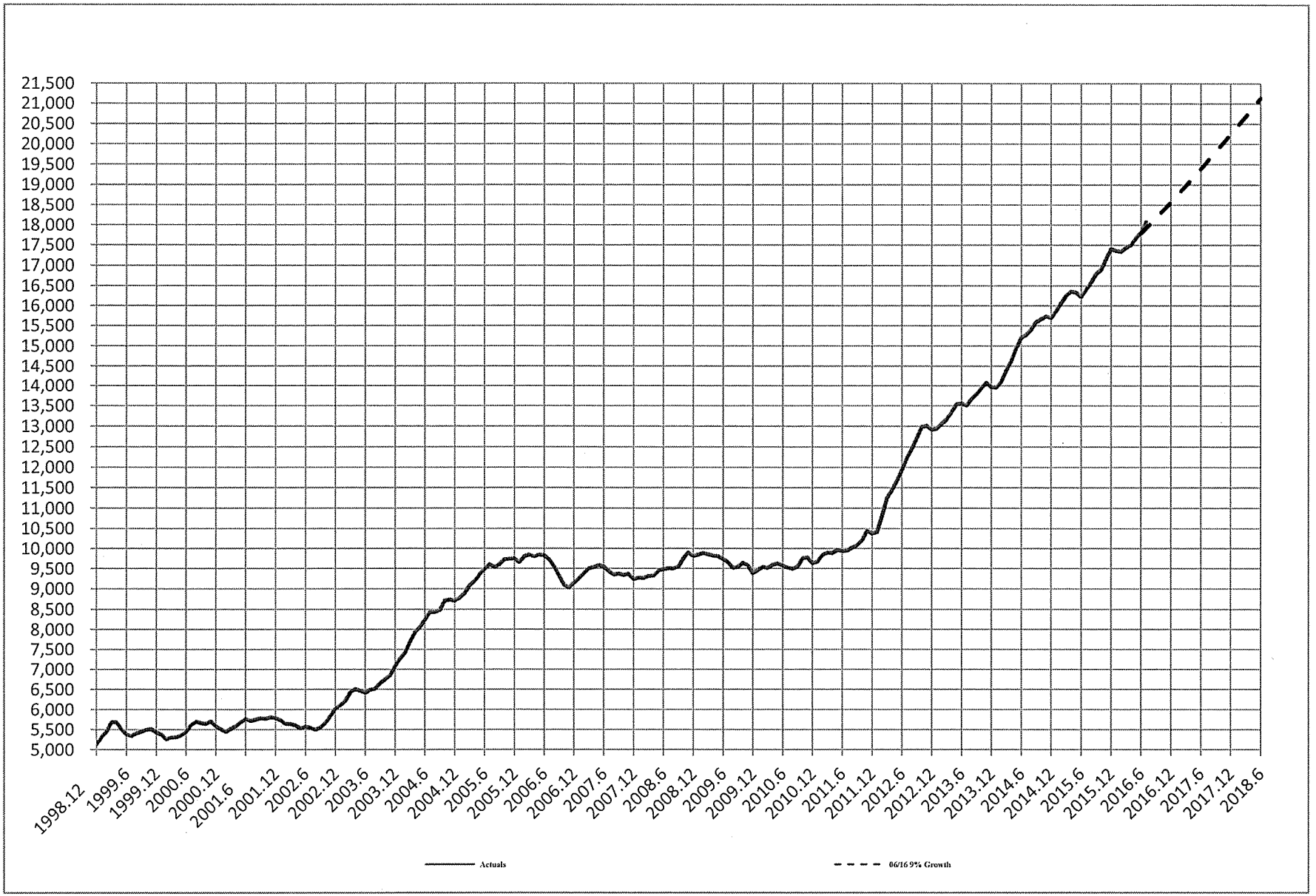
CMDP Forecast

	MEMBER MONTHS ACTUAL (1)	PERCENT QTR.GROWTH	MEMBER MONTHS FORECAST (2)	SFY TOTAL	YEAR TO YEAR GROWTH %	JUNE TO JUNE GROWTH %	
2009.3	28,719	-2.24%					
2009.4	28,616	-0.36%					
2010.1	28,525	-0.32%					
2010.2	28,794	0.94%		114,655	-2.00%	-1.71%	SFY 09-10
2010.3	28,570	-0.78%					
2010.4	29,174	2.11%					
2011.1	29,419	0.84%					
2011.2	29,791	1.26%		116,954	2.01%	3.84%	SFY 10-11
2011.3	30,060	0.90%					
2011.4	31,035	3.24%					
2012.1	32,475	4.64%					
2012.2	35,031	7.87%		128,602	9.96%	20.02%	SFY 11-12
2012.3	37,409	6.79%					
2013.4	38,913	4.02%					
2013.1	39,167	0.65%					
2013.2	40,439	3.25%		155,928	21.25%	13.65%	SFY 12-13
2013.3	40,942	1.24%					
2013.4	41,989	2.56%					
2014.1	42,460	1.12%					
2014.2	44,796	5.50%		170,187	9.14%	12.19%	SFY 13-14
2014.3	46,265	3.28%					
2014.4	47,091	1.79%					
2015.1	48,191	2.34%					
2015.2	48,914	1.50%		190,460	11.91%	6.69%	SFY 14-15
2015.3	49,800	1.81%					
2015.4	51,465	3.34%					
2016.1	52,126	1.29%					
2016.2	52,997	1.67%		206,388	8.36%	9.83%	SFY 15-16
2016.3		2.16%	54,140				
2016.4		2.18%	55,319				
2017.1		2.18%	56,524				
2017.2		2.18%	57,755	223,739	8.41%	8.82%	SFY 16-17
2017.3		2.18%	59,013				
2017.4		2.18%	60,298				
2018.1		2.18%	61,611				
2018.2		2.18%	62,953	243,875	9.00%	9.00%	SFY 17-18

(1) PMMIS
(2) Based on 9% annual growth rate.

July 2016 estimate included in base for forecast.

CMDP MM (ALL)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Actuals
06/16 9% Growth

Arizona Health Care Cost Containment System

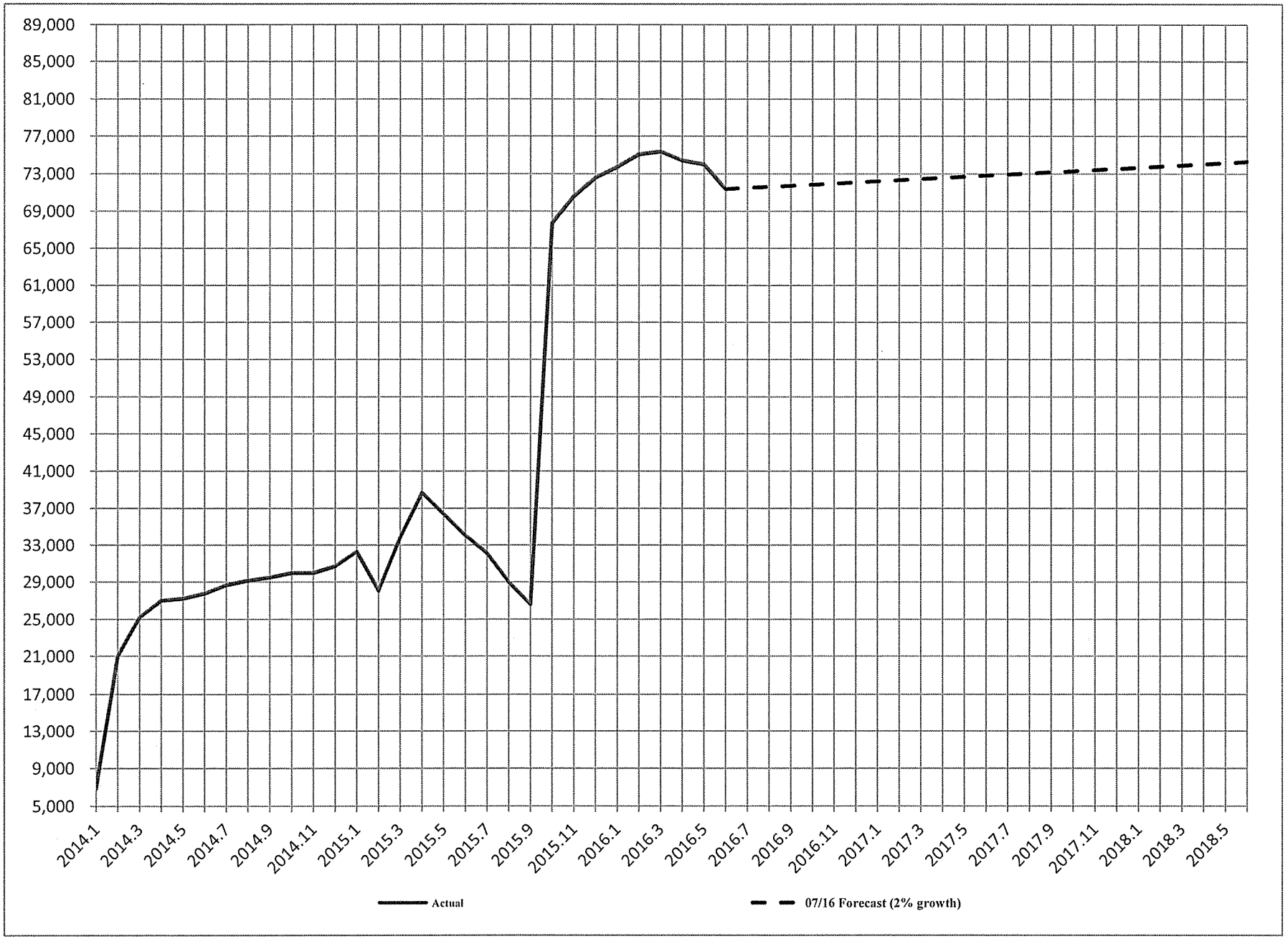
Newly Eligible Children MM

	MEMBER MONTHS ACTUAL	PERCENT QTR.GROWTH	MEMBER MONTHS FORECAST	SFY TOTAL	YEAR TO YEAR GROWTH %	JUNE TO JUNE GROWTH %	
2013.3		NA					
2013.4		NA					
2014.1	53,096	NA					
2014.2	81,959	54.36%		135,055	NA	NA	SFY 13-14
2014.3	87,271	6.48%					
2014.4	90,645	3.87%					
2015.1	94,209	3.93%					
2015.2	109,117	15.82%		381,242	182.29%	22.77%	SFY 14-15
2015.3	87,739	-19.59%					
2015.4	210,922	140.40%					
2016.1	224,157	6.28%					
2016.2	219,794	-1.95%		742,611	94.79%	109.55%	SFY 15-16
2016.3		-2.24%	214,871				
2016.4		0.50%	215,938				
2017.1		0.50%	217,009				
2017.2		0.50%	218,086	865,904	16.60%	2.00%	SFY 16-17
2017.3		0.50%	219,169				
2017.4		0.50%	220,256				
2018.1		0.50%	221,349				
2018.2		0.50%	222,448	883,222	2.00%	2.00%	SFY 17-18

(1) PMMIS

(2) 2% growth rate adjusted for transfers of children to SOBRA.
June 2016 estimate included in base for forecast.

ACA Newly Eligible Children



TRADITIONAL FEE-FOR-SERVICE

PROGRAM DESCRIPTION/BACKGROUND

The distinctive populations/programs outlined and described below, combine to make up the Traditional Medicaid Fee-For-Service program within the Traditional Medicaid Services appropriation. Effective January 1, 2014 the American Indian Health Plan (AIHP) children with a FPL between 100% and 133% were added to this population.

Indian Health Services (IHS)

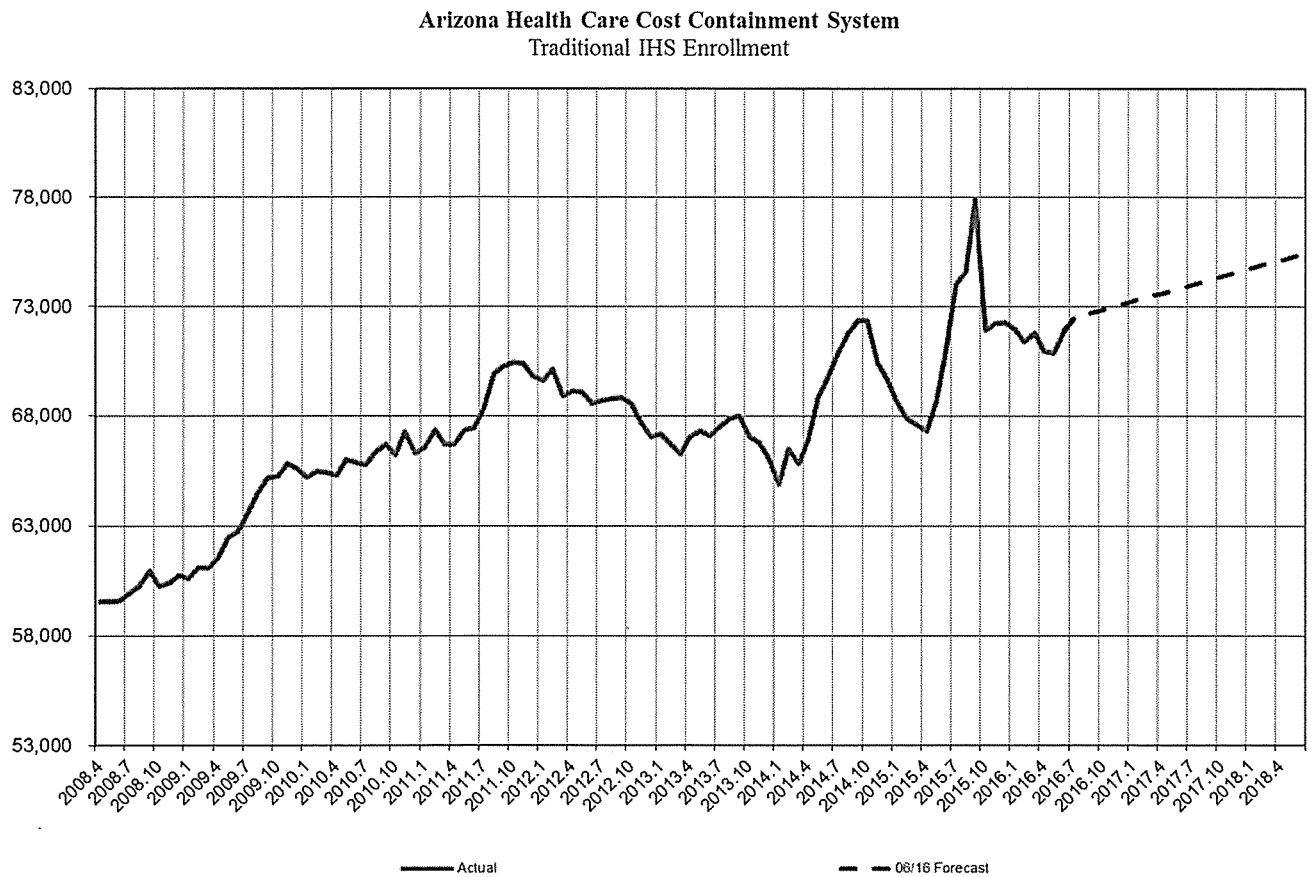
Under the provisions of its approved Medicaid State Plan, AHCCCS is responsible for paying for the cost of services provided to Native Americans who are Title XIX eligible.

Native American recipients have a choice of either enrolling with the American Indian Health Program (AIHP) or an AHCCCS health plan. AHCCCS pays claims for Native Americans who select the AIHP as their health plan on a fee-for-service basis. AHCCCS also pays claims on a fee-for-service basis for Native Americans enrolled with an MCO if they receive services at an IHS and/or tribal 638 facility.

The SFY 2016 year-over-year and June-over-June member growth rates ended the year at 3.96% and 1.30% respectively. For FY 2017 and FY 2018, the year-over-year AIHP population is expected to increase 0.72% and 2.08% respectively. The SSI and TANF/SOBRA population forecasts were based on the growth rates used for the Traditional Acute Member Month TANF/SOBRA forecasts. Both IHS Facilities and Non-Facilities utilize the same enrollment forecast for budget development purposes.

IHS Enrollment

Fiscal Year	Enrollment	% Change
SFY 2015 Actual	838,904	4.04%
SFY 2016 Actual	872,107	3.96%
SFY 2017 Estimate	878,368	0.72%
SFY 2018 Estimate	896,621	2.08%



IHS Facilities Budget Development

Services provided for Native Americans by IHS and/or a tribally owned and operated facility authorized by CMS as a 638 tribal facility, are paid using the IHS Federal Medical Assistance Percentage (FMAP), which is 100%. These costs are paid fee-for-service from the IHS Facilities sub program line.

The IHS, an agency of the U.S. Department of Health and Human Services, publishes rates in the Federal Register annually. The IHS rates are used to calculate the IHS Facility expenditure forecast. The inpatient/outpatient IHS rate changes for CY 2016 were 8.68% and 5.14% respectively. The most recent five year average

inpatient/outpatient rate changes of 5.50% and 4.61% respectively, were used for CY2017 and CY2018 budget calculations. The inflation rates are applied every January. The historical rates and calculations can be viewed in the included schedule entitled "IHS Facilities Inflation Developed".

The average PMPM (Per Member Per Month) rates for the final two quarters of FY 2016 (January – June 2016) were used as the basis for the first six months of FY 2017. The CY 2016 IHS rates were released in March 2016 and the payments associated with the rate adjustments have been made. Therefore, the impact of the changes was included in FY 2016 expenditures and, subsequently, in the PMPM calculation. The Facility FY 2017 and FY 2018 expenditure and inflation rates are depicted in the tables below.

IHS Facilities

Fiscal Yr	Expenditures	% Change
SFY 2015 Actual	347,912,738	11.78%
SFY 2016 Actual	319,499,280	-8.17%
SFY 2017 Estimate	326,396,500	2.16%
SFY 2018 Estimate	348,975,500	6.92%

PMPM Change

Fiscal Yr	Inpatient	Outpatient	Weighted
SFY 2015 Actual	1.24%	2.34%	2.22%
SFY 2016 Actual	8.68%	5.14%	5.61%
SFY 2017 Estimate	5.50%	4.61%	4.73%
SFY 2018 Estimate	5.50%	4.61%	4.73%

Non-Facility Budget Development

Based on available resources, medical care is provided either by IHS staff or under contract. However, to ensure equal access to state, local, and federal programs, to which other citizens are entitled (in accordance with Medicaid Payment Policy and the Indian Health Care Act), if IHS is unable to provide the necessary treatment, Medicaid-eligible Native Americans who enroll with AIHP may use non-IHS providers for services. AHCCCS considers the costs associated with these services to be Title XIX Non-Facility claims. CMS reimburses the State for Title XIX non-facility claims at the State's FMAP rate, which for FY 2018 is estimated to be 69.53% for the Traditional Medicaid Services populations, based on the FFIS estimate for FFY2018.

The Non-Facility rates are adjusted for inflation at the beginning of each federal fiscal year, unless legislation dictates otherwise. The inpatient inflation rates used in the forecast for FY 2017 and FY 2018 were based on Global Insight's Health-Care Cost Review - Hospital Market Basket, First Quarter 2016 and were 3.11% and 3.29% respectively. The outpatient inflation rates used in the FY 2017 and FY 2018 forecasts were also based on Global Insight's estimates and were 2.54% and 2.60% respectively. The FY 2016 weighted average PMPM was used as the basis for the first quarter of FY 2017 PMPMs. The PMPMs were then adjusted for the noted inflation rates in October of each year. The Non-Facility FY 2017 and FY 2018 expenditure and inflation rates are depicted in the following tables.

IHS Non-Facility

Fiscal Yr	Expenditures	% Change
SFY 2015 Actual	152,549,962	10.57%
SFY 2016 Actual	160,596,076	5.27%
SFY 2017 Estimate	165,909,800	3.31%
SFY 2018 Estimate	174,236,200	5.02%

PMPM Change

Fiscal Yr	Inpatient	Outpatient	Weighted
SFY 2015 Actual	1.25%	2.83%	2.38%
SFY 2016 Actual	1.48%	2.85%	2.46%
SFY 2017 Estimate	3.11%	2.54%	2.70%
SFY 2018 Estimate	3.29%	2.60%	2.79%

Non-IHS Fee-For-Service

The Non IHS/Non-Emergency Services Fee-For-Service Program pays for services for recipients that are receiving services for less than 30 days.

Less than 30-day recipients are those people who receive AHCCCS Acute Care Benefits for less than thirty days from their eligibility determination date. These recipients are not enrolled with a Health Plan. Any services received by these recipients during their eligibility period are paid from the Fee-For-Service budget.

Total Non-IHS expenditures were estimated using the FY 2016 actual expenditures and adjusting them by the weighted inpatient/outpatient inflation rates for FY 2017 and FY 2018. The weighted inflation rates can be viewed in the table above. The total expenditures were split amongst the different risk groups using the actual percentages of each risk group's expenditures in FY 2016.

Non-IHS		
Fiscal Year	**Expenditures**	**% Change**
SFY 2015 Actual	$3,472,735	-43.76%
SFY 2016 Actual	$2,852,987	-17.85%
SFY 2017 Estimate	$2,930,500	2.72%
SFY 2018 Estimate	$3,012,100	2.78%

Federally Qualified Health Centers (FQHC)

To bring more visibility to the expenditures for services provided by the valuable FQHC/RHC provider community, effective April 1, 2015, AHCCCS mandated that MCOs pay the full-cost PPS rates computed by AHCCCS for each FQHC/RHC. As such, capitation rates were amended for April 1, 2015, to include the funds necessary to pay the PPS rates. SFY2017 and SFY2018 FQHC expenditures are now included in the Capitation program forecasts.

Emergency Services Program (ESP)

The Emergency Services Program (ESP) encompasses AHCCCS coverage of services for lawfully admitted immigrants during their first 60 months of residency, as well as undocumented immigrants. AHCCCS recipients enrolled with this program are covered for emergency services only and the claims for their services are paid for on a fee-for-service basis.

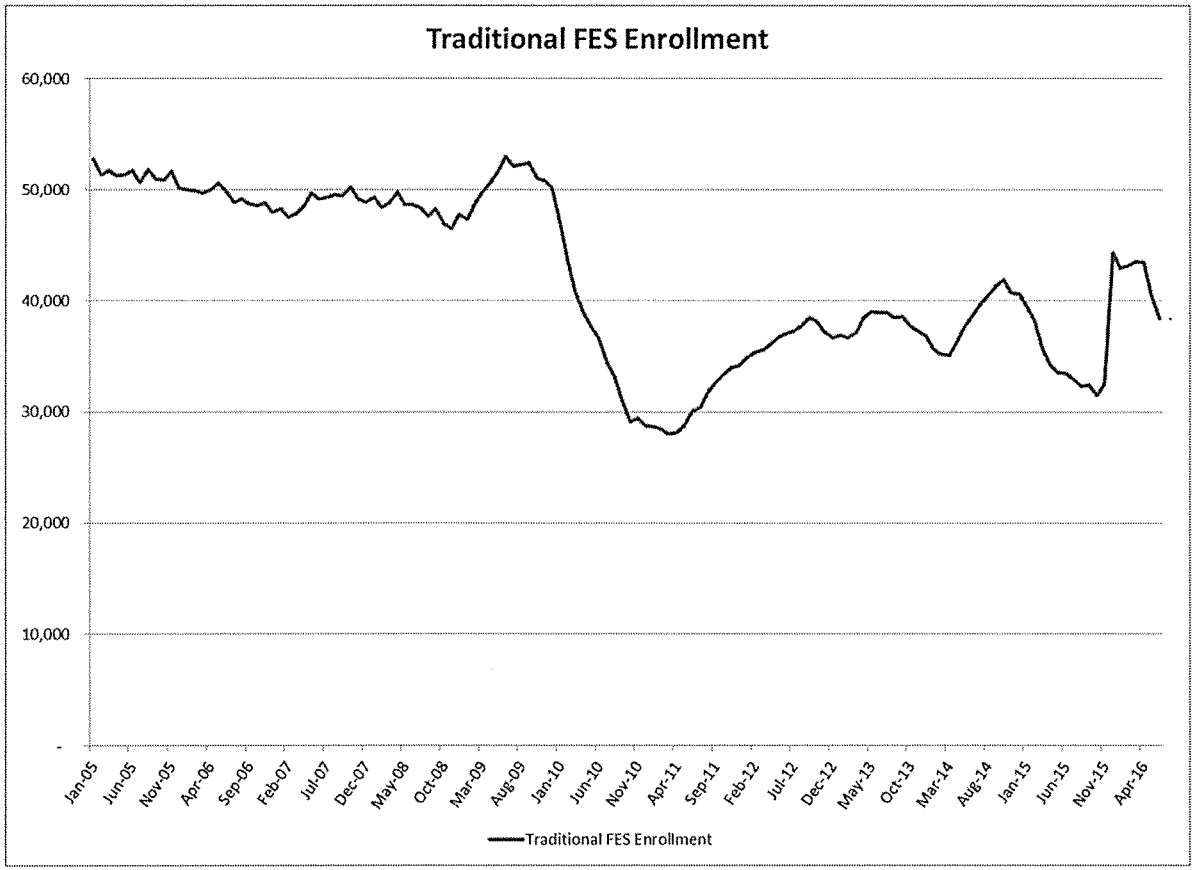
The Federal Emergency Services Program (FES) is available to individuals who, except for their citizenship/alien status, meet Federal income and resource eligibility requirements. The program provides emergency services to three general categories: persons not qualified for Medicaid services because they are aliens who entered the U.S. prior to August 22, 1996; qualified aliens who entered after August 22, 1996, but are not yet entitled to full services; and undocumented immigrants. This program only covers emergency services which are defined by the Social Security Act as acute symptoms of sufficient severity that the absence of immediate medical attention could reasonably be expected to result in: 1) placing the patient's health in serious jeopardy, 2) serious impairment to bodily functions, 3) serious

dysfunction of any bodily organ or part. Labor and delivery are included as emergency medical services, but not routine prenatal or post-partum care. When certain requirements are met, AHCCCS also considers dialysis as an emergency service. For budgeting purposes, FES covered services are considered to be either birth-related services (births) or other services (other).

For the birth-related expenditure estimates, the total FES birth counts, which are composed of Traditional Medicaid FES births and Proposition 204 FES births, were assumed to remain at current levels following four years of moderate decreases. The annual counts were then adjusted for seasonality based on actual experience over the past 4 years. The SFY2016 average percentage of Traditional Medicaid births among total FES births was then applied to obtain the Traditional Medicaid births forecast. The PMPM for July 2016 through September 2016 was calculated using the actual expenditure and birth counts for the period covering October 2015 through June 2016. SFY2017 and SFY2018 inflation rates used were 2.56% and 3.01% respectively and were based on Global Insight's Health-Care Cost Review - Hospital Market Basket, First Quarter 2016.

The forecasts for other emergency expenditures were computed in a similar fashion to the Births, by multiplying an estimated PMPM rate by forecasted enrollment. PMPM rates were estimated for both the Traditional and Proposition 204 populations by using the SFY2017 and SFY2018 inflation rates of 2.56% and 3.01%, respectively, to increase the SFY2016 weighted average PMPM. Enrollment was then estimated by using the monthly growth rates implied by the TANF/SSI member-month forecasts. The Total FES Other historical and forecasted expenditures can be viewed in the following table.

Total FES Other Expenditures				
	Traditional	**Prop 204**	**Total Expenditures**	**% Change**
SFY 2015 Actual	$34,446,430	$14,198,358	$48,644,787	-1.66%
SFY 2016 Actual	$45,283,852	$20,136,731	$65,420,583	34.49%
SFY 2017 Estimate	$49,267,900	$21,225,100	$70,493,000	7.75%
SFY 2018 Estimate	$51,781,100	$22,293,700	$74,074,800	5.08%



The components that make up the FES Program and their corresponding enrollment and expenditure history/forecasts are illustrated in the following table. Figures are Traditional Medicaid only.

FES Births

Fiscal Year	Births	% Change	TTL FES Avg. Enrollment	% Change
SFY 2015 Actual	7,271	-6.60%	91,432	32.99%
SFY 2016 Actual	6,407	-11.88%	114,085	24.78%
SFY 2017 Estimate	6,405	-0.03%	119,066	4.37%
SFY 2018 Estimate	6,405	0.00%	122,662	3.02%

Fiscal Yr	FES Births	FES Other	Total	% Change
SFY 2015 Actual	$29,112,706	$34,446,430	$63,559,135	-10.62%
SFY 2016 Actual	$20,807,694	$45,283,852	$66,091,546	3.98%
SFY 2017 Estimate	$21,062,000	$49,267,900	$70,329,900	6.41%
SFY 2018 Estimate	$21,670,000	$51,781,100	$73,451,100	4.44%

Prior Quarter Coverage

As part of an effort to standardize Medicaid enrollment procedures across the nation, CMS required AHCCCS to reinstitute Prior Quarter Coverage for new enrollees in the program beginning January 1, 2014. AHCCCS had been exempt from this federal requirement due to the 1115 Waiver initially granted by CMS in 2001. CMS would not renew the waiver for periods after December 31, 2013. Prior Quarter Coverage requires AHCCCS to make eligibility for Medicaid effective no later than the third month before the month of application if the individual received medical services, at any time during that period, of a type covered by the state plan; and would have been eligible for Medicaid at the time he/she received services if he/she had applied. AHCCCS must specify the effective eligibility date and may make eligibility for Medicaid effective on the first day of the month if the applicant was eligible at any time during that month.

Example: An applicant applies April 15 and is determined to be eligible back to April 1. Under prior quarter coverage, AHCCCS would evaluate the member's eligibility for Medicaid during any one of the three months (January, February, and March) preceeding April 1, if the applicant notifies AHCCCS that they had received services.

The estimated expenditures for the FY 2017 and FY 2018 are based on the FY 2016 average expenditures, increased at the Non-Facility annualized inflation rates of 2.70% and 2.79% respectively. The implementation of this federal requirement is expected to add $7,945,800 Total Fund ($2,371,100 General Fund) to the Traditional fee-for-service line item in FY 2017 and $8,169,600 Total Fund ($2,421,300 General Fund) in FY 2018. The calculation of the estimates is included in the budget development schedule entitled, "Fiscal Years 2017-2018 Prior Quarter Estimate."

ACA Child Expansion

In accordance with provisions outlined in the ACA, beginning January 1, 2014, AHCCCS expanded Medicaid eligibility for children ages 6-18. The fee-for-service portion of the child expansion population was developed by applying the average monthly IHS-to-Acute Capitated enrollment ratio to the total population. The PMPMs used are equal to the TANF/SOBRA PMPMs used in the Traditional Facility and Non-Facility budget development for the same period. The inflation rates used are the weighted inpatient/outpatient rates outlined in the Traditional Facility and Non-Facility budgets as well. The Facility estimates assume 100% federal funding. The Non-Facility estimates assume a FMAP of 77.92% through September 2015 and 100% federal funding thereafter. The resulting total fee-for-service estimates for the child expansion population are $9,634,600 Total Fund (100% federally funded) for FY 2017 and $10,641,900 Total Fund (100% federally funded) for FY 2018.

Hospital Presumptive Eligibility

As authorized by the Affordable Care Act, beginning in January 2014 all states must implement Hospital Presumptive Eligibility (HPE) and ensure that hospitals that participate in the Medicaid program can begin making HPE determinations to provide temporary Medicaid coverage to individuals who presumptively appear to qualify. In Arizona, populations eligible for HPE will include: children, pregnant women, parents and caretakers, individuals formerly in foster care, non-disabled

adults 19-64 without Medicare, and individuals qualifying under the Breast and Cervical Cancer Treatment Program for those hospitals that are also qualified to perform breast and cervical cancer screenings by the Arizona Department of Health Services under the Well Woman Health Check Program.
This program is still awaiting CMS approval and has not yet been implemented. As a placeholder estimate, AHCCCS is requesting $2,500,000 Total Fund ($771,000 General Fund) for FY 2017 and $5,000,000 Total Fund ($1,527,100 General Fund) for this program in FY 2018.

Statutory Reference
Section 1905(b) of the Social Security Act, 42 U.S.C.1396d
Title I and III of the Indian Self-determination and Education Assistance Act (Law 93-638, as amended), hereafter "638." SEC. 1911. *[42 U.S.C. 1396j]* (a)
Title I and III of the Indian Self-determination and Education Assistance Act (Law 93-638, as amended), hereafter "638." SEC. 1911. *[42 U.S.C. 1396j]* (c)
Vol. II, P.L. 94-437, §402(c)(d)
Sec 321(a) and 322(b) of the Public Health Service Act (42U.S.C. 248(a) and 249(b))
Sec 601 of the Indian Health Care Improvement Act (25 U.S.C. 1601)
Arizona Revised Statute (A.R.S.) § 36-2903.01 (J)(2)
§1902(a)(10)(B) of the Social Security Act (the Act) and 42 CFR 440.240
1905(a)(2)(c) of the Social Security Act Secs.329, 330 or 340 of the Public Health Services (PHS) Act
Section 6404 of the Omnibus Budget Reconciliation Act of 1989 (P.L. 101-239) amended
Secs. 1905 (a) and (1) of the Social Security Act
HCFA State Medicaid Manual, SMM4-4231 section C. Provisions of payment for services provided under the
Balanced Budget Act of 1997 (BBA 97) Section 4712(b), Social Security Act 1902(a)(13)(C)(I),
Arizona State Plan, Section 4.19 (b)(1) and (2)
Section 1902(a)(13)(C)(I) of the Social Security Act.
Section 702 of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act (BIPA)
Section 1903(v) of the Social Security Act.

Arizona Health Care Cost Containment System

Traditional Medicaid Fee-For-Service Summary

		FY 2016 Actual		FY 2017 Allocation	(SM %)	FY 2017 Rebase (AHCCCS)	(SM %)	FY 2018 Request (AHCCCS)	(SM %)	FY 2018 Increase
IHS Facilities	(SM)	-		-		-		-		-
	(TF)	319,499,280		359,014,300		326,396,500		348,975,500		(10,038,800)
IHS Non-Facility	(SM)	50,112,140	31.2%	54,559,300	30.2%	51,162,800	30.8%	53,212,400	30.5%	(1,346,900)
	(TF)	160,596,076		180,458,300		165,909,800		174,236,200		(6,222,100)
Non IHS	(SM)	891,304	31.2%	970,400	30.3%	903,800	30.8%	919,900	30.5%	(50,500)
	(TF)	2,852,987		3,205,800		2,930,500		3,012,100		(193,700)
FES Births	(SM)	6,501,743	31.2%	7,078,700	30.3%	6,496,600	30.8%	6,619,500	30.5%	(459,200)
	(TF)	20,807,694		23,381,100		21,062,000		21,670,000		(1,711,100)
FES Other	(SM)	14,109,136	31.2%	15,361,200	30.2%	15,193,800	30.8%	15,814,900	30.5%	453,700
	(TF)	45,283,852		50,884,500		49,267,900		51,781,100		896,600
Prior Quarter	(SM)	2,357,251	30.1%	2,566,400	29.2%	2,371,100	29.8%	2,421,300	29.6%	(145,100)
	(TF)	7,828,832		8,797,100		7,945,800		8,169,600		(627,500)
Child Expansion	(SM)	32,773	0.4%	-	0.0%	-	0.0%	-	0.0%	-
	(TF)	8,520,493		9,574,300		9,634,600		10,641,900		1,067,600
Hospital Presumptive Eligibility	(SM)	-		-		771,000	30.8%	1,527,100	30.5%	1,527,100
	(TF)	-		-		2,500,000		5,000,000		5,000,000
Total Fee-For-Service	(SM)	74,004,347		80,536,000		76,899,100		80,515,100		(20,900)
	(TF)	565,389,213		635,315,400		585,647,100		623,486,400		(11,829,000)

Notes:

(1) The JLBC provides the Traditional Medicaid Services Appropriation figure and the Fee-for-Service allocation is included in this appropriation. The FY 2017 allocation and line detail was derived by using a percentage of each individual line to the total line of the state fiscal year 2016 actuals.

(2) FY 2016 Actuals are from PMMIS and will not tie to AFIS due to timing and manual adjustments.

Traditional IHS Enrollment

Arizona Health Care Cost Containment System

Traditional IHS Enrollment Forecast

	ENROLLMENT ACTUAL (1)	PERCENT QTR.GROWTH	ENROLLMENT FORECAST (2)	SFY TOTAL	YEAR TO YEAR GROWTH %	JUNE TO JUNE GROWTH %	SFY
2009.3	193,354	3.53%					
2009.4	196,731	1.75%					
2010.1	196,199	-0.27%					
2010.2	197,244	0.53%		783,528	7.00%	5.01%	SFY 09-10
2010.3	198,882	0.83%					
2010.4	199,892	0.51%					
2011.1	200,671	0.39%					
2011.2	201,512	0.42%		800,957	2.22%	2.36%	SFY 10-11
2011.3	208,561	3.50%					
2011.4	210,737	1.04%					
2012.1	208,713	-0.96%					
2012.2	206,852	-0.89%		834,863	4.23%	1.68%	SFY 11-12
2012.3	206,396	-0.22%					
2012.4	203,332	-1.48%					
2013.1	200,217	-1.53%					
2013.2	201,518	0.65%		811,463	-2.80%	-2.15%	SFY 12-13
2013.3	203,410	0.94%					
2013.4	199,957	-1.70%					
2014.1	197,266	-1.35%					
2014.2	205,703	4.28%		806,336	-0.63%	4.11%	SFY 13-14
2014.3	215,107	4.57%					
2014.4	212,563	-1.18%					
2015.1	204,250	-3.91%					
2015.2	206,984	1.34%		838,904	4.04%	1.61%	SFY 14-15
2015.3	226,592	9.47%					
2015.4	216,485	-4.46%					
2016.1	215,227	-0.58%					
2016.2	213,803	-0.66%		872,107	3.96%	1.30%	SFY 15-16
2016.3		1.90%	217,871				
2016.4		0.53%	219,035				
2017.1		0.52%	220,164				
2017.2		0.51%	221,298	878,368	0.72%	2.75%	SFY 16-17
2017.3		0.51%	222,436				
2017.4		0.51%	223,579				
2018.1		0.51%	224,727				
2018.2		0.51%	225,879	896,621	2.08%	2.07%	SFY 17-18

(1) Actual enrollment through June 2016.

(2) Forecast based on Traditional Capitation MM for TANF, SOBRA, and SSI.

Arizona Health Care Cost Containment System

IHS Facilities Inflation Developed

IHS	A	B	C	D	E	F
	CY06	CY07	% + / -	% OP/IP Costs	Weighted Infl. Rate Incr.	% Inflationary Impact
OP Rate	$ 242.00	$ 256.00	5.79%	75.32%	4.36%	81.84%
IP Rate	$ 1,660.00	$ 1,725.00	3.92%	24.68%	0.97%	18.16%
				100.00%	5.32%	100.00%
	CY07	CY08	% + / -	% OP/IP Costs	Weighted Infl. Rate Incr.	% Inflationary Impact
OP Rate	$ 256.00	$ 253.00	-1.17%	81.43%	-0.95%	3323.73%
IP Rate	$ 1,725.00	$ 1,811.00	4.99%	18.57%	0.93%	-3223.73%
				100.00%	-0.03%	100.00%
	CY08	CY09	% + / -	% OP/IP Costs	Weighted Infl. Rate Incr.	% Inflationary Impact
OP Rate	$ 253.00	$ 268.00	5.93%	85.03%	5.04%	86.52%
IP Rate	$ 1,811.00	$ 1,906.00	5.25%	14.97%	0.79%	13.48%
				100.00%	5.83%	100.00%
	CY09	CY10	% + / -	% OP/IP Costs	Weighted Infl. Rate Incr.	% Inflationary Impact
OP Rate	$ 268.00	$ 289.00	7.84%	87.31%	6.84%	88.01%
IP Rate	$ 1,906.00	$ 2,046.00	7.35%	12.69%	0.93%	11.99%
				100.00%	7.77%	100.00%
	CY10	CY11	% + / -	% OP/IP Costs	Weighted Infl. Rate Incr.	% Inflationary Impact
OP Rate	$ 289.00	$ 294.00	1.73%	86.97%	1.50%	105.35%
IP Rate	$ 2,046.00	$ 2,034.00	-0.59%	13.03%	-0.08%	-5.35%
				100.00%	1.43%	100.00%
	CY11	CY12	% + / -	% OP/IP Costs	Weighted Infl. Rate Incr.	% Inflationary Impact
OP Rate	$ 294.00	$ 316.00	7.48%	89.56%	6.70%	90.89%
IP Rate	$ 2,034.00	$ 2,165.00	6.44%	10.44%	0.67%	9.11%
				100.00%	7.37%	100.00%
	CY12	CY13	% + / -	% OP/IP Costs	Weighted Infl. Rate Incr.	% Inflationary Impact
OP Rate	$ 316.00	$ 330.00	4.43%	92.06%	4.08%	91.22%
IP Rate	$ 2,165.00	$ 2,272.00	4.94%	7.94%	0.39%	8.78%
				100.00%	4.47%	100.00%
	CY13	CY14	% + / -	% OP/IP Costs	Weighted Infl. Rate Incr.	% Inflationary Impact
OP Rate	$ 330.00	$ 342.00	3.64%	87.01%	3.16%	79.69%
IP Rate	$ 2,272.00	$ 2,413.00	6.21%	12.99%	0.81%	20.31%
				100.00%	3.97%	100.00%
	CY14	CY15	% + / -	% OP/IP Costs	Weighted Infl. Rate Incr.	% Inflationary Impact
OP Rate	$ 342.00	$ 350.00	2.34%	88.90%	2.08%	93.78%
IP Rate	$ 2,413.00	$ 2,443.00	1.24%	11.10%	0.14%	6.22%
				100.00%	2.22%	100.00%
	CY15	CY16	% + / -	% OP/IP Costs	Weighted Infl. Rate Incr.	% Inflationary Impact
OP Rate	$ 350.00	$ 368.00	5.14%	86.68%	4.46%	79.41%
IP Rate	$ 2,443.00	$ 2,655.00	8.68%	13.32%	1.16%	20.59%
				100.00%	5.61%	100.00%

A= CY20 Rate
B= CY20 Rate
C= (B - A) / A
D= % of $ Paid to Total Facilities Costs
E= C * D
F= Each Weighted Inflation % Divided by their sum

	% + / -	Weighted
2-Year Average		
Outpatient	2.99%	3.07%
Inpatient	3.72%	
3-Year Average		
Outpatient	3.47%	3.54%
Inpatient	4.13%	
4-Year Average		
Outpatient	4.47%	4.50%
Inpatient	4.71%	
5-Year Average		
Outpatient	4.61%	4.73%
Inpatient	5.50%	

Arizona Health Care Cost Containment System

IHS Facilities Expenditures - Fiscal Years 2016-2018

FY 16 Actuals

	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
Enrollment													
TANF/SOBRA	62,636	63,165	66,421	60,143	60,454	60,490	60,195	59,692	60,076	59,313	59,085	60,060	731,730
SSI	11,425	11,452	11,493	11,786	11,799	11,813	11,772	11,734	11,758	11,686	11,805	11,854	140,377
Expenditures													
TANF/SOBRA	$21,162,028	$22,809,282	$27,897,084	$17,353,630	$21,165,454	$22,421,170	$17,264,588	$20,039,530	$21,590,282	$20,699,267	$21,002,345	$24,197,063	$257,601,723
SSI	$4,717,047	$5,255,495	$6,769,341	$3,940,181	$4,868,247	$5,388,041	$4,241,010	$4,544,900	$4,788,424	$5,249,533	$5,794,967	$6,340,371	$61,897,557
Subtotal:	$25,879,075	$28,064,777	$34,666,425	$21,293,811	$26,033,701	$27,809,210	$21,505,598	$24,584,431	$26,378,707	$25,948,800	$26,797,311	$30,537,433	$319,499,280
PMPMs													
TANF/SOBRA	$337.86	$361.11	$420.00	$288.54	$350.11	$370.66	$286.81	$335.72	$359.38	$348.98	$355.46	$402.88	$352.04
SSI	$412.87	$458.92	$589.00	$334.31	$412.60	$456.11	$360.26	$387.33	$407.25	$449.22	$490.89	$534.87	$440.94

FY 17 Rebase

Inflation: 4.73%

	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
Enrollment													
TANF/SOBRA	60,623	60,736	60,849	60,950	61,051	61,151	61,252	61,354	61,455	61,556	61,658	61,760	734,396
SSI	11,863	11,887	11,912	11,936	11,961	11,985	12,010	12,034	12,059	12,083	12,108	12,132	143,972
Expenditures													
TANF/SOBRA	$21,107,400	$21,146,800	$21,186,200	$21,221,200	$21,256,300	$21,291,400	$22,334,400	$22,371,200	$22,408,200	$22,445,200	$22,482,300	$22,519,400	$261,770,000
SSI	$5,201,400	$5,212,200	$5,222,900	$5,233,700	$5,244,400	$5,255,100	$5,514,700	$5,525,900	$5,537,200	$5,548,400	$5,559,700	$5,570,900	$64,626,500
Subtotal:	$26,308,800	$26,359,000	$26,409,100	$26,454,900	$26,500,700	$26,546,500	$27,849,100	$27,897,100	$27,945,400	$27,993,600	$28,042,000	$28,090,300	$326,396,500
PMPMs													
TANF/SOBRA	$348.17	$348.17	$348.17	$348.17	$348.17	$348.17	$364.63	$364.63	$364.63	$364.63	$364.63	$364.63	$356.44
SSI	$438.46	$438.46	$438.46	$438.46	$438.46	$438.46	$459.18	$459.18	$459.18	$459.18	$459.18	$459.18	$448.88

FY 18 Request

Inflation: 4.73%

	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
Enrollment													
TANF/SOBRA	61,862	61,964	62,066	62,169	62,272	62,374	62,477	62,581	62,684	62,788	62,891	62,995	749,124
SSI	12,157	12,181	12,206	12,230	12,255	12,279	12,304	12,328	12,353	12,377	12,402	12,426	147,498
Expenditures													
TANF/SOBRA	$22,556,600	$22,593,900	$22,631,200	$22,668,500	$22,706,000	$22,743,500	$23,857,600	$23,897,000	$23,936,500	$23,976,000	$24,015,600	$24,055,300	$279,637,700
SSI	$5,582,200	$5,593,400	$5,604,600	$5,615,900	$5,627,100	$5,638,400	$5,916,600	$5,928,400	$5,940,100	$5,951,900	$5,963,700	$5,975,500	$69,337,800
Subtotal:	$28,138,800	$28,187,300	$28,235,800	$28,284,400	$28,333,100	$28,381,900	$29,774,200	$29,825,400	$29,876,600	$29,927,900	$29,979,300	$30,030,800	$348,975,500
PMPMs													
TANF/SOBRA	$364.63	$364.63	$364.63	$364.63	$364.63	$364.63	$381.86	$381.86	$381.86	$381.86	$381.86	$381.86	$373.29
SSI	$459.18	$459.18	$459.18	$459.18	$459.18	$459.18	$480.88	$480.88	$480.88	$480.88	$480.88	$480.88	$470.09

1) Actuals through June 2016 are from PMMIS detail and may not reconcile to AFIS due to timing and manual adjustments.
2) Inflation rate developed using CY12 - 16 average OMB rate increases (excludes CY 2011 outlier).
3) PMPMs 7/1/16 through 12/31/16 are based on 2016.1 - 2016.2 averages. IHS Facility rates are adjusted for inflation in January.

Arizona Health Care Cost Containment System

Traditional IHS Non-Facility Inflation

Inflation: Non-Facility	*Inpatient*[1]	*Outpatient*[2]	*Combined*
SFY 17	3.11%	2.54%	2.70%
SFY 18	3.29%	2.60%	2.79%

[1] Inpatient rate increases based on Global Insight's *Health-Care Cost Review - Hospital Market Basket,* First Quarter 2016.

[2] Outpatient rate increases based on Global Insight's *Health-Care Cost Review - Regional Prices and Wages (Medical Care - West),* First Quarter 2016.

Arizona Health Care Cost Containment System

IHS Non-Facility Expenditure Forecast - Fiscal Years 2016-2018

FY 16 Actuals

	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
Enrollment													
TANF/SOBRA	62,636	63,165	66,421	60,143	60,454	60,490	60,195	59,692	60,076	59,313	59,085	60,060	731,730
SSI	11,425	11,452	11,493	11,786	11,799	11,813	11,772	11,734	11,758	11,686	11,805	11,854	140,377
Expenditures													
TANF/SOBRA	$7,417,339	$7,952,066	$10,142,970	$8,061,730	$7,510,254	$8,347,973	$6,838,366	$7,329,871	$9,425,619	$6,588,578	$7,486,666	$8,423,147	$95,524,577
SSI	$5,320,892	$5,722,753	$6,678,629	$4,994,926	$4,778,020	$6,390,894	$4,105,039	$4,763,741	$6,325,514	$4,496,635	$5,130,677	$6,363,780	$65,071,500
Subtotal:	$12,738,231	$13,674,819	$16,821,598	$13,056,656	$12,288,274	$14,738,867	$10,943,404	$12,093,612	$15,751,132	$11,085,213	$12,617,342	$14,786,927	$160,596,076
PMPMs													
TANF/SOBRA	$118.42	$125.89	$152.71	$134.04	$124.23	$138.01	$113.60	$122.79	$156.89	$111.08	$126.71	$140.25	$130.55
SSI	$465.72	$499.72	$581.10	$423.80	$404.95	$541.01	$348.71	$405.98	$537.98	$384.79	$434.62	$536.85	$463.55
Federal Authority	$8,720,593	$9,361,781	$11,516,066	$8,998,647	$8,469,078	$10,158,027	$7,542,194	$8,334,917	$10,855,680	$7,639,929	$8,695,872	$10,191,150	$110,483,936
State Match	$4,017,638	$4,313,038	$5,305,532	$4,058,009	$3,819,195	$4,580,840	$3,401,210	$3,758,695	$4,895,452	$3,445,284	$3,921,470	$4,595,777	$50,112,140

FY 17 Rebase

Inflation: 2.70%

	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
Enrollment													
TANF/SOBRA	60,623	60,736	60,849	60,950	61,051	61,151	61,252	61,354	61,455	61,556	61,658	61,760	734,396
SSI	11,863	11,887	11,912	11,936	11,961	11,985	12,010	12,034	12,059	12,083	12,108	12,132	143,972
Expenditures													
TANF/SOBRA	$7,914,100	$7,928,900	$7,943,700	$8,171,400	$8,184,900	$8,198,500	$8,212,000	$8,225,600	$8,239,100	$8,252,800	$8,266,400	$8,280,000	$97,817,400
SSI	$5,499,100	$5,510,400	$5,521,800	$5,682,400	$5,694,000	$5,705,700	$5,717,400	$5,729,000	$5,740,700	$5,752,300	$5,764,000	$5,775,600	$68,092,400
Subtotal:	$13,413,200	$13,439,300	$13,465,500	$13,853,800	$13,878,900	$13,904,200	$13,929,400	$13,954,600	$13,979,800	$14,005,100	$14,030,400	$14,055,600	$165,909,800
PMPMs													
TANF/SOBRA	$130.55	$130.55	$130.55	$134.07	$134.07	$134.07	$134.07	$134.07	$134.07	$134.07	$134.07	$134.07	$133.19
SSI	$463.55	$463.55	$463.55	$476.05	$476.05	$476.05	$476.05	$476.05	$476.05	$476.05	$476.05	$476.05	$472.96
Federal Authority	$9,244,400	$9,262,400	$9,280,400	$9,592,400	$9,609,800	$9,627,300	$9,644,700	$9,662,200	$9,679,600	$9,697,100	$9,714,600	$9,732,100	$114,747,000
State Match	$4,168,800	$4,176,900	$4,185,100	$4,261,400	$4,269,100	$4,276,900	$4,284,700	$4,292,400	$4,300,200	$4,308,000	$4,315,800	$4,323,500	$51,162,800

FY 18 Request

Inflation: 2.79%

	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
Enrollment													
TANF/SOBRA	61,862	61,964	62,066	62,169	62,272	62,374	62,477	62,581	62,684	62,788	62,891	62,995	749,124
SSI	12,157	12,181	12,206	12,230	12,255	12,279	12,304	12,328	12,353	12,377	12,402	12,426	147,498
Expenditures													
TANF/SOBRA	$8,293,700	$8,307,400	$8,321,100	$8,567,800	$8,581,900	$8,596,100	$8,610,300	$8,624,500	$8,638,800	$8,653,000	$8,667,300	$8,681,600	$102,543,500
SSI	$5,787,300	$5,799,000	$5,810,600	$5,984,900	$5,996,900	$6,008,900	$6,020,900	$6,032,900	$6,044,900	$6,056,800	$6,068,800	$6,080,800	$71,692,700
Subtotal:	$14,081,000	$14,106,400	$14,131,700	$14,552,700	$14,578,800	$14,605,000	$14,631,200	$14,657,400	$14,683,700	$14,709,800	$14,736,100	$14,762,400	$174,236,200
PMPMs													
TANF/SOBRA	$134.07	$134.07	$134.07	$137.81	$137.81	$137.81	$137.81	$137.81	$137.81	$137.81	$137.81	$137.81	$136.88
SSI	$476.05	$476.05	$476.05	$489.36	$489.36	$489.36	$489.36	$489.36	$489.36	$489.36	$489.36	$489.36	$486.06
Federal Authority	$9,749,700	$9,767,300	$9,784,800	$10,118,500	$10,136,600	$10,154,900	$10,173,100	$10,191,300	$10,209,600	$10,227,700	$10,246,000	$10,264,300	$121,023,800
State Match	$4,331,300	$4,339,100	$4,346,900	$4,434,200	$4,442,200	$4,450,100	$4,458,100	$4,466,100	$4,474,100	$4,482,100	$4,490,100	$4,498,100	$53,212,400

1) Actuals through June 2016 are from PMMIS detail and may not reconcile to AFIS due to timing and manual adjustments.
2) PMPMs 7/1/16 through 9/30/16 are based on the SFY 2016 weighted average PMPM. IHS Non-Facility rates are adjusted for inflation in October each year.
3) FY17 and FY18 inflation rates based on Global Insight's Health-Care Cost Review - Hospital Market Basket, First Quarter 2016.

Arizona Health Care Cost Containment System

Traditional Non-IHS Forecast

Fiscal Years 2016 - 2018

SFY16 Actuals

	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
TANF	58,171	72,956	57,701	71,382	42,592	37,030	37,363	29,622	35,461	37,092	30,431	42,837	552,637
SOBRA Children	97,890	78,391	80,383	45,040	55,651	112,558	113,884	69,766	76,027	52,853	56,110	53,470	892,025
SOBRA Women	26,367	30,030	51,389	32,945	17,414	14,780	24,736	42,117	42,908	44,485	14,964	28,158	370,293
SSI W/ MED.	3,936	13,821	10,327	5,092	10,423	12,323	8,393	11,476	6,422	3,617	3,120	7,938	96,886
SSI W/O MED.	25,658	293,175	98,767	22,145	28,966	28,914	14,673	36,210	90,833	50,079	210,188	41,539	941,147
Total Non-IHS:	212,022	488,373	298,567	176,603	155,046	205,605	199,049	189,191	251,651	188,126	314,813	173,942	2,852,987
Federal Authority	$145,151	$334,340	$204,399	$121,715	$106,858	$141,703	$137,184	$130,390	$173,438	$129,656	$216,969	$119,881	$1,961,684
State Match	$66,872	$154,033	$94,168	$54,888	$48,188	$63,902	$61,864	$58,801	$78,213	$58,469	$97,844	$54,061	$891,304

SFY17 Rebase

	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
TANF	46,400	60,400	36,200	56,200	48,800	46,100	37,600	39,800	47,600	47,300	61,100	40,200	567,700
SOBRA Children	74,800	97,600	58,400	90,700	78,700	74,400	60,800	64,300	76,800	76,300	98,600	64,900	916,300
SOBRA Women	31,100	40,500	24,200	37,700	32,700	30,900	25,200	26,700	31,900	31,700	40,900	26,900	380,400
SSI W/ MED.	8,100	10,600	6,300	9,900	8,600	8,100	6,600	7,000	8,300	8,300	10,700	7,000	99,500
SSI W/O MED.	78,900	102,900	61,600	95,700	83,100	78,500	64,100	67,800	81,000	80,500	104,000	68,500	966,600
Total Non-IHS:	239,300	312,000	186,700	290,200	251,900	238,000	194,300	205,600	245,600	244,100	315,300	207,500	2,930,500
Federal Authority	$164,900	$215,000	$128,700	$200,900	$174,400	$164,800	$134,500	$142,400	$170,100	$169,000	$218,300	$143,700	$2,026,700
State Match	$74,400	$97,000	$58,000	$89,300	$77,500	$73,200	$59,800	$63,200	$75,500	$75,100	$97,000	$63,800	$903,800

SFY18 Request

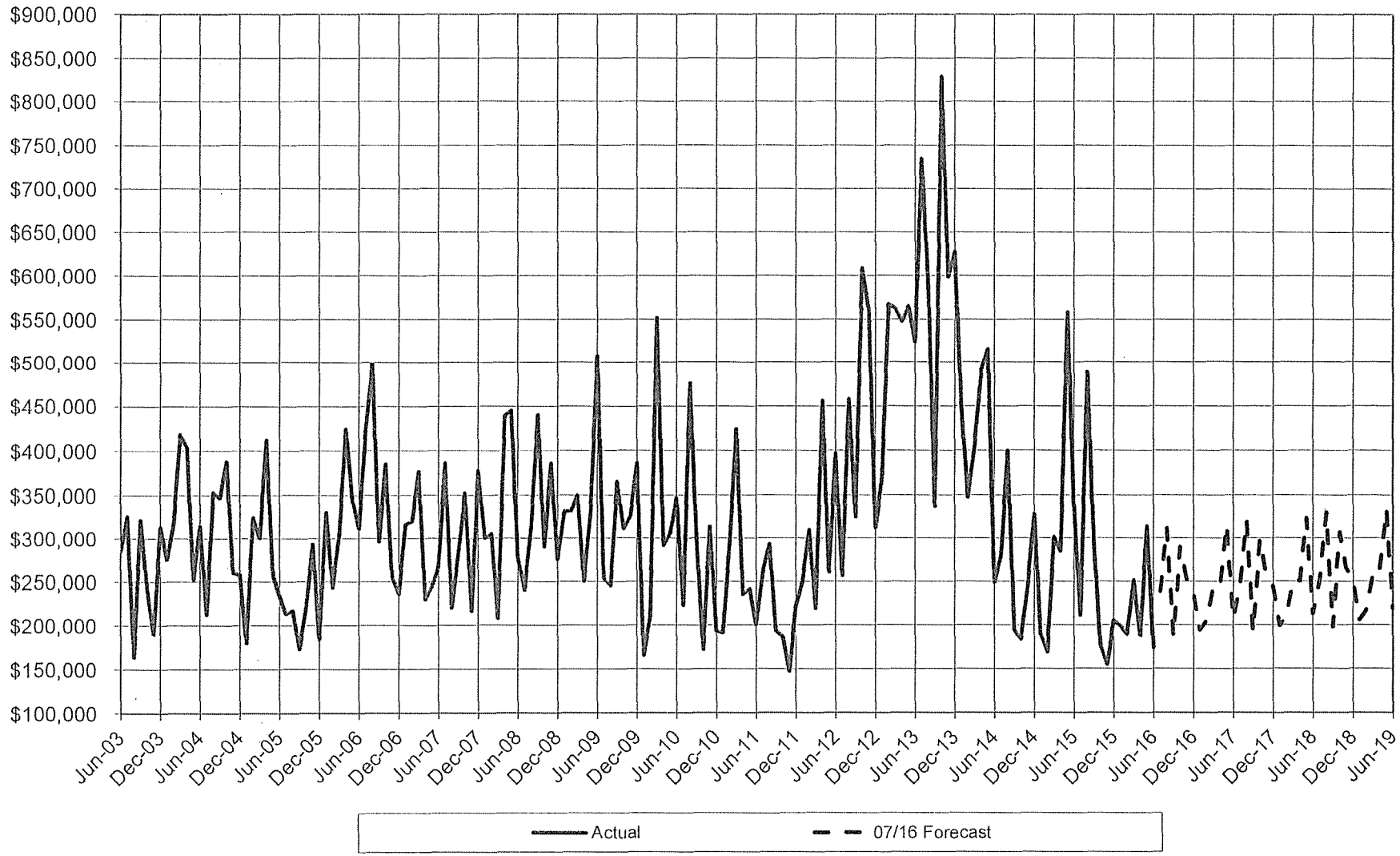
	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
TANF	47,700	62,100	37,200	57,800	50,200	47,400	38,700	40,900	48,900	48,600	62,800	41,300	583,600
SOBRA Children	76,900	100,300	60,000	93,200	80,900	76,500	62,400	66,000	78,900	78,400	101,300	66,700	941,500
SOBRA Women	31,900	41,600	24,900	38,700	33,600	31,700	25,900	27,400	32,800	32,600	42,100	27,700	390,900
SSI W/ MED.	8,400	10,900	6,500	10,100	8,800	8,300	6,800	7,200	8,600	8,500	11,000	7,200	102,300
SSI W/O MED.	81,200	105,800	63,300	98,400	85,400	80,700	65,900	69,700	83,300	82,800	106,900	70,400	993,800
Total Non-IHS:	246,100	320,700	191,900	298,200	258,900	244,600	199,700	211,200	252,500	250,900	324,100	213,300	3,012,100
Federal Authority	$170,400	$222,100	$132,900	$207,300	$180,000	$170,100	$138,900	$146,800	$175,600	$174,500	$225,300	$148,300	$2,092,200
State Match	$75,700	$98,600	$59,000	$90,900	$78,900	$74,500	$60,800	$64,400	$76,900	$76,400	$98,800	$65,000	$919,900

Notes:

(1) Total expenditures were extrapolated by inflating SFY16 expenditures by the weighted inpatient/outpatient Traditional IHS Non-Facility rates for FY17 and FY18.

(2) Monthly fluctuation of total expenditure reflects the most recent 4-year's cyclical variations.

Traditional Non-IHS



FES Births PMPM Increase

Calendar Quarter	Physicians Services Index Increase	Physicians Services SFY Average Increase	Inpatient Services Index Increase	AHCCCS Inpatient Index SFY Average Increase	SFY	Weighted Index SFY Average Increase
2009.3	3.1%		1.6%			
2009.4	2.7%		1.8%			
2010.1	3.3%		2.2%			
2010.2	3.1%	3.05%	2.4%	2.00%	SFY10	2.21%
2010.3	3.3%		2.3%			
2010.4	3.3%		2.5%			
2011.1	2.9%		2.7%			
2011.2	2.9%	3.10%	2.8%	2.58%	SFY11	2.68%
2011.3	2.4%		2.8%			
2011.4	2.6%		2.5%			
2012.1	1.7%		2.3%			
2012.2	1.7%	2.10%	2.0%	2.40%	SFY12	2.34%
2012.3	2.6%		1.9%			
2012.4	2.2%		2.1%			
2013.1	2.4%		2.0%			
2013.2	2.4%	2.40%	2.1%	2.03%	SFY13	2.10%
2013.3	1.4%		2.0%			
2013.4	1.6%		1.7%			
2014.1	1.4%		1.7%			
2014.2	1.4%	1.45%	1.9%	1.83%	SFY14	1.75%
2014.3	1.3%		1.9%			
2014.4	1.4%		2.1%			
2015.1	1.5%		1.8%			
2015.2	1.8%	1.50%	1.6%	1.85%	SFY15	1.78%
2015.3	2.1%		1.6%			
2015.4	2.3%		1.5%			
2016.1	2.7%		1.8%			
2016.2	2.2%	2.33%	1.9%	1.70%	SFY16	1.83%
2016.3	2.4%		2.2%			
2016.4	2.3%		2.5%			
2017.1	2.5%		2.8%			
2017.2	2.8%	2.50%	2.8%	2.58%	SFY17	2.56%
2017.3	2.7%		3.0%			
2017.4	2.7%		3.0%			
2018.1	2.7%		3.1%			
2018.2	2.8%	2.73%	3.2%	3.08%	SFY18	3.01%

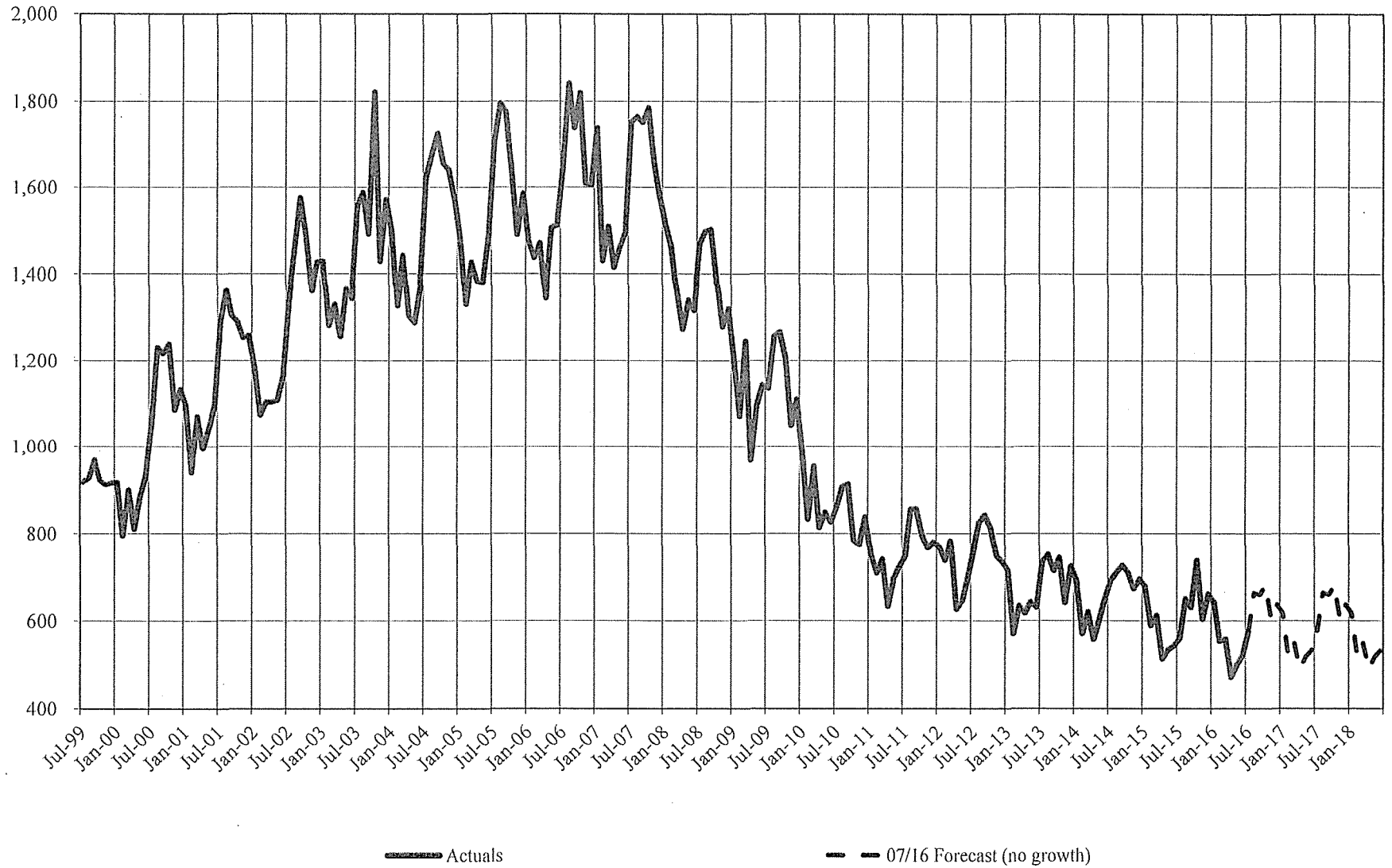
Notes: Physician Services and Hospital Inpatient index data is from Global Insight's Health Care Cost Review (First Quarter 2016).
The weighting was 20% of the Physician Services rate and 80% of Hospital Inpatient Services rate.

FES Births

	Actual Births (1)	Percent Qtr Change	Births Forecast (2)	SFY Total	Year to Year % Chg	June to June % Chg	SFY
2009.3	3,665	14.14%					
2009.4	3,370	-8.05%					
2010.1	2,774	-17.69%					
2010.2	2,494	-10.09%		12,303	-19.04%	-27.69%	SFY 2010
2010.3	2,687	7.74%					
2010.4	2,401	-10.64%					
2011.1	2,205	-8.16%					
2011.2	2,058	-6.67%		9,351	-23.99%	-12.32%	SFY 2011
2011.3	2,464	19.73%					
2011.4	2,346	-4.79%					
2012.1	2,293	-2.26%					
2012.2	1,974	-13.91%		9,077	-2.93%	-3.58%	SFY 2012
2012.3	2,433	23.25%					
2012.4	2,302	-5.38%					
2013.1	1,922	-16.51%					
2013.2	1,894	-1.46%		8,551	-5.79%	-9.71%	SFY 2013
2013.3	2,204	16.37%					
2013.4	2,113	-4.13%					
2014.1	1,885	-10.79%					
2014.2	1,815	-3.71%		8,017	-6.24%	3.32%	SFY 2014
2014.3	2,131	17.41%					
2014.4	2,081	-2.35%					
2015.1	1,883	-9.51%					
2015.2	1,587	-15.72%		7,682	-4.18%	-17.00%	SFY 2015
2015.3	1,842	16.07%					
2015.4	2,005	8.85%					
2016.1	1,755	-12.47%					
2016.2		-15.10%	1,490	7,092	-7.68%	-4.06%	SFY 2016
2016.3		27.72%	1,903				
2016.4		1.10%	1,924				
2017.1		-12.47%	1,684				
2017.2		-8.79%	1,536	7,047	-0.63%	2.12%	SFY 2017
2017.3		23.89%	1,903				
2017.4		1.10%	1,924				
2018.1		-12.47%	1,684				
2018.2		-8.79%	1,536	7,047	0.00%	0.00%	SFY 2018

(1) Actuals through June 2016.
(2) Forecast based on flat annual growth.

FES Births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Actuals
07/16 Forecast (no growth)

Arizona Health Care Cost Containment System

Traditional Medicaid FES Births Forecast

Fiscal Years 2016 - 2018

FY16 Actuals

	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
Births	523	592	583	654	547	599	595	482	496	414	453	469	6,407
PMPM	$4,634	$3,904	$4,821	$3,045	$3,718	$4,732	$2,270	$1,356	$946	$871	$4,151	$3,595	$3,248
Expenditures	$2,423,545	$2,310,184	$2,812,295	$1,989,740	$2,035,043	$2,834,931	$1,351,181	$652,989	$468,944	$360,488	$1,881,392	$1,686,963	$20,807,694
Federal Authority	$1,659,159	$1,581,552	$1,925,297	$1,371,329	$1,402,551	$1,953,834	$931,234	$450,040	$323,196	$248,448	$1,296,656	$1,162,655	$14,305,951
State Match	$764,386	$728,632	$886,998	$618,411	$632,491	$881,096	$419,947	$202,949	$145,748	$112,040	$584,737	$524,308	$6,501,743

FY17 Rebase

	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
Births	525	604	600	620	549	580	562	470	499	444	469	483	6,405
PMPM	$3,228	$3,228	$3,228	$3,311	$3,311	$3,311	$3,311	$3,311	$3,311	$3,311	$3,311	$3,311	$3,288
Expenditures	$1,695,800	$1,951,100	$1,936,400	$2,052,200	$1,817,500	$1,919,800	$1,859,600	$1,555,700	$1,652,000	$1,471,400	$1,552,700	$1,597,800	$21,062,000
Federal Authority	$1,168,700	$1,344,700	$1,334,600	$1,420,900	$1,258,400	$1,329,300	$1,287,600	$1,077,200	$1,143,800	$1,018,800	$1,075,100	$1,106,300	$14,565,400
State Match	$527,100	$606,400	$601,800	$631,300	$559,100	$590,500	$572,000	$478,500	$508,200	$452,600	$477,600	$491,500	$6,496,600

FY18 Request

	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
Births	525	604	600	620	549	580	562	470	499	444	469	483	6,405
PMPM	$3,311	$3,311	$3,311	$3,410	$3,410	$3,410	$3,410	$3,410	$3,410	$3,410	$3,410	$3,410	$3,383
Expenditures	$1,739,200	$2,001,000	$1,986,000	$2,113,900	$1,872,100	$1,977,500	$1,915,500	$1,602,400	$1,701,600	$1,515,700	$1,599,300	$1,645,800	$21,670,000
Federal Authority	$1,204,200	$1,385,500	$1,375,100	$1,469,800	$1,301,700	$1,375,000	$1,331,800	$1,114,100	$1,183,100	$1,053,900	$1,112,000	$1,144,300	$15,050,500
State Match	$535,000	$615,500	$610,900	$644,100	$570,400	$602,500	$583,700	$488,300	$518,500	$461,800	$487,300	$501,500	$6,619,500

Notes:

(1) Forecast for total births assumes no growth.

(2) Monthly distribution of total expenditures between Traditional and Proposition 204 is based on SFY16 average.

(3) Monthly fluctuation of total expenditures reflects the most recent 4-year average seasonal variations.

(4) 2016.3 PMPMs are based on the SFY 2016 weighted average PMPM.

Total FES Other Expenditures

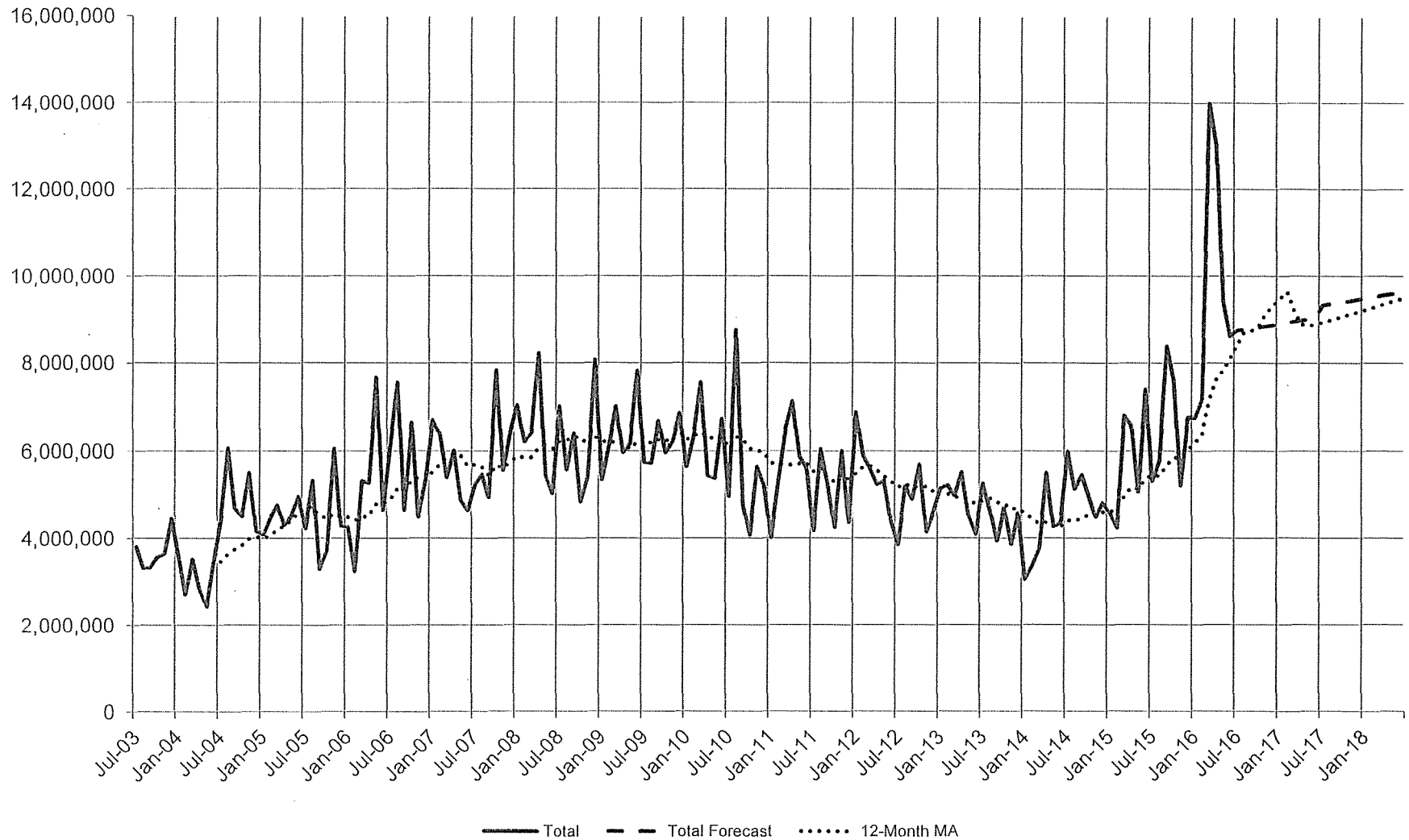
	Traditional	% Change	Prop 204	% Change	NEA+ESA	% Change	Total Expenditures	(+,-)	% Change	TTL Enrollment	% Change	PMPM
FY 2005	$ 47,583,539		$ 8,916,643		$ -		$ 56,500,182					
FY 2006	$ 46,788,504	-1.7%	$ 10,573,919	18.6%	$ -		$ 57,362,423	$ 862,241	1.5%			
FY 2007	$ 39,177,355	-16.3%	$ 29,725,543	181.1%	$ -		$ 68,902,898	$ 11,540,475	20.1%	38,332		$ 149.79
FY 2008	$ 48,289,349	23.3%	$ 25,643,393	-13.7%	$ -		$ 73,932,742	$ 5,029,844	7.3%	45,459	18.59%	$ 135.53
FY 2009	$ 60,604,616	25.5%	$ 15,221,042	-40.6%	$ -		$ 75,825,658	$ 1,892,916	2.6%	56,818	24.99%	$ 111.21
FY 2010	$ 60,882,783	0.5%	$ 13,442,390	-11.7%	$ -		$ 74,325,172	$ (1,500,486)	-2.0%	45,906	-19.21%	$ 134.92
FY 2011	$ 55,571,670	-8.7%	$ 12,348,215	-8.1%	$ -		$ 67,919,885	$ (6,405,288)	-8.6%	46,636	1.59%	$ 121.36
FY 2012	$ 50,846,138	-8.5%	$ 12,661,775	2.5%	$ -		$ 63,507,913	$ (4,411,972)	-6.5%	54,977	17.88%	$ 96.26
FY 2013	$ 45,588,639	-10.3%	$ 12,407,044	-2.0%	$ -		$ 57,995,683	$ (5,512,230)	-8.7%	63,999	16.41%	$ 75.52
FY 2014	$ 37,473,420	-17.8%	$ 11,994,620	-3.3%	$ 1,919,347		$ 51,387,387	$ (6,608,296)	-11.4%	68,753	7.43%	$ 62.29
FY 2015	$ 34,446,430	-8.1%	$ 14,198,358	18.4%	$16,959,601	783.6%	$ 65,604,388	$ 14,217,001	27.7%	91,432	32.99%	$ 59.79
FY 2016	$ 45,283,852	31.5%	$ 20,136,731	41.8%	$32,679,845	92.7%	$ 98,100,428	$ 32,496,040	49.5%	114,085	24.78%	$ 71.66
Forecast 2017	$ 49,267,900		$ 21,225,100		$ 35,208,500		$ 105,701,500	$ 7,601,072	7.75%	119,066	4.37%	$ 73.98
Forecast 2018	$ 51,781,100		$ 22,293,700		$ 38,715,500		$ 112,790,300	$ 7,088,800	6.71%	122,662	3.02%	$ 76.63

(1) Programmatic Forecasts are based on their respective projected member month growth rates and medical cost inflation from Global Insight's Health-Care Cost Review - Hospital (80%) and Physician Services (20%) Market Baskets, First Quarter 2016 Final.

(2) Total Enrollment and PMPM values above reflect the aggregate effect of the aforementioned forecast methodology

(3) NEA totals include both Births and Other FES expenditures

Combined FES Other Expenditure Forecast



Arizona Health Care Cost Containment System

Traditional Medicaid FES Other Expenditure Forecast

Fiscal Years 2016 - 2018

FY16 Actuals

	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
Expenditures	$2,177,911	$2,262,307	$3,150,052	$3,135,078	$2,105,886	$2,853,338	$3,099,581	$3,520,857	$7,642,998	$7,570,021	$4,094,480	$3,671,342	$45,283,852
Federal Authority	$1,490,998	$1,548,776	$2,156,526	$2,160,696	$1,451,377	$1,966,520	$2,136,231	$2,426,575	$5,267,554	$5,217,258	$2,821,916	$2,530,289	$31,174,715
State Match	$686,913	$713,532	$993,526	$974,382	$654,509	$886,817	$963,350	$1,094,282	$2,375,444	$2,352,762	$1,272,564	$1,141,053	$14,109,136

FY17 Rebase

	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
Expenditures	$4,067,700	$4,074,600	$4,081,500	$4,088,400	$4,095,300	$4,102,200	$4,109,100	$4,116,000	$4,122,900	$4,129,800	$4,136,700	$4,143,700	$49,267,900
Federal Authority	$2,803,500	$2,808,200	$2,813,000	$2,830,800	$2,835,600	$2,840,400	$2,845,100	$2,849,900	$2,854,700	$2,859,500	$2,864,300	$2,869,100	$34,074,100
State Match	$1,264,200	$1,266,400	$1,268,500	$1,257,600	$1,259,700	$1,261,800	$1,264,000	$1,266,100	$1,268,200	$1,270,300	$1,272,400	$1,274,600	$15,193,800

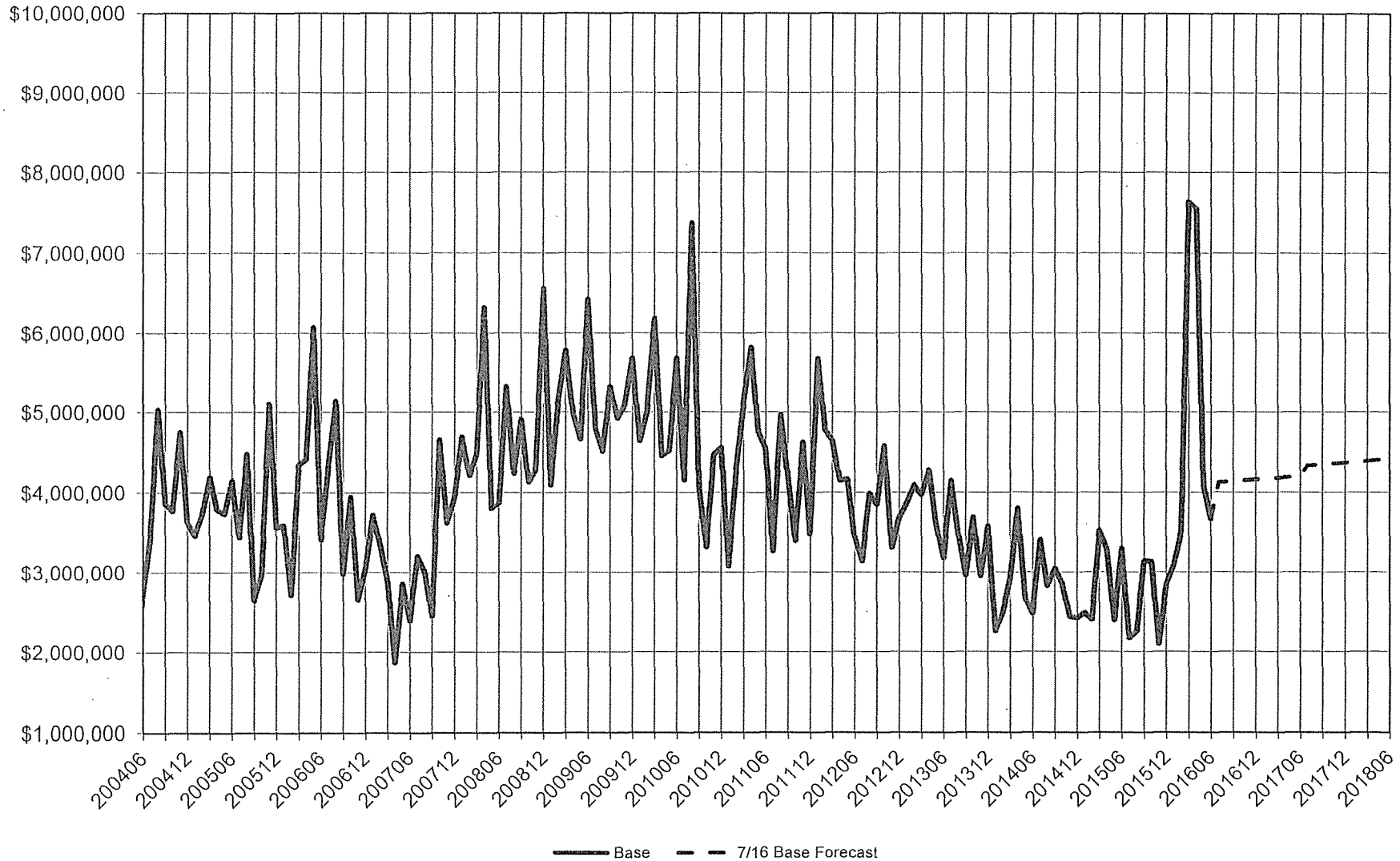
FY18 Request

	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
Expenditures	$4,275,400	$4,282,600	$4,289,800	$4,297,000	$4,304,200	$4,311,400	$4,318,600	$4,325,900	$4,333,100	$4,340,400	$4,347,700	$4,355,000	$51,781,100
Federal Authority	$2,960,300	$2,965,300	$2,970,300	$2,987,700	$2,992,700	$2,997,700	$3,002,700	$3,007,800	$3,012,800	$3,017,900	$3,023,000	$3,028,000	$35,966,200
State Match	$1,315,100	$1,317,300	$1,319,500	$1,309,300	$1,311,500	$1,313,700	$1,315,900	$1,318,100	$1,320,300	$1,322,500	$1,324,700	$1,327,000	$15,814,900

Notes:

(1) Total expenditures are based on the combined monthly forecast growth rates of TANF/SSI member months and medical cost inflation from Global Insight's Health-Care Cost Review - Hospital (80%) and Physician Services (20%) Market Baskets, First Quarter 2016 Final.

Traditional FES Other Expenditure Forecast



Arizona Health Care Cost Containment System

FFS Prior Quarter Expenditure Forecast

SFY 2016 Actuals		Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
Traditional	(TF)	579,632	648,713	696,018	585,024	618,410	702,669	696,453	591,101	785,522	603,355	579,464	469,622	7,555,983
Child Expansion	(TF)	10,263	18,645	51,585	21,237	18,233	31,430	26,388	9,999	35,063	16,782	16,428	16,794	272,849
Total	(TF)	589,895	667,358	747,603	606,261	636,643	734,099	722,842	601,100	820,585	620,137	595,893	486,416	7,828,832
Traditional	(FF)	396,816	444,109	476,494	403,198	426,208	484,280	479,996	407,387	541,382	415,832	399,367	323,664	5,198,731
Child Expansion	(FF)	10,263	18,645	51,585	21,237	18,233	31,430	26,388	9,999	35,063	16,782	16,428	16,794	272,849
Total	(FF)	407,079	462,754	528,079	424,436	444,441	515,709	506,384	417,386	576,445	432,615	415,795	340,458	5,471,580
Traditional	(SM)	182,816	204,604	219,524	181,825	192,202	218,390	216,458	183,714	244,140	187,523	180,097	145,959	2,357,251
Child Expansion	(SM)	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	(SM)	182,816	204,604	219,524	181,825	192,202	218,390	216,458	183,714	244,140	187,523	180,097	145,959	2,357,251

SFY 2017 Rebase		Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
Traditional	(TF)	631,100	632,500	633,900	635,300	636,700	638,100	639,500	640,900	642,300	643,700	645,100	646,500	7,665,600
Child Expansion	(TF)	22,800	22,900	23,000	23,100	23,200	23,300	23,400	23,500	23,600	23,700	23,800	23,900	280,200
Total	(TF)	653,900	655,400	656,900	658,400	659,900	661,400	662,900	664,400	665,900	667,400	668,900	670,400	7,945,800
Traditional	(FF)	435,000	435,900	436,900	439,900	440,900	441,800	442,800	443,800	444,700	445,700	446,700	447,600	5,301,700
Child Expansion	(FF)	22,800	22,900	23,000	23,100	23,200	23,300	22,200	22,300	22,400	22,500	22,600	22,700	273,000
Total	(FF)	457,800	458,800	459,900	463,000	464,100	465,100	465,000	466,100	467,100	468,200	469,300	470,300	5,574,700
Traditional	(SM)	196,100	196,600	197,000	195,400	195,800	196,300	196,700	197,100	197,600	198,000	198,400	198,900	2,363,900
Child Expansion	(SM)	-	-	-	-	-	-	1,200	1,200	1,200	1,200	1,200	1,200	7,200
Total	(SM)	196,100	196,600	197,000	195,400	195,800	196,300	197,900	198,300	198,800	199,200	199,600	200,100	2,371,100

SFY 2018 Request		Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
Traditional	(TF)	648,000	649,500	651,000	652,500	654,000	655,500	657,000	658,500	660,000	661,500	663,000	664,500	7,875,000
Child Expansion	(TF)	24,000	24,100	24,200	24,300	24,400	24,500	24,600	24,700	24,800	24,900	25,000	25,100	294,600
Total	(TF)	672,000	673,600	675,200	676,800	678,400	680,000	681,600	683,200	684,800	686,400	688,000	689,600	8,169,600
Traditional	(FF)	448,700	449,700	450,800	453,700	454,700	455,800	456,800	457,900	458,900	459,900	461,000	462,000	5,469,900
Child Expansion	(FF)	22,800	22,900	23,000	23,100	23,200	23,300	23,100	23,200	23,300	23,400	23,500	23,600	278,400
Total	(FF)	471,500	472,600	473,800	476,800	477,900	479,100	479,900	481,100	482,200	483,300	484,500	485,600	5,748,300
Traditional	(SM)	199,300	199,800	200,200	198,800	199,300	199,700	200,200	200,600	201,100	201,600	202,000	202,500	2,405,100
Child Expansion	(SM)	1,200	1,200	1,200	1,200	1,200	1,200	1,500	1,500	1,500	1,500	1,500	1,500	16,200
Total	(SM)	200,500	201,000	201,400	200,000	200,500	200,900	201,700	202,100	202,600	203,100	203,500	204,000	2,421,300

Notes:

(1) Actuals through July 2016 are from PMMIS detail and may not reconcile to AFIS due to timing and manual adjustments.

(2) July 2016 expenditure estimates are based on the 2016.2 average and are then grown at the Non-Facility annualized inflation rates of 2.70% and 2.79% for 2017 and 2018 respectively.

Arizona Health Care Cost Containment System

ACA Child Expansion AIHP Total FFS Expenditures

FY 16 Actuals

	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
Enrollment													
Child Expansion	1,194	1,034	881	2,958	3,096	3,219	3,344	3,329	3,299	3,235	3,163	2,946	31,698
PMPM													
Child Expansion	$310.28	$419.34	$306.49	$232.67	$256.56	$283.59	$217.30	$251.95	$284.12	$242.50	$284.48	$293.27	$268.80
Expenditures													
Child Expansion	$370,480	$433,600	$270,015	$688,239	$794,315	$912,863	$726,643	$838,748	$937,326	$784,479	$899,814	$863,973	$8,520,493
Federal Authority	$362,085	$413,178	$266,059	$688,239	$794,315	$912,863	$726,643	$838,748	$937,326	$784,479	$899,814	$863,973	$8,487,720
State Match	$8,395	$20,422	$3,956	$0	$0	$0	$0	$0	$0	$0	$0	$0	$32,773

FY 17 Rebase

	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
Enrollment													
Child Expansion	2,961	2,966	2,971	2,976	2,981	2,986	2,990	2,995	3,000	3,005	3,010	3,015	35,857
PMPM													
Child Expansion	$262.65	$262.62	$262.62	$263.94	$263.94	$263.94	$274.04	$274.05	$274.07	$274.08	$274.06	$274.04	$268.70
Expenditures													
Child Expansion	$777,700	$778,900	$780,200	$785,400	$786,700	$788,000	$819,500	$820,900	$822,300	$823,700	$825,000	$826,300	$9,634,600
Federal Authority	$777,700	$778,900	$780,200	$785,400	$786,700	$788,000	$819,500	$820,900	$822,300	$823,700	$825,000	$826,300	$9,634,600
State Match	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0

FY 18 Request

	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
Enrollment													
Child Expansion	3,020	3,025	3,030	3,035	3,040	3,045	3,050	3,055	3,060	3,065	3,070	3,076	36,574
PMPM													
Child Expansion	$280.41	$281.10	$281.86	$284.23	$284.94	$285.66	$297.02	$297.71	$298.46	$299.18	$299.92	$300.63	$290.97
Expenditures													
Child Expansion	$846,900	$850,400	$854,100	$862,700	$866,300	$869,900	$906,000	$909,600	$913,400	$917,100	$920,900	$924,600	$10,641,900
Federal Authority	$846,900	$850,400	$854,100	$862,700	$866,300	$869,900	$906,000	$909,600	$913,400	$917,100	$920,900	$924,600	$10,641,900
State Match	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0

Arizona Health Care Cost Containment System

ACA Child Expansion IHS Facility Expenditures

FY 16 Actuals

	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
Enrollment													
Child Expansion	1,194	1,034	881	2,958	3,096	3,219	3,344	3,329	3,299	3,235	3,163	2,946	31,698
PMPM													
Child Expansion	$278.44	$329.89	$286.15	$183.14	$209.28	$226.86	$179.27	$201.55	$221.76	$201.32	$241.52	$243.24	$220.19
Expenditures													
Child Expansion	$332,458	$341,110	$252,098	$541,738	$647,931	$730,275	$599,493	$670,947	$731,592	$651,276	$763,934	$716,573	$6,979,426

FY 17 Rebase

Inflation: 4.73%

	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
Enrollment													
Child Expansion	2,961	2,966	2,971	2,976	2,981	2,986	2,990	2,995	3,000	3,005	3,010	3,015	35,857
PMPM													
Child Expansion	$214.01	$214.01	$214.01	$214.01	$214.01	$214.01	$224.12	$224.12	$224.12	$224.12	$224.12	$224.12	$219.09
Expenditures													
Child Expansion	$633,700	$634,700	$635,800	$636,800	$637,900	$638,900	$670,200	$671,300	$672,500	$673,600	$674,700	$675,800	$7,855,900

FY 18 Request

Inflation: 4.73%

	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
Enrollment													
Child Expansion	3,020	3,025	3,030	3,035	3,040	3,045	3,050	3,055	3,060	3,065	3,070	3,076	36,574
PMPM													
Child Expansion	$224.13	$224.13	$224.13	$224.13	$224.13	$224.13	$234.72	$234.72	$234.72	$234.72	$234.72	$234.72	$229.45
Expenditures													
Child Expansion	$676,900	$678,000	$679,200	$680,300	$681,400	$682,500	$716,000	$717,100	$718,300	$719,500	$720,700	$721,900	$8,391,800

Footnotes:

1) IHS Enrollment actuals through June 2016. Enrollment is grown at the same rate that is used for the Child Expansion enrollment forecast.

2) July 2016 PMPM is the 2016.1 to 2016.2 average PMPM.

3) FY17 and FY18 inflation rates are based on the Traditional IHS Facility inflation rate.

Arizona Health Care Cost Containment System

ACA Child Expansion IHS Non-Facility Expenditures

FY 16 Actuals

	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
Enrollment													
Child Expansion	1,194	1,034	881	2,958	3,096	3,219	3,344	3,329	3,299	3,235	3,163	2,946	31,698
PMPM													
Child Expansion	$31.84	$89.45	$20.34	$49.53	$47.28	$56.72	$38.02	$50.41	$62.36	$41.18	$42.96	$50.03	$48.62
Expenditures													
Child Expansion	$38,021	$92,490	$17,916	$146,501	$146,383	$182,588	$127,150	$167,801	$205,734	$133,203	$135,879	$147,399	$1,541,067
Federal Authority	$29,626	$72,068	$13,960	$146,501	$146,383	$182,588	$127,150	$167,801	$205,734	$133,203	$135,879	$147,399	$1,508,294
State Match	$8,395	$20,422	$3,956	$0	$0	$0	$0	$0	$0	$0	$0	$0	$32,773

FY 17 Rebase

Inflation: 2.70%

	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
Enrollment													
Child Expansion	2,961	2,966	2,971	2,976	2,981	2,986	2,990	2,995	3,000	3,005	3,010	3,015	35,857
PMPM													
Child Expansion	$48.62	$48.62	$48.62	$49.93	$49.93	$49.93	$49.93	$49.93	$49.93	$49.93	$49.93	$49.93	$49.61
Expenditures													
Child Expansion	$144,000	$144,200	$144,400	$148,600	$148,800	$149,100	$149,300	$149,600	$149,800	$150,100	$150,300	$150,500	$1,778,700
Federal Authority	$144,000	$144,200	$144,400	$148,600	$148,800	$149,100	$149,300	$149,600	$149,800	$150,100	$150,300	$150,500	$1,778,700
State Match	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0

FY 18 Request

Inflation: 2.79%

	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
Enrollment													
Child Expansion	3,404	3,454	3,503	3,553	3,603	3,652	3,702	3,751	3,801	3,850	3,900	3,950	44,123
PMPM													
Child Expansion	$49.93	$49.93	$49.93	$51.32	$51.32	$51.32	$51.32	$51.32	$51.32	$51.32	$51.32	$51.32	$51.00
Expenditures													
Child Expansion	$170,000	$172,400	$174,900	$182,400	$184,900	$187,400	$190,000	$192,500	$195,100	$197,600	$200,200	$202,700	$2,250,100
Federal Authority	$170,000	$172,400	$174,900	$182,400	$184,900	$187,400	$190,000	$192,500	$195,100	$197,600	$200,200	$202,700	$2,250,100
State Match	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0

Footnotes:

1) IHS Enrollment actuals through June 2016. Enrollment is grown at the same rate that is used for the Child Expansion enrollment forecast.

2) July 2016 PMPM is the 2016.1 to 2016.2 average PMPM.

3) FY17 and FY18 inflation rates are based on the Traditional IHS Non-Facility inflation rate.

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 3-3007 Fee-for-Service

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	544,604.3	635,315.4	(11,829.0)	623,486.4
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Expenditure Categories Total:	544,604.3	635,315.4	(11,829.0)	623,486.4
Fund Source					
Appropriated Funds					
1000-A	General Fund (Appropriated)	65,915.5	80,536.0	(20.9)	80,515.1
		65,915.5	80,536.0	(20.9)	80,515.1
Non-Appropriated Funds					
2120-N	AHCCCS Fund (Non-Appropriated)	478,688.8	554,779.4	(11,808.1)	542,971.3
		478,688.8	554,779.4	(11,808.1)	542,971.3
	Fund Source Total:	544,604.3	635,315.4	(11,829.0)	623,486.4

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3007 Fee-for-Service

Fund: 1000-A General Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	65,915.5	80,536.0	(20.9)	80,515.1
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Appropriated Total:		65,915.5	80,536.0	(20.9)	80,515.1
Fund Total:		65,915.5	80,536.0	(20.9)	80,515.1
Program Total For Selected Funds:		65,915.5	80,536.0	(20.9)	80,515.1

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3007 Fee-for-Service

Fund: 2120-N AHCCCS Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Non-Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	478,688.8	554,779.4	(11,808.1)	542,971.3
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Non-Appropriated Total:		478,688.8	554,779.4	(11,808.1)	542,971.3
Fund Total:		478,688.8	554,779.4	(11,808.1)	542,971.3
Program Total For Selected Funds:		478,688.8	554,779.4	(11,808.1)	542,971.3

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3007 Fee-for-Service

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	0.0	0.0
Boards and Commissions	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	0.0	0.0
Attorney General Legal Services	0.0	0.0
External Legal Services	0.0	0.0
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	0.0	0.0
Hospital Services	0.0	0.0
Other Medical Services	0.0	0.0
Institutional Care	0.0	0.0
Education And Training	0.0	0.0
Vendor Travel	0.0	0.0
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0
Other Professional And Outside Services	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3007 Fee-for-Service

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	544,604.3	635,315.4
Expenditure Category Total	544,604.3	635,315.4
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	65,915.5	80,536.0
	65,915.5	80,536.0
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	478,688.8	554,779.4
	478,688.8	554,779.4
Fund Source Total	544,604.3	635,315.4

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	0.0	0.0
Information Technology Services	0.0	0.0
Utilities	0.0	0.0
Non-Building or Land Rent	0.0	0.0
Building Rent Charges to State Agencies	0.0	0.0
COP Building Rent Charges to State Agencies	0.0	0.0
Rental of Land & Buildings	0.0	0.0
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	0.0	0.0
Repair & Maintenance	0.0	0.0
Software Support and Maintenance	0.0	0.0
Operating Supplies	0.0	0.0
Resale Supplies	0.0	0.0
Sales of Assets	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3007 Fee-for-Service

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Conference, Education & Training	0.0	0.0
Advertising	0.0	0.0
Printing & Photography	0.0	0.0
Postage & Delivery	0.0	0.0
Miscellaneous Operating	0.0	0.0
Depreciation Expense	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	0.0	0.0
Vehicles - Non-Capital	0.0	0.0
Furniture - Non-Capital	0.0	0.0
EDP Equipment - Mainframe - Non-Capital	0.0	0.0
Telecommunication Equipment - Non Capital	0.0	0.0
Other Equipment - Non-Capital	0.0	0.0
Purchased Or Licensed Software/Website	0.0	0.0
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0
Expenditure Category Total	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3007 Fee-for-Service

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	0.0	0.0
Expenditure Category Total	0.0	0.0

All dollars are presented in thousands (not FTE).

TRADITIONAL REINSURANCE

PROGRAM DESCRIPTION/BACKGROUND:

Reinsurance is a stop-loss program provided by AHCCCS to its contractors for the partial reimbursement of covered inpatient facility medical services incurred for a member with an acute medical condition beyond an annual deductible. AHCCCS provides both regular and catastrophic reinsurance coverage to health plan contractors. The purpose of reinsurance is to reduce the health plans' financial risk for major medical costs incurred by members.

The reinsurance program provides critical safeguards to AHCCCS health plans. These safeguards promote competition and flexibility during the procurement process ensuring competent contractors are chosen to provide quality services to AHCCCS recipients, while minimizing the cost to Arizona taxpayers. This proactive approach limits the costly procedure of transitioning members or liabilities when a contractor's financial solvency declines and services can no longer be provided.

Regular reinsurance is only available for inpatient facilities. Before regular reinsurance is paid to a health plan, the plan must meet an annual deductible for each eligible member. Once the deductible is met, the health plan is reimbursed by AHCCCS at 75% of the cost of services that exceed the deductible. The health plan will continue to pay 25% of the cost of services until the case total value reaches $650,000, after which point AHCCCS will reimburse at 100% of the health plans cost of services. This coinsurance percent is the rate at which AHCCCS will reimburse the Contractor for inpatient covered services incurred above the deductible.

Catastrophic reinsurance is available to health plans for services provided to members who need certain organ transplants, are taking certain drugs (collectively referred to as biotech drugs), or who have hemophilia, von Willebrand's Disease or Gaucher's Disease. AHCCCS reimburses the health plans at 85% of the cost of service. The health plan will pay 15% of the cost of service until the case total value reaches $650,000, after which point AHCCCS will reimburse the excess at 100% of the contracted amount for the transplant or the amount which the health plan paid, whichever is less. There are no deductibles for catastrophic reinsurance cases.

Health Plan deductible options impact AHCCCS' reinsurance and capitation costs. This is because capitation rates are adjusted by a reinsurance offset based on the deductible level chosen. The higher the deductible, the lower the offset. AHCCCS provides the added compensation because the increased share of risk the Health Plan is taking has reduced the Agency's (the State of Arizona's) risk. As part of the 2013 Acute Care Contract RFP process, all participating health plans shifted to the $25,000 deductible level category on October 1, 2013.

METHODOLOGY:

Over the past several years, AHCCCS has utilized a methodology based on overlapping contract years in order to calculate PMPMs for one complete state fiscal year of reinsurance. That fiscal year was then trended forward to create future state fiscal year PMPMs. While this methodology was sound during stable periods, there have been a significant number of policy changes implemented over the last few contract years such that, when combined with varying Health Plan encounter efficiencies, it renders that methodology ineffective for the current timeframe. In the absence of data related to each individual policy change, combined with the 28-month long payment cycle associated with each contract year, the completion percentages of the policy changes are extremely difficult to determine, although these policy changes will still be impacting reinsurance payments through FY 2018.

Although the contract year payment and reporting cycles have not changed, the policy changes and the inability to segregate the impact of the changes from the regular reinsurance expenditures, have made it necessary to update the model to include only the most recent fiscal years' experience in the program in order to estimate the costs. The timelines involved with the billing and health plan submission cycles have not changed. All reinsurance claims must reach a clean claim status within fifteen months from the end date of service, or date of eligibility posting, whichever is later. Encounters for reinsurance claims that have passed the fifteen-month deadline and are being adjusted due to a claim dispute or hearing decision must be submitted within 90 calendar days of the date of the claim dispute or hearing decision. A complete contract year cycle needs at least 28 months in order to complete the payments that are associated with it. For example, a claim with a date of service in the final month of CYE 2014 (September 2014) would have 15 months to reach a clean claim status (December 2015). If any September 2014 claims were disputed, they would have to be submitted within 90 calendar days of the claim dispute or hearing decision (March 2016). Submitted claim disputes and their subsequent hearings will vary in the amount of time necessary to come to a resolution.

The policy changes that have necessitated a different approach to forecasting reinsurance are listed below:

1. Effective October 1, 2013, all health plans will be at the $25K deductible level.
2. Implementation of Diagnosis-Related Group (DRG) October 1, 2014.

As a consequence of the conditions mentioned above, the most recent fiscal year's expenditures were determined to be the most reliable data to use as the basis for the FY 2017 – FY 2018 reinsurance forecast. The SFY 2016 actual weighted PMPM was inflated in October 2016 by 3.11% and again in October 2017 by 3.29% each reinsurance risk group. The resulting PMPMs were then multiplied by the forecasted member months to come up with a total expenditure forecast for fiscal years 2017 and 2018. The inflation factors mentioned above were taken from Global Insight's Health-Care Cost Review - Hospital Market Basket, First Quarter 2016.

Diagnosis-Related Group (DRG)

Since 1993, AHCCCS has paid hospital inpatient claims using a tiered per diem fee schedule that was developed internally. Rates were rebased in 1998 and subsequently inflated annually (except when otherwise prohibited by legislation) using a nationally recognized inflation factor. Effective 10/01/2014, AHCCCS will begin reimbursing inpatient hospital services using a DRG-based payment system.

Compared with a tiered per diem system, which incentivizes quantity over quality, AHCCCS believes the DRG-based payment methodology is better aligned with the agency's focus on improved patient safety and health outcomes for its members, and will result in reduced costs. It will enhance AHCCCS' ability to implement performance review and cost-saving measures by facilitating measurement of inpatient readmissions and implementation of Medicaid's prohibition on reimbursement for hospital acquired conditions.

The implementation to the DRG-based payment system is expected to increase capitation rates, which in turn will decrease reinsurance offsets by equal amounts. However, due to the lag time associated with reinsurance payments, the full impact of the shift will not be realized until FY2017.

Member Month Forecast

Traditional Reinsurance utilizes the Traditional Capitation regular member month projections in order to develop the FY2016-FY2017 forecasts. Please refer to the Traditional Capitation section for more detail.

Traditional Reinsurance Regular Member Month Forecast

		TANF <1	TANF 1-13	TANF 14-44, F	TANF 14-44, M	TANF 45+	SBRA CHLD <1	SBRA CHLD 1-13	SBRA CHLD 14-44, F	SBRA CHLD 14-44, M	SOBRA WOMEN	SSI W/ MED.	SSI W/O MED	Total	% Increase
Actual	SFY 15	168,494	2,256,423	1,408,952	570,871	240,658	385,409	2,791,684	402,709	404,871	183,268	615,791	649,613	10,078,742	4.78%
Actual	SFY 16	157,747	700,361	1,150,980	438,453	265,556	435,394	4,555,016	615,472	613,499	327,259	594,209	600,764	10,454,711	3.73%
Estimate	SFY 17	144,270	505,497	1,070,381	403,898	248,074	460,598	4,865,055	638,748	640,534	315,213	674,763	594,488	10,561,519	1.02%
Estimate	SFY 18	147,155	515,607	1,091,788	411,976	253,036	469,812	4,962,536	651,702	653,487	321,517	691,287	609,047	10,778,950	2.06%

As part of the implementation of the ACA on January 1, 2014, expenses related to the child expansion population are included in the Traditional Reinsurance forecast totals. The child expansion PMPMs are based on the weighted average PMPMs for FY 2016. This population is federally matched at the Title XXI and is, consequently, 100% federally funded. The child expansion reinsurance expenditures are estimated to be $9,650,100 Total Fund for SFY2017 and $10,164,400 for SFY2018.

The final State Fiscal Year projections were separated into a Federal Fund amount and a General Fund amount. The fund sourcing was accomplished by applying the state's Federal Medical Assistance Percentage (FMAP) of each risk population to the SFY2017 total dollars. SFY2018 uses the FFIS

estimate for the FFY2018 FMAP of 69.53%. For specific rates, refer to the FMAP Table. The SFY2017 forecast was $101,107,300 Total Fund ($28,203,300 General Fund). The SFY2018 forecast was $106,733,400 Total Fund ($29,492,600 General Fund).

It is assumed that the FMAP will increase from 69.24% in FFY 2017 to 69.53% in FFY 2018 based on Federal Funds Information for States (FFIS) in Issue Brief 16-24 (March 25, 2016).

FMAP Changes:

FFY 2016	68.92%	Actual
FFY 2017	69.24%	Actual
FFY 2018	69.53%	Estimate

STATUTORY AUTHORITY:

A.R.S. §36-2901.01.
AHCCCS Rule R9-22-503 (G.3).
AHCCCS Rule R9-22-202.
AHCCCS Rule R9-22-203.

Arizona Health Care Cost Containment System

Traditional Reinsurance - Fiscal Years 2016 to 2018

		FY 2016 Actual	FY 2017 Allocation	FY 2017 Rebase	FY 2018 Request	FY 2018 Increase/(Decrease)
Child Expansion	(SM)	306,812	-	-	-	-
	(TF)	8,083,707	-	9,650,100	10,164,400	10,164,400
Traditional	(SM)	28,210,036	24,704,100	28,203,300	29,492,600	4,788,500
	(TF)	90,428,935	83,806,600	91,457,200	96,569,000	12,762,400
Total	(SM)	28,516,847	24,704,100	28,203,300	29,492,600	4,788,500
	(TF)	98,512,641	83,806,600	101,107,300	106,733,400	22,926,800

Notes:

1) FY16 Actuals are from PMMIS and may not reconcile to AFIS due to timing and manual adjustments.

2) The traditional reinsurance program falls within the Traditional Medicaid Services line item of the FY17 Appropriation.

Arizona Health Care Cost Containment System
Fiscal Year 2016
Traditional Reinsurance

Traditional SFY16	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Totals
Actual MM													
TANF <1	13,596	13,657	13,426	13,361	13,414	13,507	13,476	13,316	12,915	12,500	12,339	12,240	157,747
TANF 1-13	107,691	89,420	80,188	71,781	61,762	53,498	46,848	40,960	37,361	35,650	35,540	39,663	700,361
TANF 14-44, F	119,241	122,014	127,356	92,613	91,090	91,734	90,010	86,955	84,714	80,632	80,525	84,096	1,150,980
TANF 14-44, M	47,747	49,215	51,596	35,335	34,697	33,666	32,890	31,727	30,941	29,546	29,660	31,434	438,453
TANF 45+	27,945	30,619	33,506	19,087	19,413	19,438	19,645	19,496	19,541	18,609	18,729	19,531	265,556
SOBRA CHILD <1	34,840	35,001	35,586	35,917	36,003	36,299	36,338	36,427	37,018	37,037	37,362	37,569	435,394
SOBRA CHILD 1-13	331,639	355,940	376,704	360,785	371,988	382,691	389,512	393,836	397,140	398,092	398,232	398,455	4,555,016
SOBRA CHILD 14-44, F	47,695	50,160	53,402	48,507	49,992	51,205	52,195	52,981	53,021	52,611	51,813	51,889	615,472
SOBRA CHILD 14-44, M	47,718	50,180	53,510	48,373	49,804	50,698	51,762	52,608	52,759	52,437	51,810	51,839	613,499
SOBRA WOMEN TOTAL	23,629	26,334	28,701	30,477	32,256	27,673	24,263	25,302	26,418	26,731	27,637	27,838	327,259
SSI W/ MED	45,108	45,347	45,613	48,267	48,767	49,278	49,587	49,991	51,278	51,672	53,817	55,484	594,209
SSI W/O MED	53,715	53,495	53,576	49,027	48,896	48,956	48,929	48,959	48,846	48,587	48,895	48,884	600,764
Total MM	900,564	921,380	953,164	853,530	858,082	858,642	855,455	852,559	851,951	844,105	846,359	858,919	10,454,711

Traditional SFY16	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	SFY16 WA
Actual PMPMs													
TANF <1	54.55	20.16	64.86	43.72	34.56	14.90	1.07	50.31	38.29	27.58	0.98	62.68	34.48
TANF 1-13	2.27	4.01	1.47	4.39	4.14	6.12	5.14	3.74	4.33	3.55	7.56	4.91	3.95
TANF 14-44, F	1.23	1.41	3.25	5.61	3.08	4.84	0.78	2.92	6.85	4.12	3.43	4.17	3.34
TANF 14-44, M	3.64	-0.05	1.90	10.09	7.76	5.49	9.51	11.20	7.34	6.54	7.19	8.71	6.06
TANF 45+	3.01	2.13	2.61	10.87	3.70	8.08	2.09	16.11	4.87	4.33	3.66	18.02	6.12
SOBRA CHILD <1	26.68	21.57	44.23	40.98	15.09	18.26	5.27	38.75	22.28	12.75	14.75	39.18	24.94
SOBRA CHILD 1-13	1.07	1.39	2.43	0.21	1.50	2.24	0.96	1.70	2.34	1.45	2.42	2.14	1.67
SOBRA CHILD 14-44, F	0.29	1.26	0.13	2.85	0.33	0.68	0.37	0.91	1.22	1.29	1.42	1.47	1.01
SOBRA CHILD 14-44, M	2.43	1.79	2.21	2.95	2.36	-10.38	1.66	3.47	9.72	6.73	4.68	3.80	2.66
SOBRA WOMEN TOTAL	0.34	1.43	0.89	1.56	0.61	0.08	0.20	3.00	5.87	0.09	0.17	0.27	1.20
SSI W/ MED	0.99	0.96	0.09	2.46	1.00	0.98	2.06	0.63	0.43	0.62	0.32	1.63	1.02
SSI W/O MED	77.33	77.38	93.89	113.11	86.95	125.26	30.66	122.44	97.21	64.58	61.50	96.73	87.17

Traditional SFY16	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Totals
*Expenditures**													
TANF <1	741,618	275,324	870,818	584,133	463,643	201,271	14,375	669,997	494,469	344,729	12,134	767,166	5,439,676
TANF 1-13	244,593	358,822	117,636	314,886	255,535	327,557	240,842	153,004	161,941	126,717	268,751	194,937	2,765,222
TANF 14-44, F	146,298	171,763	413,914	519,509	280,632	444,301	70,206	254,327	580,083	332,319	276,114	350,711	3,840,178
TANF 14-44, M	174,018	(2,527)	97,941	356,395	269,100	184,734	312,872	355,328	227,153	193,284	213,244	273,735	2,655,277
TANF 45+	84,129	65,348	87,294	207,392	71,804	157,000	41,060	314,063	95,182	80,567	68,589	351,900	1,624,328
SOBRA CHILD <1	929,626	754,864	1,574,043	1,471,873	543,339	662,693	191,541	1,411,457	824,915	472,074	551,008	1,471,901	10,859,335
SOBRA CHILD 1-13	354,334	495,541	916,232	75,736	559,412	859,013	374,032	669,235	930,999	578,499	962,036	852,256	7,627,326
SOBRA CHILD 14-44, F	14,027	63,132	6,859	138,256	16,265	34,636	19,332	48,152	64,896	67,879	73,675	76,036	623,147
SOBRA CHILD 14-44, M	115,774	89,802	118,016	142,706	117,629	(526,015)	85,801	182,337	512,847	352,794	242,340	196,934	1,630,965
SOBRA WOMEN TOTAL	8,128	37,623	25,610	47,432	19,550	2,323	4,890	76,011	155,056	2,378	4,734	7,540	391,276
SSI W/ MED	44,499	43,567	4,270	118,738	48,731	48,236	101,994	31,439	22,113	32,166	17,299	90,499	603,553
SSI W/O MED	4,153,572	4,139,247	5,030,031	5,545,524	4,251,640	6,132,369	1,500,265	5,994,457	4,748,256	3,137,701	3,007,005	4,728,585	52,368,652
Total Expenditures	7,010,617	6,492,508	9,262,665	9,522,581	6,897,280	8,528,119	2,957,210	10,159,806	8,817,910	5,721,109	5,696,929	9,362,200	90,428,935

*Does not include Administrative Adjustments

Arizona Health Care Cost Containment System
Fiscal Year 2016
Traditional Reinsurance

Traditional SFY16	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Totals
Expenditures													
TANF <1	741,618	275,324	870,818	584,133	463,643	201,271	14,375	669,997	494,469	344,729	12,134	767,166	5,439,676
TANF 1-13	244,593	358,822	117,636	314,886	255,535	327,557	240,842	153,004	161,941	126,717	268,751	194,937	2,765,222
TANF 14-44, F	146,298	171,763	413,914	519,509	280,632	444,301	70,206	254,327	580,083	332,319	276,114	350,711	3,840,178
TANF 14-44, M	174,018	(2,527)	97,941	356,395	269,100	184,734	312,872	355,328	227,153	193,284	213,244	273,735	2,655,277
TANF 45+	84,129	65,348	87,294	207,392	71,804	157,000	41,060	314,063	95,182	80,567	68,589	351,900	1,624,328
SOBRA CHILD <1	929,626	754,864	1,574,043	1,471,873	543,339	662,693	191,541	1,411,457	824,915	472,074	551,008	1,471,901	10,859,335
SOBRA CHILD 1-13	354,334	495,541	916,232	75,736	559,412	859,013	374,032	669,235	930,999	578,499	962,036	852,256	7,627,326
SOBRA CHILD 14-44, F	14,027	63,132	6,859	138,256	16,265	34,636	19,332	48,152	64,896	67,879	73,675	76,036	623,147
SOBRA CHILD 14-44, M	115,774	89,802	118,016	142,706	117,629	(526,015)	85,801	182,337	512,847	352,794	242,340	196,934	1,630,965
SOBRA WOMEN TOTAL	8,128	37,623	25,610	47,432	19,550	2,323	4,890	76,011	155,056	2,378	4,734	7,540	391,276
SSI W/ MED	44,499	43,567	4,270	118,738	48,731	48,236	101,994	31,439	22,113	32,166	17,299	90,499	603,553
SSI W/O MED	4,153,572	4,139,247	5,030,031	5,545,524	4,251,640	6,132,369	1,500,265	5,994,457	4,748,256	3,137,701	3,007,005	4,728,585	52,368,652
Total Fund	7,010,617	6,492,508	9,262,665	9,522,581	6,897,280	8,528,119	2,957,210	10,159,806	8,817,910	5,721,109	5,696,929	9,362,200	90,428,935
Federal Funds													
TANF <1	507,712	188,487	596,162	402,584	319,542	138,716	9,907	461,762	340,788	237,587	8,363	528,731	3,740,341
TANF 1-13	167,448	245,650	80,534	217,020	176,115	225,752	165,988	105,450	111,610	87,333	185,223	134,350	1,902,474
TANF 14-44, F	100,156	117,589	283,365	358,046	193,412	306,212	48,386	175,282	399,793	229,034	190,298	241,710	2,643,283
TANF 14-44, M	119,133	(1,730)	67,051	245,628	185,464	127,319	215,632	244,892	156,554	133,212	146,967	188,658	1,828,778
TANF 45+	57,595	44,737	59,761	142,935	49,487	108,205	28,298	216,452	65,599	55,527	47,271	242,529	1,118,398
SOBRA CHILD <1	636,422	516,780	1,077,590	1,014,415	374,469	456,728	132,010	972,776	568,532	325,353	379,755	1,014,434	7,469,264
SOBRA CHILD 1-13	242,577	339,248	627,252	52,197	385,547	592,032	257,783	461,237	641,645	398,702	663,035	587,375	5,248,629
SOBRA CHILD 14-44, F	9,603	43,220	4,695	95,286	11,210	23,871	13,324	33,186	44,727	46,782	50,777	52,404	429,086
SOBRA CHILD 14-44, M	79,259	61,478	80,794	98,353	81,070	(362,529)	59,134	125,667	353,454	243,146	167,020	135,727	1,122,573
SOBRA WOMEN TOTAL	5,564	25,757	17,533	32,690	13,474	1,601	3,370	52,387	106,865	1,639	3,263	5,197	269,339
SSI W/ MED	30,464	29,826	2,923	81,835	33,585	33,244	70,295	21,668	15,240	22,169	11,923	62,372	415,544
SSI W/O MED	2,843,535	2,833,729	3,443,559	3,821,975	2,930,230	4,226,429	1,033,983	4,131,380	3,272,498	2,162,503	2,072,428	3,258,941	36,031,190
Federal Fund	4,799,468	4,444,771	6,341,220	6,562,963	4,753,605	5,877,580	2,038,109	7,002,138	6,077,304	3,942,988	3,926,324	6,452,429	62,218,899
State Match													
TANF <1	233,906	86,837	274,656	181,548	144,100	62,555	4,468	208,235	153,681	107,142	3,771	238,435	1,699,335
TANF 1-13	77,145	113,172	37,103	97,867	79,420	101,805	74,854	47,554	50,331	39,384	83,528	60,586	862,748
TANF 14-44, F	46,143	54,174	130,548	161,463	87,220	138,089	21,820	79,045	180,290	103,285	85,816	109,001	1,196,894
TANF 14-44, M	54,885	(797)	30,891	110,768	83,636	57,415	97,241	110,436	70,599	60,073	66,276	85,077	826,500
TANF 45+	26,534	20,611	27,532	64,457	22,317	48,796	12,761	97,611	29,582	25,040	21,317	109,370	505,930
SOBRA CHILD <1	293,204	238,084	496,453	457,458	168,870	205,965	59,531	438,681	256,384	146,720	171,253	457,467	3,390,070
SOBRA CHILD 1-13	111,757	156,294	288,980	23,539	173,865	266,981	116,249	207,998	289,355	179,798	299,001	264,881	2,378,697
SOBRA CHILD 14-44, F	4,424	19,912	2,163	42,970	5,055	10,765	6,008	14,966	20,170	21,097	22,898	23,632	194,060
SOBRA CHILD 14-44, M	36,515	28,323	37,222	44,353	36,559	(163,485)	26,667	56,670	159,393	109,648	75,319	61,207	508,393
SOBRA WOMEN TOTAL	2,564	11,866	8,078	14,742	6,076	722	1,520	23,624	48,191	739	1,471	2,343	121,937
SSI W/ MED	14,035	13,741	1,347	36,904	15,146	14,992	31,700	9,771	6,873	9,997	5,377	28,127	188,009
SSI W/O MED	1,310,037	1,305,519	1,586,472	1,723,549	1,321,410	1,905,940	466,282	1,863,077	1,475,758	975,197	934,577	1,469,644	16,337,462
State Match	2,211,149	2,047,737	2,921,444	2,959,618	2,143,675	2,650,540	919,101	3,157,668	2,740,606	1,778,121	1,770,606	2,909,772	28,210,036

Arizona Health Care Cost Containment System
Fiscal Year 2017
Traditional Reinsurance Forecast

Traditional SFY17	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Totals
Forecasted MM													
TANF <1	11,914	11,933	11,953	11,973	11,993	12,012	12,032	12,052	12,072	12,092	12,112	12,132	144,270
TANF 1-13	41,744	41,812	41,882	41,951	42,020	42,089	42,159	42,229	42,298	42,368	42,438	42,508	505,497
TANF 14-44, F	88,391	88,537	88,683	88,830	88,976	89,123	89,271	89,418	89,566	89,714	89,862	90,010	1,070,381
TANF 14-44, M	33,354	33,409	33,464	33,519	33,574	33,630	33,685	33,741	33,797	33,853	33,909	33,965	403,898
TANF 45+	20,486	20,520	20,553	20,587	20,621	20,655	20,690	20,724	20,758	20,792	20,827	20,861	248,074
SOBRA CHILD <1	38,035	38,098	38,162	38,225	38,288	38,351	38,414	38,478	38,541	38,605	38,669	38,733	460,598
SOBRA CHILD 1-13	401,649	402,371	403,094	403,760	404,427	405,095	405,764	406,434	407,105	407,778	408,451	409,126	4,865,055
SOBRA CHILD 14-44, F	52,645	52,791	52,936	53,024	53,111	53,199	53,287	53,375	53,463	53,551	53,640	53,728	638,748
SOBRA CHILD 14-44, M	52,813	52,947	53,081	53,169	53,257	53,345	53,433	53,521	53,609	53,698	53,787	53,875	640,534
SOBRA WOMEN TOTAL	26,030	26,073	26,116	26,159	26,202	26,246	26,289	26,332	26,376	26,419	26,463	26,507	315,213
SSI W/ MED	55,599	55,714	55,829	55,943	56,058	56,173	56,288	56,402	56,517	56,632	56,747	56,861	674,763
SSI W/O MED	48,985	49,086	49,187	49,288	49,389	49,490	49,591	49,692	49,793	49,895	49,996	50,097	594,488
Total MM	871,643	873,290	874,940	876,427	877,917	879,408	880,902	882,398	883,896	885,396	886,898	888,403	10,561,519

Traditional SFY17	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	SFY17 WA
Developed PMPM													
TANF <1	34.48	34.48	34.48	35.55	35.55	35.55	35.55	35.55	35.55	35.55	35.55	35.55	35.29
TANF 1-13	3.95	3.95	3.95	4.07	4.07	4.07	4.07	4.07	4.07	4.07	4.07	4.07	4.04
TANF 14-44, F	3.34	3.34	3.34	3.44	3.44	3.44	3.44	3.44	3.44	3.44	3.44	3.44	3.41
TANF 14-44, M	6.06	6.06	6.06	6.24	6.24	6.24	6.24	6.24	6.24	6.24	6.24	6.24	6.20
TANF 45+	6.12	6.12	6.12	6.31	6.31	6.31	6.31	6.31	6.31	6.31	6.31	6.31	6.26
SOBRA CHILD <1	24.94	24.94	24.94	25.71	25.71	25.71	25.71	25.71	25.71	25.71	25.71	25.71	25.52
SOBRA CHILD 1-13	1.67	1.67	1.67	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.71
SOBRA CHILD 14-44, F	1.01	1.01	1.01	1.04	1.04	1.04	1.04	1.04	1.04	1.04	1.04	1.04	1.04
SOBRA CHILD 14-44, M	2.66	2.66	2.66	2.74	2.74	2.74	2.74	2.74	2.74	2.74	2.74	2.74	2.72
				0.00									
SOBRA WOMEN TOTAL	1.20	1.20	1.20	1.23	1.23	1.23	1.23	1.23	1.23	1.23	1.23	1.23	1.22
SSI W/ MED	1.02	1.02	1.02	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.04
SSI W/O MED	87.17	87.17	87.17	89.87	89.87	89.87	89.87	89.87	89.87	89.87	89.87	89.87	89.20

Traditional SFY17	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Totals
Expenditure Forecast													
TANF <1	410,800	411,500	412,200	425,700	426,400	427,100	427,800	428,500	429,200	429,900	430,600	431,300	5,091,000
TANF 1-13	164,800	165,100	165,400	170,800	171,000	171,300	171,600	171,900	172,200	172,500	172,800	173,000	2,042,400
TANF 14-44, F	294,900	295,400	295,900	305,600	306,100	306,600	307,100	307,600	308,100	308,600	309,100	309,600	3,654,600
TANF 14-44, M	202,000	202,300	202,700	209,300	209,600	210,000	210,300	210,700	211,000	211,400	211,700	212,100	2,503,100
TANF 45+	125,300	125,500	125,700	129,800	130,000	130,300	130,500	130,700	130,900	131,100	131,300	131,600	1,552,700
SOBRA CHILD <1	948,600	950,200	951,800	982,900	984,600	986,200	987,800	989,400	991,100	992,700	994,300	996,000	11,755,600
SOBRA CHILD 1-13	672,600	673,800	675,000	697,100	698,200	699,400	700,500	701,700	702,800	704,000	705,100	706,300	8,336,500
SOBRA CHILD 14-44, F	53,300	53,400	53,600	55,300	55,400	55,500	55,600	55,700	55,800	55,900	56,000	56,100	661,600
SOBRA CHILD 14-44, M	140,400	140,800	141,100	145,700	146,000	146,200	146,500	146,700	146,900	147,200	147,400	147,700	1,742,600
SOBRA WOMEN TOTAL	31,100	31,200	31,200	32,200	32,300	32,400	32,400	32,500	32,500	32,600	32,600	32,700	385,700
SSI W/ MED	56,500	56,600	56,700	58,600	58,700	58,800	58,900	59,100	59,200	59,300	59,400	59,500	701,300
SSI W/O MED	4,270,000	4,278,800	4,287,600	4,429,600	4,438,700	4,447,800	4,456,900	4,466,000	4,475,100	4,484,100	4,493,200	4,502,300	53,030,100
Total Expenditures	7,370,300	7,384,600	7,398,900	7,642,600	7,657,000	7,671,600	7,685,900	7,700,500	7,714,800	7,729,300	7,743,500	7,758,200	91,457,200

Arizona Health Care Cost Containment System
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Traditional Reinsurance Forecast

Traditional SFY17	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Totals
Expenditure Forecast													
TANF <1	410,800	411,500	412,200	425,700	426,400	427,100	427,800	428,500	429,200	429,900	430,600	431,300	5,091,000
TANF 1-13	164,800	165,100	165,400	170,800	171,000	171,300	171,600	171,900	172,200	172,500	172,800	173,000	2,042,400
TANF 14-44, F	294,900	295,400	295,900	305,600	306,100	306,600	307,100	307,600	308,100	308,600	309,100	309,600	3,654,600
TANF 14-44, M	202,000	202,300	202,700	209,300	209,600	210,000	210,300	210,700	211,000	211,400	211,700	212,100	2,503,100
TANF 45+	125,300	125,500	125,700	129,800	130,000	130,300	130,500	130,700	130,900	131,100	131,300	131,600	1,552,700
SOBRA CHILD <1	948,600	950,200	951,800	982,900	984,600	986,200	987,800	989,400	991,100	992,700	994,300	996,000	11,755,600
SOBRA CHILD 1-13	672,600	673,800	675,000	697,100	698,200	699,400	700,500	701,700	702,800	704,000	705,100	706,300	8,336,500
SOBRA CHILD 14-44, F	53,300	53,400	53,600	55,300	55,400	55,500	55,600	55,700	55,800	55,900	56,000	56,100	661,600
SOBRA CHILD 14-44, M	140,400	140,800	141,100	145,700	146,000	146,200	146,500	146,700	146,900	147,200	147,400	147,700	1,742,600
SOBRA WOMEN TOTAL	31,100	31,200	31,200	32,200	32,300	32,400	32,400	32,500	32,500	32,600	32,600	32,700	385,700
SSI W/ MED	56,500	56,600	56,700	58,600	58,700	58,800	58,900	59,100	59,200	59,300	59,400	59,500	701,300
SSI W/O MED	4,270,000	4,278,800	4,287,600	4,429,600	4,438,700	4,447,800	4,456,900	4,466,000	4,475,100	4,484,100	4,493,200	4,502,300	53,030,100
Total Fund	7,370,300	7,384,600	7,398,900	7,642,600	7,657,000	7,671,600	7,685,900	7,700,500	7,714,800	7,729,300	7,743,500	7,758,200	91,457,200
Federal Funds													
TANF <1	283,100	283,600	284,100	294,800	295,200	295,700	296,200	296,700	297,200	297,700	298,100	298,600	3,521,000
TANF 1-13	113,600	113,800	114,000	118,300	118,400	118,600	118,800	119,000	119,200	119,400	119,600	119,800	1,412,500
TANF 14-44, F	203,200	203,600	203,900	211,600	211,900	212,300	212,600	213,000	213,300	213,700	214,000	214,400	2,527,500
TANF 14-44, M	139,200	139,400	139,700	144,900	145,100	145,400	145,600	145,900	146,100	146,400	146,600	146,900	1,731,200
TANF 45+	86,400	86,500	86,600	89,900	90,000	90,200	90,400	90,500	90,600	90,800	90,900	91,100	1,073,900
SOBRA CHILD <1	653,800	654,900	656,000	680,600	681,700	682,800	684,000	685,100	686,200	687,300	688,500	689,600	8,130,500
SOBRA CHILD 1-13	463,600	464,400	465,200	482,700	483,400	484,300	485,000	485,900	486,600	487,400	488,200	489,000	5,765,700
SOBRA CHILD 14-44, F	36,700	36,800	36,900	38,300	38,400	38,400	38,500	38,600	38,600	38,700	38,800	38,800	457,500
SOBRA CHILD 14-44, M	96,800	97,000	97,200	100,900	101,100	101,200	101,400	101,600	101,700	101,900	102,100	102,300	1,205,200
SOBRA WOMEN TOTAL	21,400	21,500	21,500	22,300	22,400	22,400	22,400	22,500	22,500	22,600	22,600	22,600	266,700
SSI W/ MED	38,900	39,000	39,100	40,600	40,600	40,700	40,800	40,900	41,000	41,100	41,100	41,200	485,000
SSI W/O MED	2,942,900	2,948,900	2,955,000	3,067,100	3,073,400	3,079,700	3,086,000	3,092,300	3,098,600	3,104,800	3,111,100	3,117,400	36,677,200
Federal Fund	5,079,600	5,089,400	5,099,200	5,292,000	5,301,600	5,311,700	5,321,700	5,332,000	5,341,600	5,351,800	5,361,600	5,371,700	63,253,900
State Match													
TANF <1	127,700	127,900	128,100	130,900	131,200	131,400	131,600	131,800	132,000	132,200	132,500	132,700	1,570,000
TANF 1-13	51,200	51,300	51,400	52,500	52,600	52,700	52,800	52,900	53,000	53,100	53,200	53,200	629,900
TANF 14-44, F	91,700	91,800	92,000	94,000	94,200	94,300	94,500	94,600	94,800	94,900	95,100	95,200	1,127,100
TANF 14-44, M	62,800	62,900	63,000	64,400	64,500	64,600	64,700	64,800	64,900	65,000	65,100	65,200	771,900
TANF 45+	38,900	39,000	39,100	39,900	40,000	40,100	40,100	40,200	40,300	40,300	40,400	40,500	478,800
SOBRA CHILD <1	294,800	295,300	295,800	302,300	302,900	303,400	303,800	304,300	304,900	305,400	305,800	306,400	3,625,100
SOBRA CHILD 1-13	209,000	209,400	209,800	214,400	214,800	215,100	215,500	215,800	216,200	216,600	216,900	217,300	2,570,800
SOBRA CHILD 14-44, F	16,600	16,600	16,700	17,000	17,000	17,100	17,100	17,100	17,200	17,200	17,200	17,300	204,100
SOBRA CHILD 14-44, M	43,600	43,800	43,900	44,800	44,900	45,000	45,100	45,100	45,200	45,300	45,300	45,400	537,400
SOBRA WOMEN TOTAL	9,700	9,700	9,700	9,900	9,900	10,000	10,000	10,000	10,000	10,000	10,000	10,100	119,000
SSI W/ MED	17,600	17,600	17,600	18,000	18,100	18,100	18,100	18,200	18,200	18,200	18,300	18,300	216,300
SSI W/O MED	1,327,100	1,329,900	1,332,600	1,362,500	1,365,300	1,368,100	1,370,900	1,373,700	1,376,500	1,379,300	1,382,100	1,384,900	16,352,900
State Match	2,290,700	2,295,200	2,299,700	2,350,600	2,355,400	2,359,900	2,364,200	2,368,500	2,373,200	2,377,500	2,381,900	2,386,500	28,203,300

Arizona Health Care Cost Containment System
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Traditional Reinsurance Forecast

Traditional SFY18	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Totals
Forecasted MM													
TANF <1	12,152	12,172	12,192	12,212	12,232	12,253	12,273	12,293	12,313	12,334	12,354	12,375	147,155
TANF 1-13	42,578	42,649	42,719	42,790	42,860	42,931	43,002	43,073	43,144	43,215	43,287	43,358	515,607
TANF 14-44, F	90,159	90,308	90,457	90,606	90,756	90,906	91,056	91,206	91,357	91,508	91,659	91,810	1,091,788
TANF 14-44, M	34,021	34,077	34,133	34,189	34,246	34,302	34,359	34,416	34,473	34,530	34,587	34,644	411,976
TANF 45+	20,895	20,930	20,965	20,999	21,034	21,069	21,103	21,138	21,173	21,208	21,243	21,278	253,036
SOBRA CHILD <1	38,797	38,861	38,925	38,989	39,054	39,118	39,183	39,247	39,312	39,377	39,442	39,507	469,812
SOBRA CHILD 1-13	409,802	410,478	411,156	411,835	412,516	413,197	413,879	414,563	415,248	415,933	416,620	417,308	4,962,536
SOBRA CHILD 14-44, F	53,817	53,906	53,995	54,084	54,173	54,263	54,352	54,442	54,532	54,622	54,712	54,803	651,702
SOBRA CHILD 14-44, M	53,964	54,053	54,143	54,232	54,322	54,411	54,501	54,591	54,682	54,772	54,862	54,953	653,487
SOBRA WOMEN TOTAL	26,551	26,594	26,638	26,682	26,726	26,771	26,815	26,859	26,903	26,948	26,992	27,037	321,517
SSI W/ MED	56,976	57,091	57,206	57,320	57,435	57,550	57,665	57,779	57,894	58,009	58,124	58,238	691,287
SSI W/O MED	50,198	50,299	50,400	50,501	50,602	50,703	50,804	50,906	51,007	51,108	51,209	51,310	609,047
Total MM	889,909	891,418	892,929	894,441	895,956	897,474	898,993	900,514	902,038	903,564	905,092	906,622	10,778,950

Traditional SFY18	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	SFY18 WA
Developed PMPM Inflated by													
TANF <1	35.55	35.55	35.55	36.73	36.73	36.73	36.73	36.73	36.73	36.73	36.73	36.73	36.43
TANF 1-13	4.07	4.07	4.07	4.21	4.21	4.21	4.21	4.21	4.21	4.21	4.21	4.21	4.17
TANF 14-44, F	3.44	3.44	3.44	3.55	3.55	3.55	3.55	3.55	3.55	3.55	3.55	3.55	3.53
TANF 14-44, M	6.24	6.24	6.24	6.45	6.45	6.45	6.45	6.45	6.45	6.45	6.45	6.45	6.40
TANF 45+	6.31	6.31	6.31	6.51	6.51	6.51	6.51	6.51	6.51	6.51	6.51	6.51	6.46
SOBRA CHILD <1	25.71	25.71	25.71	26.56	26.56	26.56	26.56	26.56	26.56	26.56	26.56	26.56	26.35
SOBRA CHILD 1-13	1.73	1.73	1.73	1.78	1.78	1.78	1.78	1.78	1.78	1.78	1.78	1.78	1.77
SOBRA CHILD 14-44, F	1.04	1.04	1.04	1.08	1.08	1.08	1.08	1.08	1.08	1.08	1.08	1.08	1.07
SOBRA CHILD 14-44, M	2.74	2.74	2.74	2.83	2.83	2.83	2.83	2.83	2.83	2.83	2.83	2.83	2.81
				0.00									
SOBRA WOMEN TOTAL	1.23	1.23	1.23	1.27	1.27	1.27	1.27	1.27	1.27	1.27	1.27	1.27	1.26
SSI W/ MED	1.05	1.05	1.05	1.08	1.08	1.08	1.08	1.08	1.08	1.08	1.08	1.08	1.07
SSI W/O MED	89.87	89.87	89.87	92.84	92.84	92.84	92.84	92.84	92.84	92.84	92.84	92.84	92.10

Traditional SFY18	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Totals
Expenditure Forecast													
TANF <1	432,000	432,700	433,500	448,500	449,200	450,000	450,700	451,500	452,200	453,000	453,700	454,500	5,361,500
TANF 1-13	173,300	173,600	173,900	179,900	180,200	180,500	180,800	181,100	181,400	181,700	182,000	182,300	2,150,700
TANF 14-44, F	310,100	310,600	311,200	322,000	322,500	323,000	323,600	324,100	324,600	325,200	325,700	326,200	3,848,800
TANF 14-44, M	212,400	212,800	213,100	220,500	220,900	221,200	221,600	222,000	222,300	222,700	223,100	223,400	2,636,000
TANF 45+	131,800	132,000	132,200	136,800	137,000	137,200	137,500	137,700	137,900	138,200	138,400	138,600	1,635,300
SOBRA CHILD <1	997,600	999,300	1,000,900	1,035,700	1,037,400	1,039,100	1,040,800	1,042,500	1,044,300	1,046,000	1,047,700	1,049,400	12,380,700
SOBRA CHILD 1-13	707,500	708,600	709,800	734,500	735,700	736,900	738,100	739,300	740,500	741,800	743,000	744,200	8,779,900
SOBRA CHILD 14-44, F	56,200	56,300	56,400	58,300	58,400	58,500	58,600	58,700	58,800	58,900	59,000	59,100	697,200
SOBRA CHILD 14-44, M	147,900	148,200	148,400	153,500	153,800	154,100	154,300	154,600	154,800	155,100	155,300	155,600	1,835,600
SOBRA WOMEN TOTAL	32,700	32,800	32,800	34,000	34,000	34,100	34,100	34,200	34,300	34,300	34,400	34,400	406,100
SSI W/ MED	59,700	59,800	59,900	62,000	62,100	62,300	62,400	62,500	62,600	62,800	62,900	63,000	742,000
SSI W/O MED	4,511,400	4,520,500	4,529,600	4,688,400	4,697,800	4,707,200	4,716,600	4,726,000	4,735,400	4,744,700	4,754,100	4,763,500	56,095,200
Total Expenditures	7,772,600	7,787,200	7,801,700	8,074,100	8,089,000	8,104,100	8,119,100	8,134,200	8,149,100	8,164,400	8,179,300	8,194,200	96,569,000

Arizona Health Care Cost Containment System
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Traditional Reinsurance Forecast

Traditional SFY18	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Totals
Expenditure Forecast													
TANF <1	432,000	432,700	433,500	448,500	449,200	450,000	450,700	451,500	452,200	453,000	453,700	454,500	5,361,500
TANF 1-13	173,300	173,600	173,900	179,900	180,200	180,500	180,800	181,100	181,400	181,700	182,000	182,300	2,150,700
TANF 14-44, F	310,100	310,600	311,200	322,000	322,500	323,000	323,600	324,100	324,600	325,200	325,700	326,200	3,848,800
TANF 14-44, M	212,400	212,800	213,100	220,500	220,900	221,200	221,600	222,000	222,300	222,700	223,100	223,400	2,636,000
TANF 45+	131,800	132,000	132,200	136,800	137,000	137,200	137,500	137,700	137,900	138,200	138,400	138,600	1,635,300
SOBRA CHILD <1	997,600	999,300	1,000,900	1,035,700	1,037,400	1,039,100	1,040,800	1,042,500	1,044,300	1,046,000	1,047,700	1,049,400	12,380,700
SOBRA CHILD 1-13	707,500	708,600	709,800	734,500	735,700	736,900	738,100	739,300	740,500	741,800	743,000	744,200	8,779,900
SOBRA CHILD 14-44, F	56,200	56,300	56,400	58,300	58,400	58,500	58,600	58,700	58,800	58,900	59,000	59,100	697,200
SOBRA CHILD 14-44, M	147,900	148,200	148,400	153,500	153,800	154,100	154,300	154,600	154,800	155,100	155,300	155,600	1,835,600
SOBRA WOMEN TOTAL	32,700	32,800	32,800	34,000	34,000	34,100	34,100	34,200	34,300	34,300	34,400	34,400	406,100
SSI W/ MED	59,700	59,800	59,900	62,000	62,100	62,300	62,400	62,500	62,600	62,800	62,900	63,000	742,000
SSI W/O MED	4,511,400	4,520,500	4,529,600	4,688,400	4,697,800	4,707,200	4,716,600	4,726,000	4,735,400	4,744,700	4,754,100	4,763,500	56,095,200
Total Fund	7,772,600	7,787,200	7,801,700	8,074,100	8,089,000	8,104,100	8,119,100	8,134,200	8,149,100	8,164,400	8,179,300	8,194,200	96,569,000
Federal Funds													
TANF <1	299,100	299,600	300,200	311,800	312,300	312,900	313,400	313,900	314,400	315,000	315,500	316,000	3,724,100
TANF 1-13	120,000	120,200	120,400	125,100	125,300	125,500	125,700	125,900	126,100	126,300	126,500	126,800	1,493,800
TANF 14-44, F	214,700	215,100	215,500	223,900	224,200	224,600	225,000	225,300	225,700	226,100	226,500	226,800	2,673,400
TANF 14-44, M	147,100	147,300	147,600	153,300	153,600	153,800	154,100	154,400	154,600	154,800	155,100	155,300	1,831,000
TANF 45+	91,300	91,400	91,500	95,100	95,300	95,400	95,600	95,700	95,900	96,100	96,200	96,400	1,135,900
SOBRA CHILD <1	690,700	691,900	693,000	720,100	721,300	722,500	723,700	724,900	726,100	727,300	728,500	729,600	8,599,600
SOBRA CHILD 1-13	489,900	490,600	491,500	510,700	511,500	512,400	513,200	514,000	514,900	515,800	516,600	517,400	6,098,500
SOBRA CHILD 14-44, F	38,900	39,000	39,100	40,500	40,600	40,700	40,700	40,800	40,900	41,000	41,000	41,100	484,300
SOBRA CHILD 14-44, M	102,400	102,600	102,800	106,700	106,900	107,100	107,300	107,500	107,600	107,800	108,000	108,200	1,274,900
SOBRA WOMEN TOTAL	22,600	22,700	22,700	23,600	23,600	23,700	23,700	23,800	23,800	23,800	23,900	23,900	281,800
SSI W/ MED	41,300	41,400	41,500	43,100	43,200	43,300	43,400	43,500	43,500	43,700	43,700	43,800	515,400
SSI W/O MED	3,123,700	3,130,000	3,136,300	3,259,800	3,266,400	3,272,900	3,279,500	3,286,000	3,292,500	3,299,000	3,305,500	3,312,100	38,963,700
Federal Fund	5,381,700	5,391,800	5,402,100	5,613,700	5,624,200	5,634,800	5,645,300	5,655,700	5,666,000	5,676,700	5,687,000	5,697,400	67,076,400
State Match													
TANF <1	132,900	133,100	133,300	136,700	136,900	137,100	137,300	137,600	137,800	138,000	138,200	138,500	1,637,400
TANF 1-13	53,300	53,400	53,500	54,800	54,900	55,000	55,100	55,200	55,300	55,400	55,500	55,500	656,900
TANF 14-44, F	95,400	95,500	95,700	98,100	98,300	98,400	98,600	98,800	98,900	99,100	99,200	99,400	1,175,400
TANF 14-44, M	65,300	65,500	65,500	67,200	67,300	67,400	67,500	67,600	67,700	67,900	68,000	68,100	805,000
TANF 45+	40,500	40,600	40,700	41,700	41,700	41,800	41,900	42,000	42,000	42,100	42,200	42,200	499,400
SOBRA CHILD <1	306,900	307,400	307,900	315,600	316,100	316,600	317,100	317,600	318,200	318,700	319,200	319,800	3,781,100
SOBRA CHILD 1-13	217,600	218,000	218,300	223,800	224,200	224,500	224,900	225,300	225,600	226,000	226,400	226,800	2,681,400
SOBRA CHILD 14-44, F	17,300	17,300	17,300	17,800	17,800	17,800	17,900	17,900	17,900	17,900	18,000	18,000	212,900
SOBRA CHILD 14-44, M	45,500	45,600	45,600	46,800	46,900	47,000	47,000	47,100	47,200	47,300	47,300	47,400	560,700
SOBRA WOMEN TOTAL	10,100	10,100	10,100	10,400	10,400	10,400	10,400	10,400	10,500	10,500	10,500	10,500	124,300
SSI W/ MED	18,400	18,400	18,400	18,900	18,900	19,000	19,000	19,000	19,100	19,100	19,200	19,200	226,600
SSI W/O MED	1,387,700	1,390,500	1,393,300	1,428,600	1,431,400	1,434,300	1,437,100	1,440,000	1,442,900	1,445,700	1,448,600	1,451,400	17,131,500
State Match	2,390,900	2,395,400	2,399,600	2,460,400	2,464,800	2,469,300	2,473,800	2,478,500	2,483,100	2,487,700	2,492,300	2,496,800	29,492,600

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 3-3008 Reinsurance

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	40,285.6	83,806.6	22,926.8	106,733.4
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Expenditure Categories Total:	40,285.6	83,806.6	22,926.8	106,733.4
Fund Source					
Appropriated Funds					
1000-A	General Fund (Appropriated)	12,011.4	24,704.1	4,788.5	29,492.6
		12,011.4	24,704.1	4,788.5	29,492.6
Non-Appropriated Funds					
2120-N	AHCCCS Fund (Non-Appropriated)	28,274.2	59,102.5	18,138.3	77,240.8
		28,274.2	59,102.5	18,138.3	77,240.8
	Fund Source Total:	40,285.6	83,806.6	22,926.8	106,733.4

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3008 Reinsurance

Fund: 1000-A General Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	12,011.4	24,704.1	4,788.5	29,492.6
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Appropriated Total:		12,011.4	24,704.1	4,788.5	29,492.6
Fund Total:		12,011.4	24,704.1	4,788.5	29,492.6
Program Total For Selected Funds:		12,011.4	24,704.1	4,788.5	29,492.6

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3008 . Reinsurance

Fund: 2120-N AHCCCS Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	28,274.2	59,102.5	18,138.3	77,240.8
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Non-Appropriated Total:	28,274.2	59,102.5	18,138.3	77,240.8
	Fund Total:	28,274.2	59,102.5	18,138.3	77,240.8
	Program Total For Selected Funds:	28,274.2	59,102.5	18,138.3	77,240.8

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3008 Reinsurance

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	0.0	0.0
Boards and Commissions	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	0.0	0.0
Attorney General Legal Services	0.0	0.0
External Legal Services	0.0	0.0
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	0.0	0.0
Hospital Services	0.0	0.0
Other Medical Services	0.0	0.0
Institutional Care	0.0	0.0
Education And Training	0.0	0.0
Vendor Travel	0.0	0.0
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0
Other Professional And Outside Services	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3008 Reinsurance

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	40,285.6	83,806.6
Expenditure Category Total	40,285.6	83,806.6
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	12,011.4	24,704.1
	12,011.4	24,704.1
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	28,274.2	59,102.5
	28,274.2	59,102.5
Fund Source Total	40,285.6	83,806.6

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	0.0	0.0
Information Technology Services	0.0	0.0
Utilities	0.0	0.0
Non-Building or Land Rent	0.0	0.0
Building Rent Charges to State Agencies	0.0	0.0
COP Building Rent Charges to State Agencies	0.0	0.0
Rental of Land & Buildings	0.0	0.0
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	0.0	0.0
Repair & Maintenance	0.0	0.0
Software Support and Maintenance	0.0	0.0
Operating Supplies	0.0	0.0
Resale Supplies	0.0	0.0
Sales of Assets	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3008 Reinsurance

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Conference, Education & Training	0.0	0.0
Advertising	0.0	0.0
Printing & Photography	0.0	0.0
Postage & Delivery	0.0	0.0
Miscellaneous Operating	0.0	0.0
Depreciation Expense	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	0.0	0.0
Vehicles - Non-Capital	0.0	0.0
Furniture - Non-Capital	0.0	0.0
EDP Equipment - Mainframe - Non-Capital	0.0	0.0
Telecommunication Equipment - Non Capital	0.0	0.0
Other Equipment - Non-Capital	0.0	0.0
Purchased Or Licensed Software/Website	0.0	0.0
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3008 Reinsurance

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	0.0	0.0
Expenditure Category Total	0.0	0.0

All dollars are presented in thousands (not FTE).

ACUTE BASE MEDICARE PREMIUMS PROGRAM

PROGRAM DESCRIPTION/BACKGROUND:

AHCCCS pays Medicare Part A premiums (Hospital Insurance Benefit (HIB)) and Medicare Part B premiums (Supplemental Medical Insurance Benefit (SMIB)) for Title XIX members who are eligible for both Medicare and Medicaid. AHCCCS acts as a payer of last resort for medical benefits and cost avoids against Medicare for dual eligible members. This means that for these members AHCCCS only has liability for payment of Medicare coinsurance, deductibles, and the remaining medical benefits that are not covered by Medicare and all other third party payers. Health care providers must determine the extent of third party coverage and bill all private insurance carriers including HMOs and Medicare prior to billing AHCCCS. This Medicare "buy-in" program reduces the State's Medicaid costs because the Federal government, through Medicare, absorbs many of the major medical costs provided to these members, which otherwise would have been paid by AHCCCS.

In addition, Federal law requires the State to pay Medicare Part A and/or Part B premiums on behalf of certain low-income Medicare beneficiaries. These members are covered under the Qualified Medicare Beneficiary (QMB) or the Specified Low-Income Medicare Beneficiary (SLMB) programs. To be eligible for the QMB program, the individual's income must be less than 100% of the Federal Poverty Level (FPL). These QMB members are eligible for full benefits, however, some choose to remain QMB only and AHCCCS pays for their Medicare Part A and Part B premiums, Medicare coinsurance and deductibles. To be eligible for the SLMB program, the individual's income must fall between 100% and 120% of the FPL. AHCCCS pays the Medicare Part B premium for SLMB eligibles.

Section 4732 of the Balanced Budget Act (BBA) of 1997 created two new eligibility groups: Qualified Individual I and II (QI-1 and QI-2). These 100% federal funded groups were originally scheduled to sunset on December 31, 2002. However the QI-1 group, which receives a payment for the full Medicare Part B premium, continues to be reauthorized by Congress (the QI-2 group did sunset). Section 211 of the Medicare Access and CHIP Reauthorization Act (MACRA) permanently extended the Qualifying Individual program, for Calendar Year (CY) 2016, and each subsequent year. To be eligible for the QI-1 Program, a member's income must be between 120% and 135% of the FPL.

In Fiscal Year 2018, AHCCCS requires an increase of $71,566,900 in Total Funds consisting of $19,495,000 General Fund and $51,071,900 Federal Fund for the Acute Medicare Premiums allocation within the Traditional Medicaid Services Appropriation.

METHODOLOGY:

- Medicare Part A and Part B monthly premium rates are established by the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS) for each calendar year.

- A per member per month (PMPM) cost for Medicare Part A premiums is calculated by dividing actual Medicare Part A premium expenditures for January through June 2016 by the SSI with Medicare member months for that same period For Calendar Year 2017 and Calendar Year 2018, this PMPM cost is inflated by 2.63%. The 2.63% represents a five-year average of the percent increases (not including years in which the PMPM decreased) in the published Medicare Part A rate. The PMPM amounts are then multiplied by projected SSI with Medicare member months to estimate Medicare Part A premium expenditures for future years. Note that the projected SSI with Medicare member months used for the Medicare premium calculation includes members enrolled in the behavioral health integrated plans, therefore, it does not tie directly to the SSI with Medicare member months used in the Traditional capitation forecast.

- A per member per month (PMPM) cost for Medicare Part B premiums is calculated by dividing actual Medicare Part B premium expenditures for January through June 2016 by the SSI with Medicare member months for that same period. For Calendar Year 2017 this PMPM cost is inflated by 22.33% based on the 2016 Annual Report of the Boards of Trustees of the Federal Hospital Insurance and Federal Supplementary Medical Insurance Trust Funds.

- For Calendar Year 2018 the Medicare Part B PMPM cost is inflated by 5.11% which represents a five-year average of the percent increases in the published Medicare Part B rate (excluding years in which the rate decreased and excluding the large proposed increase in Calendar Year 2017).

- The PMPM amounts are then multiplied by projected SSI with Medicare member months to estimate Medicare Part B premium expenditures for future years. Note that the projected SSI with Medicare member months used for the Medicare premium calculation includes members enrolled in the behavioral health integrated plans, therefore, it does not tie directly to the SSI with Medicare member months used in the Traditional capitation forecast.

- The separate PMPM costs for QMB-Only Part A premiums, Part B premiums and coinsurance/deductibles were calculated by dividing actual expenditures for January through June 2016 by actual member months for that same period. The PMPMs for QMB-Only Medicare Part A and B premiums were increased by the same Part A and B inflation percentages as the above PMPM calculations for Medicare Premiums. The QMB-Only Coinsurance & Deductible PMPM was increased by an average of the Part A and B increases for Calendar Year 2018 which is 3.87%. The Calendar Year 2018 average increase, which excludes the large increase in Medicare Part B premiums in Calendar Year 2017, was applied to QMB-Only Coinsurance & Deductible PMPM's for both Calendar Year 2017 and Calendar Year 2018 since coinsurance and deductibles should not be affected.

- The PMPM costs for SLMB were calculated by actual expenditures for the January through June 2016 being divided by actual enrollment for that same period. Because SLMB enrollees are only eligible to have their Part B premiums paid, the same inflationary increase used for the Part B Medicare Premium calculation was used for this population.

- The QI-1 program enrollment is developed by dividing actual prior year expenditures by the published Part B rate. The projected enrollment is then multiplied by the projected published rate to estimate the future expenditures. This program is 100% Federally funded up to the annual QI-1 allotment amount. If the allotment is exceeded, the cost is 100% state funded.

ASSUMPTIONS:

Medicare Premium Rates

The current calendar year 2016 Medicare Part A premium is $411.00 per month. The current calendar year 2016 Medicare Part B premium is $121.80. The effective Medicare premium rates paid by AHCCCS are calculated using the PMPM costs which include a 10% surcharge for late enrollment for some members over and above the published premium rates. The following table provides a historical perspective on the Medicare Part A and B premiums and annual increases.

History of Medicare Premium Rates

Calendar Year	Medicare Part A Premium	% Change
2001	$300.00	-0.33%
2002	$319.00	6.33%
2003	$316.00	-0.94%
2004	$343.00	8.54%
2005	$375.00	9.33%
2006	$393.00	4.80%
2007	$410.00	4.33%
2008	$423.00	3.17%
2009	$443.00	4.73%
2010	$461.00	4.06%
2011	$450.00	-2.39%
2012	$451.00	0.22%
2013	$441.00	-2.22%
2014	$426.00	-3.40%
2015	$407.00	-4.46%
2016	$411.00	0.98%
2017	$421.82 (1)	2.63%
2018	$432.93 (1)	2.63%

Calendar Year	Medicare Part B Premium	% Change
2001	$50.00	9.89%
2002	$54.00	8.00%
2003	$58.70	8.70%
2004	$66.60	13.46%
2005	$78.20	17.42%
2006	$88.50	13.17%
2007	$93.50	5.65%
2008	$96.40	3.10%
2009	$96.40	0.00%
2010	$110.50	14.63%
2011	$115.40	4.43%
2012	$99.90	-13.43%
2013	$104.90	5.01%
2014	$104.90	0.00%
2015	$104.90	0.00%
2016	$121.80	16.11%
2017	$149.00 (2)	22.33%
2018	$156.61 (3)	5.11%

(1) The Medicare Part A premium projected for Calendar Years 2017 and 2018 was based on an average of the most recent five years percentage increase (excluding years in which the rate decreased).

(2) The Medicare Part B premium projected for Calendar Year 2017 was based on the 2016 Annual Report of the Boards of Trustees of the Federal Hospital Insurance and Federal Supplementary Medical Insurance Trust Funds. This increase must still be approved by Congress. If Congress were not to approve this large increase for Calendar Year 2017 and instead increased rates by an average of the most recent five years percentage increase, excluding years in which the rate decreased, this would reduce SFY 2017 expenses by $16,453,800 TF ($4,321,000 SM) and SFY 2018 expenses by $34,790,400 TF ($9,051,000 SM).

(3) The Medicare Part B premium projected for Calendar Year 2018 was based on an average of the most recent five years percentage increase (excluding years in which the rate decreased and excluding the large proposed increase in Calendar Year 2018).

The 2015 Annual Report of the Boards of Trustees of the Federal Hospital Insurance and Federal Supplementary Medical Insurance Trust Funds recommended a Medicare Part B premium of $159.30 for Calendar Year 2016, a 51.86% increase. Congress stepped in and passed the Bipartisan Budget Act of 2015, reducing the Part B premium for Calendar Year 2016 to $121.80, a 16.11% increase, because of the potential adverse impact on state Medicaid agencies. It is likely that there will be pressure on Congress to reduce the Medicare Part B premiums from the proposed amount for Calendar Year 2017, however, for this budget submittal, we have assumed that the full amount of the Part B premium increase will take effect until we have further information.

Membership Growth

Linear regressions were used to project member month growth for the different subgroups of the Medicare Premiums Program.

Traditional SSI with Medicare member – 48-month regression
QMB-Only member – 36-month regression
SLMB member – 36-month regression
QI-1 member – 60-month regression

Below is a chart showing the projected member month changes for all subprograms within the Medicare Premiums Program for SFY 2010-2018. The decreased growth in FY2016 for the Part A and B population is related to a shift in SSI with Medicare members from Traditional to Proposition 204 which occurred in the spring of 2015. This shift was due to the increase in FPL for 2015 being lower than the SSA cost of living increase, which results in a MAGI income adjustment that moves members from Traditional to Proposition 204. Since that time, the direction of this shift has reversed. For FY2017, member months for SSI Traditional and Prop. 204 SSI (including both SSI with Medicare and SSI without Medicare) were forecast in aggregate using a 48 month regression and then split according to the percentage that each currently represents of the total. Because of the sizeable shift from Traditional to Prop. 204 that occurred in spring 2015, this methodology results in a year-over-year increase of 15% from FY2015 to FY2016, even though the June-over-June increase was only 2.7%.

SFY	Part A & B	% Chg	QMB-Only	% Chg	SLMB	% Chg	QI-1	% Chg
2010	515,716	5.8%	47,539	3.4%	204,784	4.8%	140,708	9.0%
2011	543,651	5.4%	48,784	2.6%	223,053	8.9%	151,739	7.8%
2012	589,805	8.5%	48,625	-0.3%	241,542	8.3%	153,686	1.3%
2013	618,701	4.9%	50,923	4.7%	262,709	8.8%	184,230	19.9%
2014	642,940	3.9%	56,427	10.8%	277,447	5.6%	189,204	2.7%
2015	661,543	2.9%	56,145	-0.5%	300,868	8.4%	200,471	6.0%
2016	667,874	1.0%	71,191	26.8%	335,646	11.6%	215,837	7.7%
2017	768,074	15.0%	79,822	12.1%	349,522	4.1%	226,116	4.8%
2018	787,745	2.6%	87,258	9.3%	370,668	6.0%	239,397	5.9%

FMAP:

AHCCCS is assuming that the FMAP rate of 69.24% will increase in SFY 2017 to 69.53% based on FFIS estimates (Issue Brief 16-14, March 25, 2016).

FFY14 (Oct-Sep)	67.23%
FFY15 (Oct-Sep)	68.46%
FFY16 (Oct-Sep)	68.92%
FFY17 (Oct-Sep)	69.24%
FFY18 (Oct-Sep)	69.53%

STATUTORY AUTHORITY:

ARS § 36-2901, paragraph 6, subdivision (a)
ARS § 36-2911
Section 4732, the Balanced Budget Act (BBA) of 1997
Medicare Access and CHIP Reauthorization Act of 2015 (PL 114-10)
Arizona Section 1115 Waiver for FFY 2012 through FFY 2016, CNOM #13 (April 16, 2013 Amendment)

Arizona Health Care Cost Containment System
Fiscal Year 2017 Budget
Medicare Cost Sharing Program Expenditure Forecast Summary

		FY 2016 Actual	FY 2017 Allocation	FY 2017 Rebase	FY 2018 Request	FY 2018 Increase
	(SM)	27,319,000	28,895,000	35,967,600	41,075,200	12,180,200
Part A and B	(TF)	87,619,900	95,950,600	116,658,000	134,496,300	38,545,700
	(SM)	3,866,300	4,089,300	4,856,800	5,759,800	1,670,500
QMB-Only	(TF)	12,400,500	13,579,500	15,752,400	18,860,700	5,281,200
	(SM)	14,350,600	15,178,400	17,597,600	20,822,700	5,644,300
SLMB	(TF)	46,019,200	50,394,600	57,079,800	68,182,100	17,787,500
	(SM)	-	-	-	-	-
QI-1	(TF)	24,328,100	26,641,200	30,661,300	36,593,700	9,952,500
	(SM)	45,535,900	48,162,700	58,422,000	67,657,700	19,495,000
Medicare Cost Sharing	(TF)	170,367,700	186,565,900	220,151,500	258,132,800	71,566,900

Notes:
1) For FY17, Acute Medicare Premiums are appropriated as part of the Traditional Medicaid Services line item.
2) The FY17 Allocation above was based on FY16 Medicare Premium expenditures as a percentage of total Traditional expenditures from the AHCCCS July 2017 Budget rebase.

Arizona Health Care Cost Containment System
State Fiscal Years 2016 - 2018
Medicare Cost Sharing Program Expenditure Forecast Summary

	SFY 2016 PMMIS Actual		
	Total	Fed	State
Part A and B	87,619,900	60,300,900	27,319,000
QMB-Only	12,400,500	8,534,200	3,866,300
SLMB	46,019,200	31,668,600	14,350,600
QI-1	24,328,100	24,328,100	-
Total	170,367,700	124,831,800	45,535,900

	SFY 2017 07/16 Rebase		
	Total	Fed	State
Part A and B	116,658,000	80,690,400	35,967,600
QMB-Only	15,752,400	10,895,600	4,856,800
SLMB	57,079,800	39,482,200	17,597,600
QI-1	30,661,300	30,661,300	-
Total	220,151,500	161,729,500	58,422,000

	SFY 2018 07/16 Request		
	Total	Fed	State
Part A and B	134,496,300	93,421,100	41,075,200
QMB-Only	18,860,700	13,100,900	5,759,800
SLMB	68,182,100	47,359,400	20,822,700
QI-1	36,593,700	36,593,700	-
Total	258,132,800	190,475,100	67,657,700

Arizona Health Care Cost Containment System
Medicare Cost Sharing Program Expenditures

FY16 Actual	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Total
Part A and B	6,134,100	6,290,400	6,473,700	6,558,300	6,757,500	6,799,600	7,830,800	7,934,300	7,977,300	8,085,700	8,280,300	8,497,900	87,619,900
QMB	841,900	764,800	1,059,200	935,900	846,900	1,113,300	950,300	1,026,200	1,232,700	1,151,400	1,181,500	1,296,400	12,400,500
SLMB	3,389,100	3,504,000	3,489,200	3,653,500	3,562,100	3,558,500	4,162,800	4,165,800	4,230,300	4,226,300	4,071,000	4,006,600	46,019,200
QI-1	2,399,500	1,983,000	1,927,900	1,981,100	1,974,000	1,905,400	2,072,700	2,017,400	1,458,500	2,091,100	2,388,500	2,129,000	24,328,100
Total	12,764,600	12,542,200	12,950,000	13,128,800	13,140,500	13,376,800	15,016,600	15,143,700	14,898,800	15,554,500	15,921,300	15,929,900	170,367,700
Fed Share	9,495,500	9,211,800	9,473,600	9,664,100	9,670,000	9,811,500	10,993,600	11,064,100	10,721,600	11,370,100	11,715,300	11,640,600	124,831,800
State Share	3,269,100	3,330,400	3,476,400	3,464,700	3,470,500	3,565,300	4,023,000	4,079,600	4,177,200	4,184,400	4,206,000	4,289,300	45,535,900

FY17 Rebase	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Total
Part A and B	8,673,100	8,687,300	8,706,100	8,724,700	8,743,500	8,762,300	10,669,900	10,692,700	10,715,400	10,738,200	10,761,000	10,783,800	116,658,000
QMB	1,165,000	1,174,400	1,183,800	1,193,300	1,202,800	1,212,200	1,409,500	1,420,500	1,431,400	1,442,200	1,453,200	1,464,100	15,752,400
SLMB	4,112,300	4,141,000	4,169,700	4,198,400	4,227,100	4,255,800	5,241,500	5,276,600	5,311,700	5,346,800	5,381,900	5,417,000	57,079,800
QI-1	2,233,300	2,244,500	2,255,800	2,267,000	2,278,200	2,289,500	2,814,500	2,828,200	2,842,000	2,855,700	2,869,400	2,883,200	30,661,300
Total	16,183,700	16,247,200	16,315,400	16,383,400	16,451,600	16,519,800	20,135,400	20,218,000	20,300,500	20,382,900	20,465,500	20,548,100	220,151,500
Fed Share	11,847,900	11,895,200	11,945,700	12,041,200	12,091,800	12,142,500	14,807,400	14,868,900	14,930,200	14,991,500	15,052,900	15,114,300	161,729,500
State Share	4,335,800	4,352,000	4,369,700	4,342,200	4,359,800	4,377,300	5,328,000	5,349,100	5,370,300	5,391,400	5,412,600	5,433,800	58,422,000

FY18 Request	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Total
Part A and B	10,806,600	10,829,400	10,852,200	10,874,900	10,897,700	10,920,500	11,492,700	11,516,600	11,540,500	11,564,500	11,588,400	11,612,300	134,496,300
QMB	1,475,000	1,486,000	1,496,800	1,507,700	1,518,500	1,529,500	1,612,700	1,624,100	1,635,500	1,646,900	1,658,300	1,669,700	18,860,700
SLMB	5,452,100	5,487,300	5,522,400	5,557,500	5,557,500	5,557,500	5,841,300	5,841,300	5,841,300	5,841,300	5,841,300	5,841,300	68,182,100
QI-1	2,896,900	2,910,700	2,924,400	2,938,200	2,951,900	2,965,600	3,131,600	3,146,000	3,160,400	3,174,900	3,189,300	3,203,800	36,593,700
Total	20,630,600	20,713,400	20,795,800	20,878,300	20,925,600	20,973,100	22,078,300	22,128,000	22,177,700	22,227,600	22,277,300	22,327,100	258,132,800
Fed Share	15,175,700	15,237,300	15,298,600	15,411,900	15,449,000	15,486,200	16,305,300	16,344,200	16,383,200	16,422,300	16,461,200	16,500,200	190,475,100
State Share	5,454,900	5,476,100	5,497,200	5,466,400	5,476,600	5,486,900	5,773,000	5,783,800	5,794,500	5,805,300	5,816,100	5,826,900	67,657,700

Arizona Health Care Cost Containment System
Acute Care Part A and B Medicare Premium Expenditures

FY16 Actual	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Total
Part A	265,200	275,600	304,600	309,300	291,600	305,100	302,600	332,700	365,600	297,400	363,900	364,900	3,778,500
Part B	5,868,900	6,014,800	6,169,100	6,249,000	6,465,900	6,494,500	7,528,200	7,601,600	7,611,700	7,788,300	7,916,400	8,133,000	83,841,400
Total	6,134,100	6,290,400	6,473,700	6,558,300	6,757,500	6,799,600	7,830,800	7,934,300	7,977,300	8,085,700	8,280,300	8,497,900	87,619,900
Fed Share	4,199,400	4,306,400	4,431,900	4,520,000	4,657,300	4,686,300	5,397,000	5,468,300	5,498,000	5,572,700	5,706,800	5,856,800	60,300,900
State Share	1,934,700	1,984,000	2,041,800	2,038,300	2,100,200	2,113,300	2,433,800	2,466,000	2,479,300	2,513,000	2,573,500	2,641,100	27,319,000
Member Months	48,578	48,798	49,070	55,063	55,578	56,118	56,423	56,843	58,330	58,797	61,222	63,055	667,874
PMPM													
Part A	5.46	5.65	6.21	5.62	5.25	5.44	5.36	5.85	6.27	5.06	5.94	5.79	5.66
Part B	120.81	123.26	125.72	113.49	116.34	115.73	133.42	133.73	130.49	132.46	129.31	128.98	125.53

FY17 Rebase	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Total
Part A	362,000	362,600	363,400	364,100	364,900	365,700	376,100	376,900	377,700	378,500	379,300	380,100	4,451,300
Part B	8,311,100	8,324,700	8,342,700	8,360,600	8,378,600	8,396,600	10,293,800	10,315,800	10,337,700	10,359,700	10,381,700	10,403,700	112,206,700
Total	8,673,100	8,687,300	8,706,100	8,724,700	8,743,500	8,762,300	10,669,900	10,692,700	10,715,400	10,738,200	10,761,000	10,783,800	116,658,000
Fed Share	5,977,500	5,987,300	6,000,200	6,041,000	6,054,000	6,067,000	7,387,800	7,403,600	7,419,300	7,435,100	7,450,900	7,466,700	80,690,400
State Share	2,695,600	2,700,000	2,705,900	2,683,700	2,689,500	2,695,300	3,282,100	3,289,100	3,296,100	3,303,100	3,310,100	3,317,100	35,967,600
Member Months	63,284	63,388	63,524	63,661	63,798	63,935	64,072	64,209	64,345	64,482	64,619	64,756	768,074
PMPM													
Part A	5.72	5.72	5.72	5.72	5.72	5.72	5.87	5.87	5.87	5.87	5.87	5.87	5.80
Part B	131.33	131.33	131.33	131.33	131.33	131.33	160.66	160.66	160.66	160.66	160.66	160.66	146.09

FY18 Request	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Total
Part A	380,900	381,700	382,500	383,300	384,100	384,900	395,600	396,400	397,200	398,100	398,900	399,700	4,683,300
Part B	10,425,700	10,447,700	10,469,700	10,491,600	10,513,600	10,535,600	11,097,100	11,120,200	11,143,300	11,166,400	11,189,500	11,212,600	129,813,000
Total	10,806,600	10,829,400	10,852,200	10,874,900	10,897,700	10,920,500	11,492,700	11,516,600	11,540,500	11,564,500	11,588,400	11,612,300	134,496,300
Fed Share	7,482,500	7,498,300	7,514,100	7,561,300	7,577,200	7,593,000	7,990,900	8,007,500	8,024,100	8,040,800	8,057,400	8,074,000	93,421,100
State Share	3,324,100	3,331,100	3,338,100	3,313,600	3,320,500	3,327,500	3,501,800	3,509,100	3,516,400	3,523,700	3,531,000	3,538,300	41,075,200
Member Months	64,893	65,030	65,167	65,303	65,440	65,577	65,714	65,851	65,988	66,124	66,261	66,398	787,745
PMPM													
Part A	5.87	5.87	5.87	5.87	5.87	5.87	6.02	6.02	6.02	6.02	6.02	6.02	5.95
Part B	160.66	160.66	160.66	160.66	160.66	160.66	168.87	168.87	168.87	168.87	168.87	168.87	164.79

Arizona Health Care Cost Containment System
Acute Care SLMB Expenditures

FY16 Rebase	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Total
Part B	3,389,100	3,504,000	3,489,200	3,653,500	3,562,100	3,558,500	4,162,800	4,165,800	4,230,300	4,226,300	4,071,000	4,006,600	46,019,200
Total	3,389,100	3,504,000	3,489,200	3,653,500	3,562,100	3,558,500	4,162,800	4,165,800	4,230,300	4,226,300	4,071,000	4,006,600	46,019,200
Fed Share	2,320,200	2,398,800	2,388,700	2,518,000	2,455,000	2,452,500	2,869,000	2,871,100	2,915,500	2,912,800	2,805,700	2,761,300	31,668,600
State Share	1,068,900	1,105,200	1,100,500	1,135,500	1,107,100	1,106,000	1,293,800	1,294,700	1,314,800	1,313,500	1,265,300	1,245,300	14,350,600
Member Months	26,753	27,155	27,596	27,845	28,214	28,495	28,795	29,132	28,775	27,716	27,316	27,854	335,646
PMPM													
Part B	126.68	129.04	126.44	131.21	126.25	124.88	144.57	143.00	147.01	152.49	149.03	143.84	137.11

FY17 Request	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Total
Part B	4,112,300	4,141,000	4,169,700	4,198,400	4,227,100	4,255,800	5,241,500	5,276,600	5,311,700	5,346,800	5,381,900	5,417,000	57,079,800
Total	4,112,300	4,141,000	4,169,700	4,198,400	4,227,100	4,255,800	5,241,500	5,276,600	5,311,700	5,346,800	5,381,900	5,417,000	57,079,800
Fed Share	2,834,200	2,854,000	2,873,800	2,907,000	2,926,800	2,946,700	3,629,200	3,653,500	3,677,800	3,702,100	3,726,400	3,750,700	39,482,200
State Share	1,278,100	1,287,000	1,295,900	1,291,400	1,300,300	1,309,100	1,612,300	1,623,100	1,633,900	1,644,700	1,655,500	1,666,300	17,597,600
Member Months	28,050	28,246	28,442	28,637	28,833	29,029	29,225	29,421	29,616	29,812	30,008	30,204	349,522
PMPM													
Part B	146.61	146.61	146.61	146.61	146.61	146.61	179.35	179.35	179.35	179.35	179.35	179.35	163.31

FY18 Request	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Total
Part B	5,452,100	5,487,300	5,522,400	5,557,500	5,557,500	5,557,500	5,841,300	5,841,300	5,841,300	5,841,300	5,841,300	5,841,300	68,182,100
Total	5,452,100	5,487,300	5,522,400	5,557,500	5,557,500	5,557,500	5,841,300	5,841,300	5,841,300	5,841,300	5,841,300	5,841,300	68,182,100
Fed Share	3,775,000	3,799,400	3,823,700	3,864,100	3,864,100	3,864,100	4,061,500	4,061,500	4,061,500	4,061,500	4,061,500	4,061,500	47,359,400
State Share	1,677,100	1,687,900	1,698,700	1,693,400	1,693,400	1,693,400	1,779,800	1,779,800	1,779,800	1,779,800	1,779,800	1,779,800	20,822,700
Member Months	30,399	30,595	30,791	30,987	30,987	30,987	30,987	30,987	30,987	30,987	30,987	30,987	370,668
PMPM													
Part B	179.35	179.35	179.35	179.35	179.35	179.35	188.51	188.51	188.51	188.51	188.51	188.51	183.94

Arizona Health Care Cost Containment System
Acute Care QMB-Only Expenditures

FY16 Actual	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Total
Copay	293,400	211,400	493,700	374,600	274,200	543,200	277,300	336,600	529,100	429,500	403,400	574,500	4,740,900
Part A	5,000	3,000	3,600	5,800	4,100	3,700	4,900	4,000	4,000	(2,100)	6,200	4,600	46,800
Part B	543,500	550,400	561,900	555,500	568,600	566,400	668,100	685,600	699,600	724,000	771,900	717,300	7,612,800
Total	841,900	764,800	1,059,200	935,900	846,900	1,113,300	950,300	1,026,200	1,232,700	1,151,400	1,181,500	1,296,400	12,400,500
Fed Share	576,400	523,600	725,100	645,000	583,700	767,300	654,900	707,300	849,600	793,500	814,300	893,500	8,534,200
State Share	265,500	241,200	334,100	290,900	263,200	346,000	295,400	318,900	383,100	357,900	367,200	402,900	3,866,300
Member Months	5,426	5,579	5,611	5,653	5,738	5,804	5,913	6,123	6,377	6,335	6,316	6,316	71,191
PMPM													
Copay	54.07	37.89	87.99	66.27	47.79	93.59	46.90	54.97	82.97	67.80	63.87	90.96	66.59
Part A	0.92	0.54	0.64	1.03	0.71	0.64	0.83	0.65	0.63	(0.33)	0.98	0.73	0.66
Part B	100.17	98.66	100.14	98.27	99.09	97.59	112.99	111.97	109.71	114.29	122.21	113.57	106.93

FY17 Rebase	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Total
Copay	434,500	438,000	441,500	445,000	448,600	452,100	473,200	476,900	480,600	484,200	487,900	491,500	5,554,000
Part A	3,700	3,700	3,700	3,800	3,800	3,800	3,900	4,000	4,000	4,000	4,100	4,100	46,600
Part B	726,800	732,700	738,600	744,500	750,400	756,300	932,400	939,600	946,800	954,000	961,200	968,500	10,151,800
Total	1,165,000	1,174,400	1,183,800	1,193,300	1,202,800	1,212,200	1,409,500	1,420,500	1,431,400	1,442,200	1,453,200	1,464,100	15,752,400
Fed Share	802,900	809,400	815,900	826,200	832,800	839,300	975,900	983,600	991,100	998,600	1,006,200	1,013,700	10,895,600
State Share	362,100	365,000	367,900	367,100	370,000	372,900	433,600	436,900	440,300	443,600	447,000	450,400	4,856,800
Member Months	6,368	6,419	6,471	6,523	6,574	6,626	6,678	6,729	6,781	6,833	6,884	6,936	79,822
PMPM													
Copay	68.23	68.23	68.23	68.23	68.23	68.23	70.87	70.87	70.87	70.87	70.87	70.87	69.58
Part A	0.58	0.58	0.58	0.58	0.58	0.58	0.59	0.59	0.59	0.59	0.59	0.59	0.58
Part B	114.14	114.14	114.14	114.14	114.14	114.14	139.63	139.63	139.63	139.63	139.63	139.63	127.18

FY18 Request	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Total
Copay	495,200	498,900	502,500	506,200	509,800	513,500	537,200	541,000	544,800	548,600	552,400	556,200	6,306,300
Part A	4,100	4,200	4,200	4,200	4,200	4,300	4,500	4,500	4,500	4,500	4,600	4,600	52,400
Part B	975,700	982,900	990,100	997,300	1,004,500	1,011,700	1,071,000	1,078,600	1,086,200	1,093,800	1,101,300	1,108,900	12,502,000
Total	1,475,000	1,486,000	1,496,800	1,507,700	1,518,500	1,529,500	1,612,700	1,624,100	1,635,500	1,646,900	1,658,300	1,669,700	18,860,700
Fed Share	1,021,300	1,028,900	1,036,400	1,048,300	1,055,800	1,063,500	1,121,300	1,129,200	1,137,200	1,145,100	1,153,000	1,160,900	13,100,900
State Share	453,700	457,100	460,400	459,400	462,700	466,000	491,400	494,900	498,300	501,800	505,300	508,800	5,759,800
Member Months	6,987	7,039	7,091	7,142	7,194	7,246	7,297	7,349	7,401	7,452	7,504	7,556	87,258
PMPM													
Copay	70.87	70.87	70.87	70.87	70.87	70.87	73.61	73.61	73.61	73.61	73.61	73.61	72.27
Part A	0.59	0.59	0.59	0.59	0.59	0.59	0.61	0.61	0.61	0.61	0.61	0.61	0.60
Part B	139.63	139.63	139.63	139.63	139.63	139.63	146.77	146.77	146.77	146.77	146.77	146.77	143.28

Arizona Health Care Cost Containment System
Acute Care QI-1 Expenditures

FY16 Rebase	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Total
QI-1	2,399,500	1,983,000	1,927,900	1,981,100	1,974,000	1,905,400	2,072,700	2,017,400	1,458,500	2,091,100	2,388,500	2,129,000	24,328,100
Total	2,399,500	1,983,000	1,927,900	1,981,100	1,974,000	1,905,400	2,072,700	2,017,400	1,458,500	2,091,100	2,388,500	2,129,000	24,328,100
Member Months	22,874	18,904	18,379	18,885	18,818	18,164	17,017	16,563	11,975	17,168	19,610	17,480	215,837
PMPM	104.90	104.90	104.90	104.90	104.90	104.90	121.80	121.80	121.80	121.80	121.80	121.80	112.72

FY17 Rebase	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Total
QI-1	2,233,300	2,244,500	2,255,800	2,267,000	2,278,200	2,289,500	2,814,500	2,828,200	2,842,000	2,855,700	2,869,400	2,883,200	30,661,300
Total	2,233,300	2,244,500	2,255,800	2,267,000	2,278,200	2,289,500	2,814,500	2,828,200	2,842,000	2,855,700	2,869,400	2,883,200	30,661,300
Member Months	18,336	18,428	18,520	18,612	18,705	18,797	18,889	18,981	19,074	19,166	19,258	19,350	226,116
PMPM	121.80	121.80	121.80	121.80	121.80	121.80	149.00	149.00	149.00	149.00	149.00	149.00	135.60

FY18 Request	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Total
QI-1	2,896,900	2,910,700	2,924,400	2,938,200	2,951,900	2,965,600	3,131,600	3,146,000	3,160,400	3,174,900	3,189,300	3,203,800	36,593,700
Total	2,896,900	2,910,700	2,924,400	2,938,200	2,951,900	2,965,600	3,131,600	3,146,000	3,160,400	3,174,900	3,189,300	3,203,800	36,593,700
Member Months	19,442	19,535	19,627	19,719	19,811	19,904	19,996	20,088	20,180	20,273	20,365	20,457	239,397
PMPM	149.00	149.00	149.00	149.00	149.00	149.00	156.61	156.61	156.61	156.61	156.61	156.61	152.86

MEDICARE PREMIUM HISTORY:

	PART A	% CHG		PART B	% CHG	
1999.01 to 1999.12	$ 309.00	0.00%	Actual	$ 45.50	3.88%	Actual
2000.01 to 2000.12	$ 301.00	-2.59%	Actual	$ 45.50	0.00%	Actual
2001.01 to 2001.12	$ 300.00	-0.33%	Actual	$ 50.00	9.89%	Actual
2002.01 to 2002.12	$ 319.00	6.33%	Actual	$ 54.00	8.00%	Actual
2003.01 to 2003.12	$ 316.00	-0.94%	Actual	$ 58.70	8.70%	Actual
2004.01 to 2004.12	$ 343.00	8.54%	Actual	$ 66.60	13.46%	Actual
2005.01 to 2005.12	$ 375.00	9.33%	Actual	$ 78.20	17.42%	Actual
2006.01 to 2006.12	$ 393.00	4.80%	Actual	$ 88.50	13.17%	Actual
2007.01 to 2007.12	$ 410.00	4.33%	Actual	$ 93.50	5.65%	Actual
2008.01 to 2008.12	$ 423.00	3.17%	Actual	$ 96.40	3.10%	Actual
2009.01 to 2009.12	$ 443.00	4.73%	Actual	$ 96.40	0.00%	Actual
2010.01 to 2010.12	$ 461.00	4.06%	Actual	$ 110.50	14.63%	Actual
2011.01 to 2011.12	$ 450.00	-2.39%	Actual	$ 115.40	4.43%	Actual
2012.01 to 2012.12	$ 451.00	0.22%	Actual	$ 99.90	-13.43%	Actual
2013.01 to 2013.12	$ 441.00	-2.22%	Actual	$ 104.90	5.01%	Actual
2014.01 to 2014.12	$ 426.00	-3.40%	Actual	$ 104.90	0.00%	Actual
2015.01 to 2015.12	$ 407.00	-4.46%	Actual	$ 104.90	0.00%	Actual
2016.01 to 2016.12	$ 411.00	0.98%	Actual	$ 121.80	16.11%	Actual
2017.01 to 2017.12	$ 421.82	2.63%	Projected	$ 149.00	22.33%	Projected
2018.01 to 2018.12	$ 432.93	2.63%	Projected	$ 156.61	5.11%	Projected

0.60%	**2 Year Average**
1.76%	**3 Year Average**
2.50%	**4 Year Average**
2.63%	**5 Year Average**

8.06%	**2 Year Average**
5.37%	**3 Year Average**
5.28%	**4 Year Average**
5.11%	**5 Year Average**

MEDICARE PART A & B AVERAGE %CHANGE:

4.33%	**2 Year Average**
3.56%	**3 Year Average**
3.89%	**4 Year Average**
3.87%	**5 Year Average**

Note: Average increases above do not include years in which there was a decrease.

Arizona Health Care Cost Containment System

SSI With Medicare Forecast

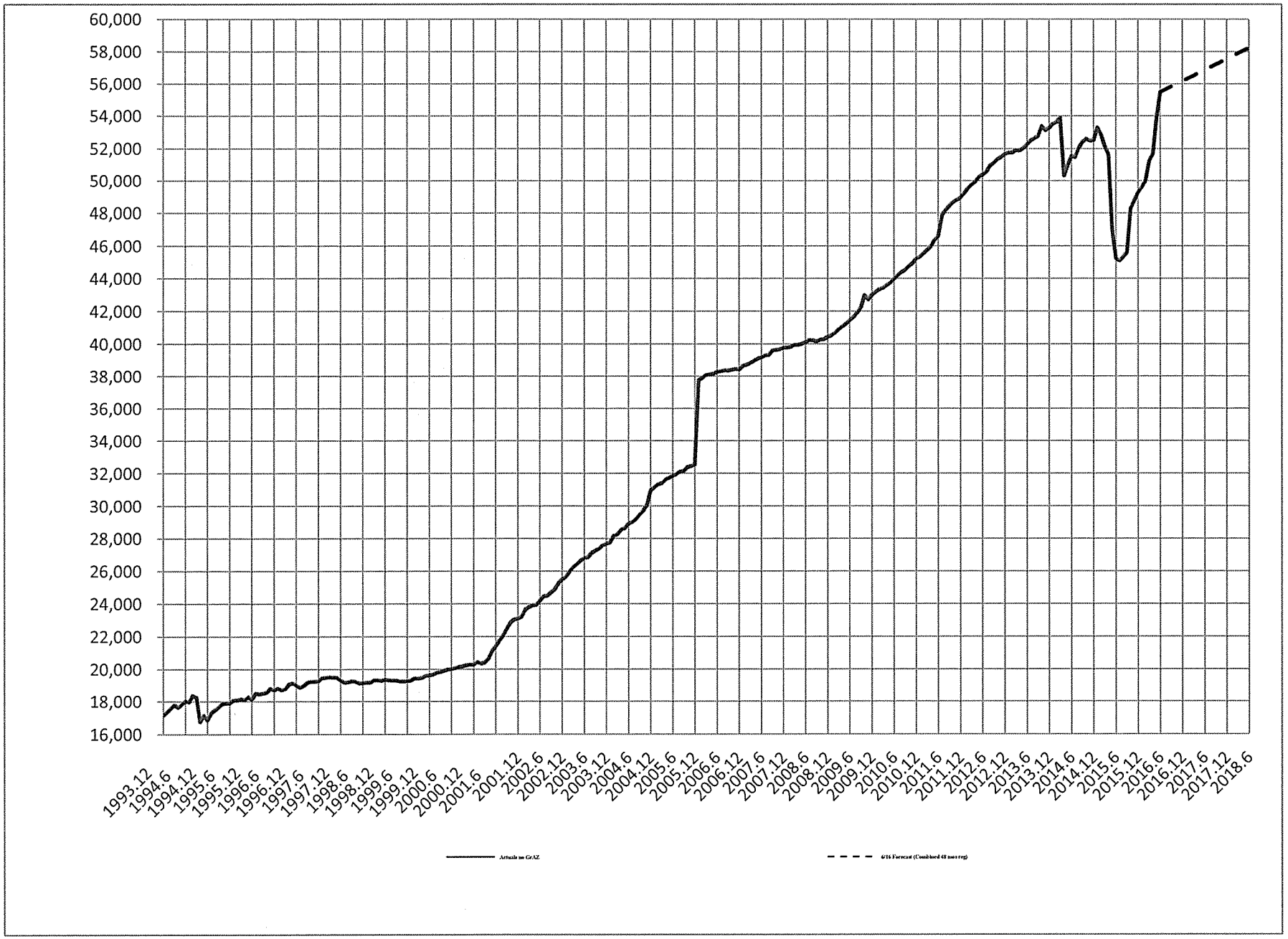
	MEMBER MONTHS ACTUAL (1)	PERCENT QTR.GROWTH	MEMBER MONTHS FORECAST (2)	SFY TOTAL	YEAR TO YEAR GROWTH %	JUNE TO JUNE GROWTH %	
2009.3	125,760	1.61%					
2009.4	128,694	2.33%					
2010.1	129,947	0.97%					
2010.2	131,311	1.05%		515,713	5.79%	6.12%	SFY 09-10
2010.3	133,132	1.39%					
2010.4	134,921	1.34%					
2011.1	136,640	1.27%					
2011.2	138,957	1.70%		543,650	5.42%	5.98%	SFY 10-11
2011.3	144,446	3.95%					
2011.4	146,372	1.33%					
2012.1	148,456	1.42%					
2012.2	150,562	1.42%		589,835	8.50%	8.08%	SFY 11-12
2012.3	152,643	1.38%					
2012.4	154,497	1.21%					
2013.1	155,391	0.58%					
2013.2	156,169	0.50%		618,701	4.89%	3.74%	SFY 12-13
2013.3	157,885	1.10%					
2013.4	159,725	1.17%					
2014.1	160,982	0.79%					
2014.2	152,864	-5.04%		631,456	2.06%	-1.37%	SFY 13-14
2014.3	155,931	2.01%					
2014.4	157,588	1.06%					
2015.1	158,331	0.47%					
2015.2	143,941	-9.09%		615,791	-2.48%	-12.25%	SFY 14-15
2015.3	136,068	-5.47%					
2015.4	146,311	7.53%					
2016.1	150,856	3.11%					
2016.2	160,974	6.71%		594,209	-3.50%	22.66%	SFY 15-16
2016.3		3.83%	167,142				
2016.4		0.62%	168,174				
2017.1		0.61%	169,207				
2017.2		0.61%	170,240	674,763	13.56%	2.48%	SFY 16-17
2017.3		0.61%	171,273				
2017.4		0.60%	172,305				
2018.1		0.60%	173,338				
2018.2		0.60%	174,371	691,287	2.45%	2.42%	SFY 17-18

(1) PMMIS
(2) Based on combined 48 Month Regression Forecast with Add Factor for June 2016.

Observations:	48
Adj. R Square:	0.9487
Standard Error:	1,179

June 2016 actual included in base for forecast.

SSI w/ Medicare Member Months



Arizona Health Care Cost Containment System

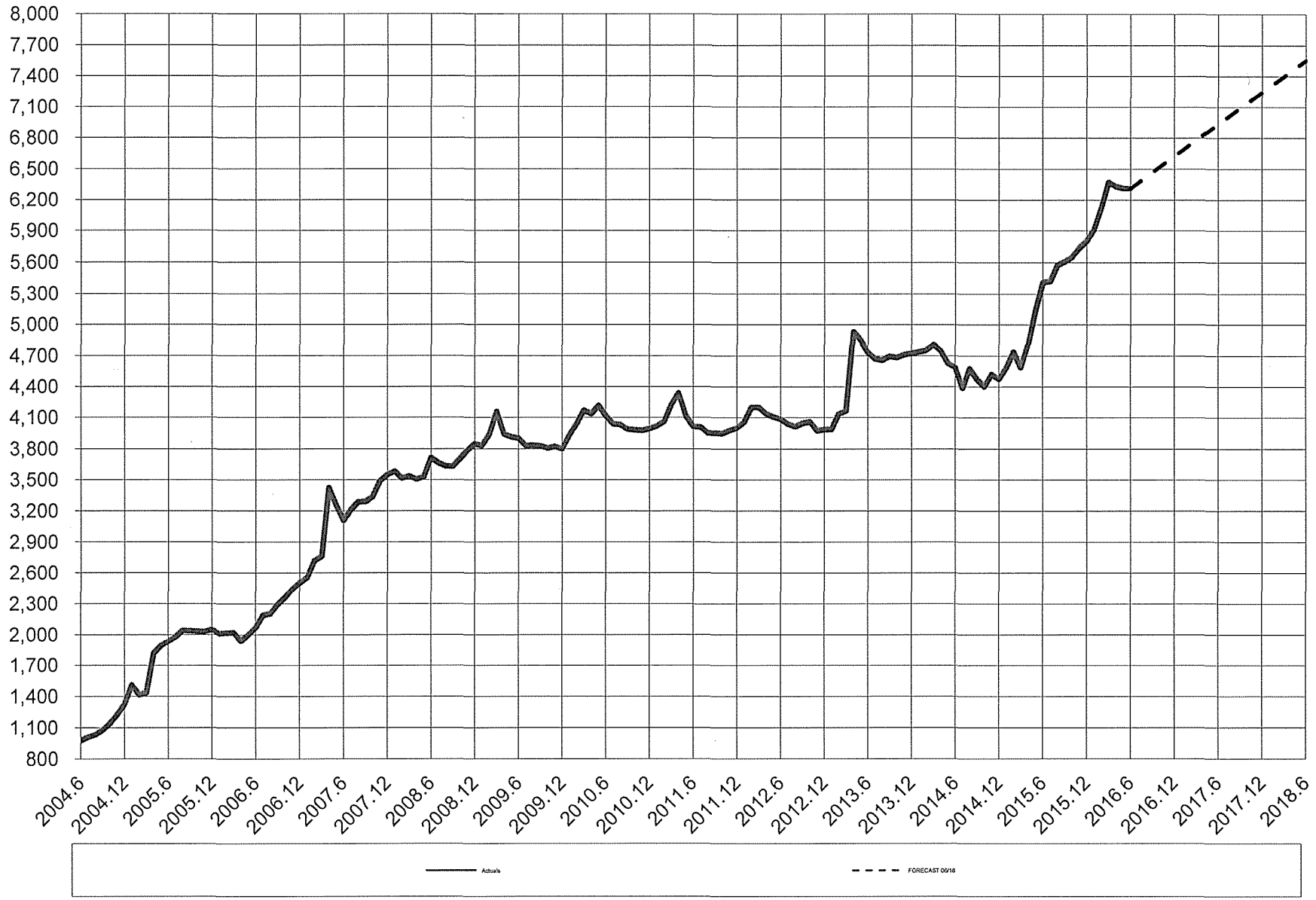
QMB Forecast Using Regression

	ENROLLMENT ACTUAL (1)	PERCENT QTR.GROWTH	ENROLLMENT FORECAST (2)	SFY TOTAL	YEAR TO YEAR GROWTH %	JUNE TO JUNE GROWTH %	
2009.3	11,497	-2.26%					
2009.4	11,432	-0.57%					
2010.1	12,141	6.20%					
2010.2	12,469	2.70%		47,539	3.41%	5.48%	SFY 09-10
2010.3	12,060	-3.28%					
2010.4	11,951	-0.90%					
2011.1	12,302	2.94%					
2011.2	12,471	1.37%		48,784	2.62%	-2.55%	SFY 10-11
2011.3	11,912	-4.48%					
2011.4	11,927	0.13%					
2012.1	12,456	4.44%					
2012.2	12,330	-1.01%		48,625	-0.33%	1.77%	SFY 11-12
2012.3	12,097	-1.89%					
2012.4	12,021	-0.63%					
2013.1	12,291	2.25%					
2013.2	14,514	18.09%		50,923	4.73%	15.94%	SFY 12-13
2013.3	14,028	-3.35%					
2013.4	14,123	0.68%					
2014.1	14,304	1.28%					
2014.2	13,972	-2.32%		56,427	10.81%	-3.04%	SFY 13-14
2014.3	13,443	-3.79%					
2014.4	13,401	-0.31%					
2015.1	13,919	3.87%					
2015.2	15,382	10.51%		56,145	-0.50%	17.95%	SFY 14-15
2015.3	16,616	8.02%					
2015.4	17,195	3.48%					
2016.1	18,413	7.08%					
2016.2	18,967	3.01%		71,191	26.80%	16.64%	SFY 15-16
2016.3		1.54%	19,258				
2016.4		2.41%	19,723				
2017.1		2.36%	20,188				
2017.2		2.30%	20,653	79,822	12.12%	9.81%	SFY 16-17
2017.3		2.25%	21,117				
2017.4		2.20%	21,582				
2018.1		2.15%	22,047				
2018.2		2.11%	22,512	87,258	9.32%	8.93%	SFY 17-18

(1) PMMIS
(2) Based on 36 Month Regression Forecast with Add Factor for June 2016.

Observations:	36
Adj. R Square:	0.6883
Standard Error:	363

QMB Enrollment



Arizona Health Care Cost Containment System

SLMB Forecast Using Regression

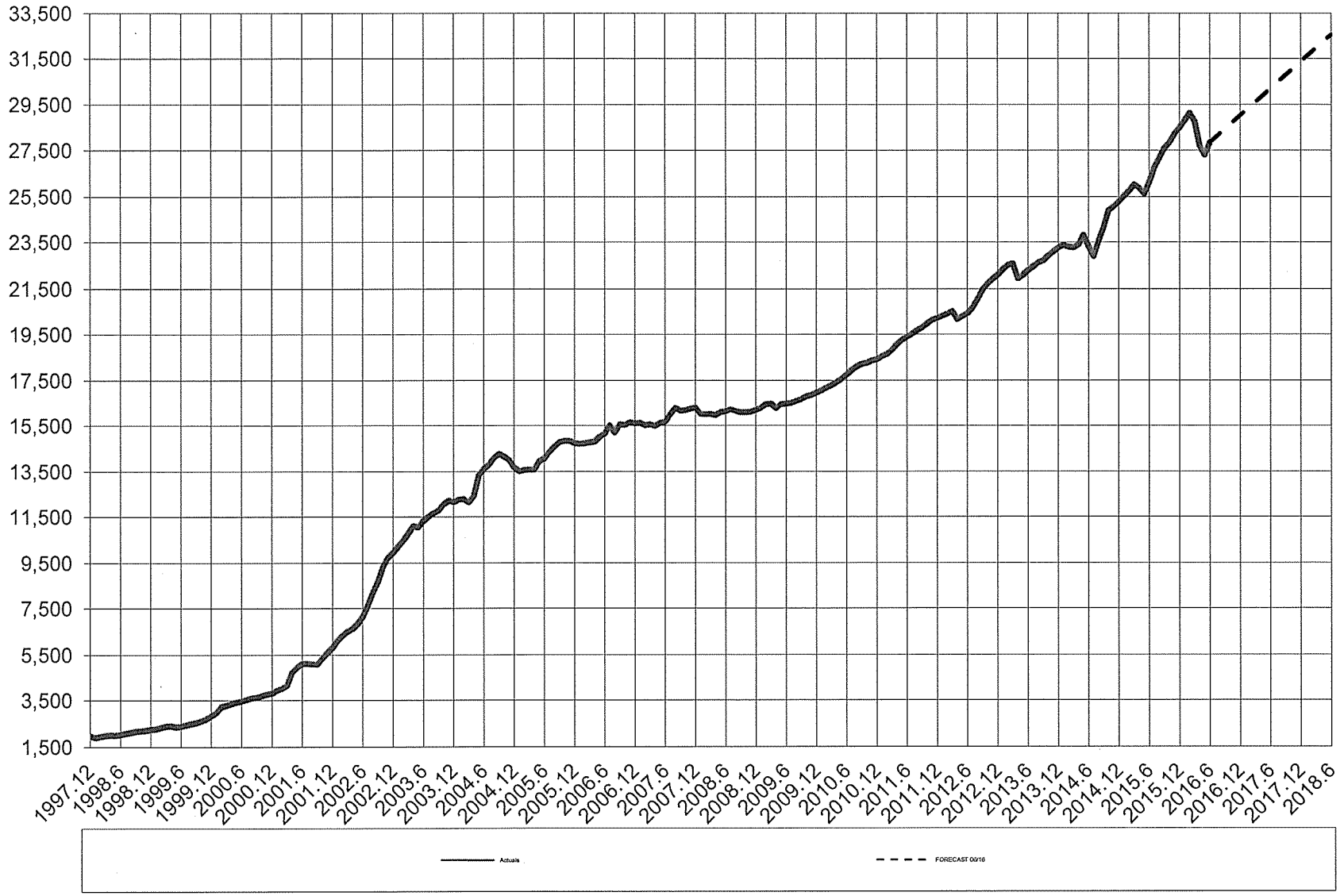
	ENROLLMENT ACTUAL (1)	PERCENT QTR.GROWTH	ENROLLMENT FORECAST (2)	SFY TOTAL	YEAR TO YEAR GROWTH %	JUNE TO JUNE GROWTH %	
2009.3	49,796	1.16%					
2009.4	50,652	1.72%					
2010.1	51,568	1.81%					
2010.2	52,769	2.33%		204,785	4.82%	7.79%	SFY 09-10
2010.3	54,284	2.87%					
2010.4	55,043	1.40%					
2011.1	56,005	1.75%					
2011.2	57,721	3.06%		223,053	8.92%	9.20%	SFY10-11
2011.3	59,017	2.25%					
2011.4	60,345	2.25%					
2012.1	61,263	1.52%					
2012.2	60,917	-0.56%		241,542	8.29%	5.36%	SFY11-12
2012.3	63,197	3.74%					
2012.4	65,765	4.06%					
2013.1	67,413	2.51%					
2013.2	66,334	-1.60%		262,709	8.76%	9.06%	SFY12-13
2013.3	67,760	2.15%					
2013.4	69,243	2.19%					
2014.1	69,913	0.97%					
2014.2	70,531	0.88%		277,447	5.61%	4.68%	SFY13-14
2014.3	70,604	0.10%					
2014.4	75,273	6.61%					
2015.1	77,314	2.71%					
2015.2	77,677	0.47%		300,868	8.44%	12.06%	SFY14-15
2015.3	81,504	4.93%					
2015.4	84,554	3.74%					
2016.1	86,702	2.54%					
2016.2	82,886	-4.40%		335,646	11.56%	6.54%	SFY15-16
2016.3		2.23%	84,737				
2016.4		2.08%	86,499				
2017.1		2.04%	88,262				
2017.2		2.00%	90,024	349,522	4.13%	8.44%	SFY16-17
2017.3		1.96%	91,786				
2017.4		1.92%	93,548				
2018.1		1.88%	95,310				
2018.2		1.85%	97,072	377,716	8.07%	7.78%	SFY17-18

(1) PMMIS
(2) Based on 36 Month Regression Forecast with Add Factor for June 2016.

Observations:	36
Adj. R Square:	0.9700
Standard Error:	623

June 2016 actual included in base for forecast.

SLMB ENROLLMENT



Arizona Health Care Cost Containment System

Qualified Individuals Forecast

	ACTUAL	PERCENT QTR.GROWTH	FORECAST	SFY TOTAL	YEAR TO YEAR GROWTH %	JUNE TO JUNE GROWTH %	SFY
2009.3	33,971	-0.85%					
2009.4	34,783	2.39%					
2010.1	35,403	1.78%					
2010.2	36,551	3.24%		140,708	9.02%	8.17%	SFY10
2010.3	37,811	3.45%					
2010.4	38,230	1.11%					
2011.1	37,964	-0.69%					
2011.2	37,733	-0.61%		151,739	7.84%	1.97%	SFY11
2011.3	37,904	0.45%					
2011.4	38,507	1.59%					
2012.1	36,413	-5.44%					
2012.2	40,863	12.22%		153,686	1.28%	7.51%	SFY12
2012.3	42,986	5.20%					
2012.4	48,007	11.68%					
2013.1	46,423	-3.30%					
2013.2	46,814	0.84%		184,230	19.87%	17.31%	SFY13
2013.3	47,244	0.92%					
2013.4	48,155	1.93%					
2014.1	47,221	-1.94%					
2014.2	46,584	-1.35%		189,204	2.70%	-1.04%	SFY14
2014.3	49,874	7.06%					
2014.4	53,304	6.88%					
2015.1	50,927	-4.46%					
2015.2	46,367	-8.95%		200,471	5.96%	-0.43%	SFY15
2015.3	60,157	29.74%					
2015.4	55,868	-7.13%					
2016.1	45,554	-18.46%					
2016.2	54,258	19.11%		215,837	7.66%	12.83%	SFY16
2016.3		1.89%	55,284				
2016.4		1.50%	56,114				
2017.1		1.48%	56,944				
2017.2		1.46%	57,774	226,116	4.76%	10.70%	SFY17
2017.3		1.44%	58,604				
2017.4		1.42%	59,434				
2018.1		1.40%	60,264				
2018.2		1.38%	61,095	239,397	5.87%	5.72%	SFY18

(1) PMMIS
(2) Based on 60 Month Regression Forecast with Add Factor for June 2016.

Observations:	60
Adj. R Square:	0.5502
Standard Error:	1,469

June 2016 actual included in base for forecast.

QUALIFIED INDIVIDUALS

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 3-3009 Medicare Premiums

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	171,965.7	186,565.9	71,566.9	258,132.8
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Expenditure Categories Total:	171,965.7	186,565.9	71,566.9	258,132.8
Fund Source					
Appropriated Funds					
1000-A	General Fund (Appropriated)	46,054.6	48,162.7	19,495.0	67,657.7
		46,054.6	48,162.7	19,495.0	67,657.7
Non-Appropriated Funds					
2120-N	AHCCCS Fund (Non-Appropriated)	125,911.1	138,403.2	52,071.9	190,475.1
		125,911.1	138,403.2	52,071.9	190,475.1
	Fund Source Total:	171,965.7	186,565.9	71,566.9	258,132.8

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3009 Medicare Premiums

Fund: 1000-A General Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	46,054.6	48,162.7	19,495.0	67,657.7
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Appropriated Total:	46,054.6	48,162.7	19,495.0	67,657.7
Fund Total:		46,054.6	48,162.7	19,495.0	67,657.7
Program Total For Selected Funds:		46,054.6	48,162.7	19,495.0	67,657.7

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3009 Medicare Premiums

Fund: 2120-N AHCCCS Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	125,911.1	138,403.2	52,071.9	190,475.1
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Non-Appropriated Total:	125,911.1	138,403.2	52,071.9	190,475.1
	Fund Total:	125,911.1	138,403.2	52,071.9	190,475.1
	Program Total For Selected Funds:	125,911.1	138,403.2	52,071.9	190,475.1

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3009 Medicare Premiums

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	0.0	0.0
Boards and Commissions	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	0.0	0.0
Attorney General Legal Services	0.0	0.0
External Legal Services	0.0	0.0
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	0.0	0.0
Hospital Services	0.0	0.0
Other Medical Services	0.0	0.0
Institutional Care	0.0	0.0
Education And Training	0.0	0.0
Vendor Travel	0.0	0.0
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0
Other Professional And Outside Services	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3009 Medicare Premiums

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	171,965.7	186,565.9
Expenditure Category Total	171,965.7	186,565.9
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	46,054.6	48,162.7
	46,054.6	48,162.7
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	125,911.1	138,403.2
	125,911.1	138,403.2
Fund Source Total	171,965.7	186,565.9

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	0.0	0.0
Information Technology Services	0.0	0.0
Utilities	0.0	0.0
Non-Building or Land Rent	0.0	0.0
Building Rent Charges to State Agencies	0.0	0.0
COP Building Rent Charges to State Agencies	0.0	0.0
Rental of Land & Buildings	0.0	0.0
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	0.0	0.0
Repair & Maintenance	0.0	0.0
Software Support and Maintenance	0.0	0.0
Operating Supplies	0.0	0.0
Resale Supplies	0.0	0.0
Sales of Assets	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3009 Medicare Premiums

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Conference, Education & Training	0.0	0.0
Advertising	0.0	0.0
Printing & Photography	0.0	0.0
Postage & Delivery	0.0	0.0
Miscellaneous Operating	0.0	0.0
Depreciation Expense	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	0.0	0.0
Vehicles - Non-Capital	0.0	0.0
Furniture - Non-Capital	0.0	0.0
EDP Equipment - Mainframe - Non-Capital	0.0	0.0
Telecommunication Equipment - Non Capital	0.0	0.0
Other Equipment - Non-Capital	0.0	0.0
Purchased Or Licensed Software/Website	0.0	0.0
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

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All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3009 Medicare Premiums

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	0.0	0.0
Expenditure Category Total	0.0	0.0

All dollars are presented in thousands (not FTE).

BREAST AND CERVICAL CANCER TREATMENT PROGRAM (BCCTP)

PROGRAM DESCRIPTION/BACKGROUND: The Breast and Cervical Cancer Prevention Act of 2000 amended Title XIX of the Social Security Act to make enhanced Federal matching funds available to states for the cost of extending Medicaid eligibility to individuals previously not eligible. A.R.S. § 36-2901.05 (Laws 2001, Chapter 332) created a new eligibility group for women under 65 years of age who have been screened and diagnosed with breast or cervical cancer through the Arizona Department of Health Service's (ADHS) Well Women Healthcheck Program (WWHP) with an income at or below 250% FPL. The program began on January 1, 2002.

Uninsured women diagnosed with breast or cervical cancer on or after August 2, 2012, may be able to receive comprehensive treatment through the Breast and Cervical Cancer Treatment Program (BCCTP) provided by AHCCCS due to a change in Arizona law (Laws 2012, Chapter 299, Section 4). Prior to this change, only women that were screened and diagnosed through the Well Woman HealthCheck Program (WWHP) qualified for the BCCTP. The law allows for all women that meet the qualifications of the BCCTP and were diagnosed by a provider or entity recognized by ADHS' WWHP, to enroll in the treatment program. This change was the primary catalyst responsible for the significant increase of enrollees in the BCCTP program through January 2014. The subsequent enrollment decline coincides with the implementation of ACA and is due to enrollees qualifying for one of the new expansion populations whereas prior to ACA, these same enrollees would have been placed in the BCCTP. Also, as part of the AHCCCS behavioral health integration effort, as of April 1, 2014, some members now receive physical and behavioral health care through Mercy Maricopa Integrated Care (Mercy Maricopa) health plan and Greater Arizona integrated plans.

Enhanced FMAP		
FFY16	78.24%	Actual
FFY17	78.47%	Actual
FFY18	78.67%	Estimate

METHODOLOGY:

The enrollment forecast assumes that the impact of ACA enrollment impact and behavioral health integration have been absorbed and the population should experience very moderate to no growth going forward.

Breast and Cervical Cancer Enrollment Forecast

Women enrolled in the Breast and Cervical Cancer program are eligible for regular and prior period capitation, reinsurance, FFS (for Native Americans), and behavioral health. Table 1 contains the rates used in the development of the SFY 2017-2018 budgets. The regular and prior period weighted capitation rates for this program are a blend of the TANF 14 – 44 Females (15.36%) and the TANF 45+ (84.64%) populations. The FFS and reinsurance rates are based on SFY 2016 actual experience. The behavioral health rates are developed by the DHCM actuarial department. AHCCCS estimates a CYE 2018 rate increase of 3.0% for all risk pools.

Table 1

	REG CAP	% (+,-)	PPC CAP	% (+,-)	FFS	% (+,-)	RI	% (+,-)	Non-Integrated Behavioral Health	% (+,-)	MMIC/ Greater AZ	% (+,-)
FFY16	$ 393.74	0.26%	$ 292.31	0.00%	$ 2,626.95	-34.18%	$ 6.34	-71.24%	$ 66.29	-15.78%	$ 2,062.67	-14.45%
FFY17	$ 406.44	3.23%	$ 286.93	-1.84%	$ 2,697.83	2.70%	$ 6.51	2.70%	$ 52.53	-20.76%	$ 2,426.39	17.63%
FFY18	$ 418.64	3.00%	$ 295.54	3.00%	$ 2,778.76	3.00%	$ 6.70	3.00%	$ 54.11	3.00%	$ 2,499.18	3.00%

Enhanced FMAP		
FFY16	78.24%	Actual
FFY17	78.47%	Actual
FFY18	78.67%	Estimate

	State Match	Federal Authority	Total
FY17 Allocation:	$366,900	$1,534,100	$1,901,000
FY18 Request:	$372,700	$1,370,800	$1,743,500
FY18 Increase (Decrease):	$5,800	($163,300)	($157,500)

Proposed Solution to the problem

Decrease the Fiscal Year 2016 allocation by $157,500 Total Fund with an increase of $5,800 General Fund.

Performance Measures to quantify the success of the solution:

- AHCCCS member enrollment in Newly Eligible Adults.
- Maintain the % of overall Health Plan compliance with key indicators at ≥99%.

STATUTORY AUTHORITY:
A.R.S. § 36-2901.05
1902(a)(10)(A)(ii)(XVIII) of the Social Security Act

Arizona Health Care Cost Containment System

Breast and Cervical Cancer - Fiscal Years 2016 to 2018

		FY 2016 Actual	FY 2017 Allocation	FY 2017 Rebase	FY 2018 Request	FY 2018 Increase (Decrease)
Breast and Cervical Cancer Treatment Program	(SM)	426,385	366,900	362,900	372,700	5,800
	(TF)	1,951,883	1,901,000	1,681,600	1,743,500	(157,500)

Notes:

1) FY16 Actuals are from PMMIS and may not reconcile to AFIS due to timing and manual adjustments.

2) The BCCTP falls within the Traditional Medicaid Services line item of the FY17 Appropriation.

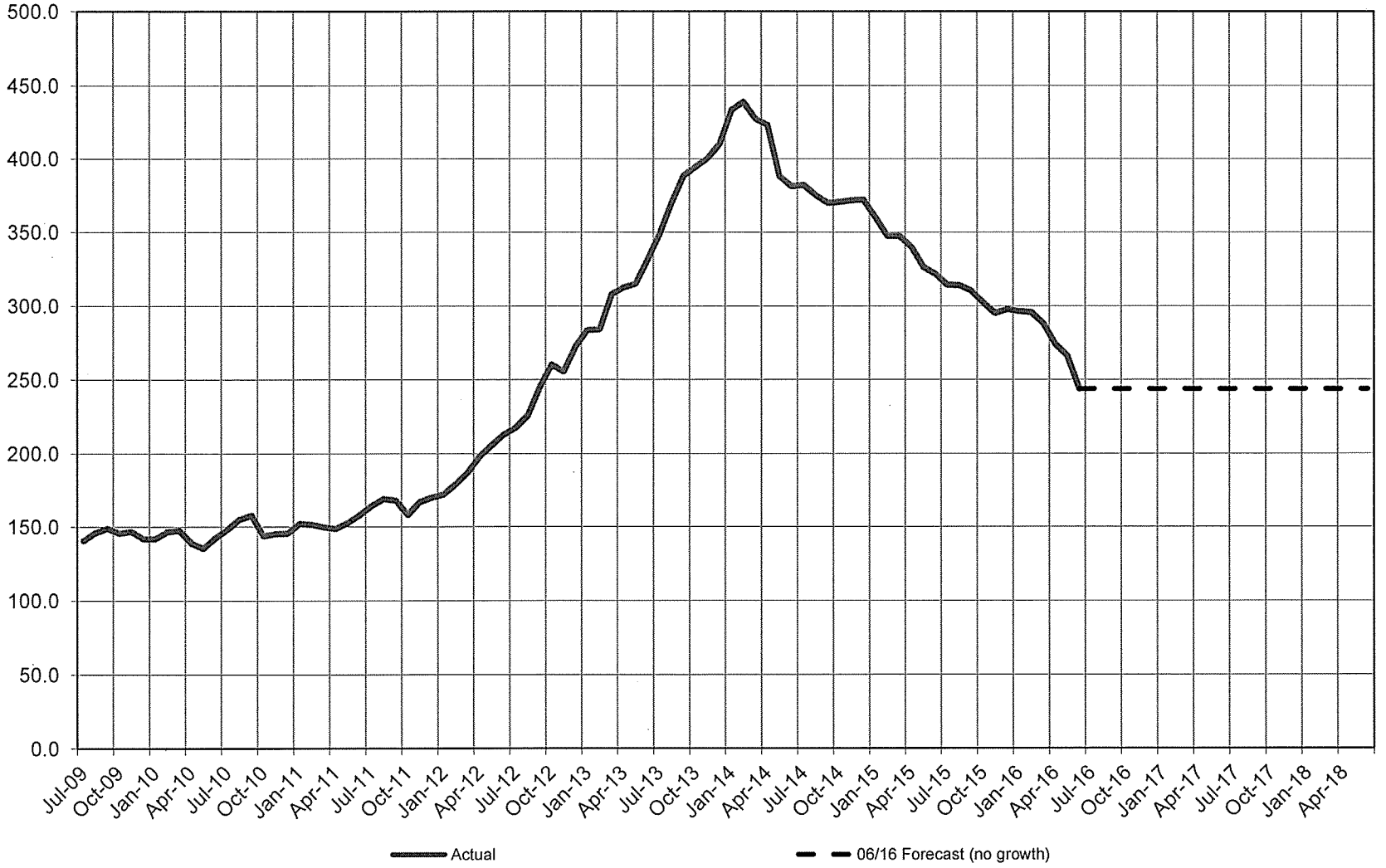
Arizona Health Care Cost Containment System

Breast and Cervical Cancer DOS MM/Enrollment Forecast

	ENROLLMENT ACTUAL (1)	PERCENT QTR.GROWTH	ENROLLMENT FORECAST (2)	SFY TOTAL	YEAR TO YEAR GROWTH %	JUNE TO JUNE GROWTH %	SFY
2009.3	436	4.55%					
2009.4	435	-0.26%					
2010.1	436	0.38%					
2010.2	417	-4.45%		1,723	3.03%	3.07%	SFY 09-10
2010.3	455	9.23%					
2010.4	418	-8.21%					
2011.1	441	5.41%					
2011.2	460	4.40%		1,774	2.91%	10.95%	SFY 10-11
2011.3	502	9.10%					
2011.4	498	-0.79%					
2012.1	553	11.10%					
2012.2	617	11.54%		2,169	22.31%	34.71%	SFY 11-12
2012.3	689	11.73%					
2012.4	788	14.37%					
2013.1	876	11.10%					
2013.2	960	9.63%		3,313	52.73%	55.69%	SFY 12-13
2013.3	1,108	15.37%					
2013.4	1,205	8.78%					
2014.1	1,300	7.89%					
2014.2	1,193	-8.19%		4,806	45.05%	15.06%	SFY 13-14
2014.3	1,128	-5.46%					
2014.4	1,115	-1.14%					
2015.1	1,055	-5.38%					
2015.2	989	-6.26%		4,288	-10.77%	-15.53%	SFY 14-15
2015.3	925	-6.50%					
2015.4	867	-6.27%					
2016.1	841	-3.00%					
2016.2	748	-11.06%		3,381	-21.15%	-27.39%	SFY 15-16
2016.3		-2.14%	732				
2016.4		0.00%	732				
2017.1		0.00%	732				
2017.2		0.00%	732	2,928	-13.40%	4.27%	SFY 16-17
2017.3		0.00%	732				
2017.4			732				
2018.1			732				
2018.2			732	2,928	0.00%	0.00%	SFY 17-18

(1) Enrollment is from the beginning of the month enrollment report and includes Capitated and FFS members.
(2) Enrollment forecast assumes no growth.

Breast and Cervical Cancer Enrollment Forecast



Arizona Health Care Cost Containment System

Breast and Cervical Cancer Rate Worksheet

SFY16 REG MM			
14 - 44 F		524	15.36%
45+		2,891	84.64%
		3,415	
CY 2016 Rates			
14 - 44 F	$	253.06	
45+	$	434.25	
Weighted	$	406.42	
CY 2017 Rates			
14 - 44 F	$	253.26	
45+	$	434.24	
Weighted	$	406.45	0.01%

SFY16 PPC MM			
14 - 44 F		28	30.10%
45+		65	69.90%
		93	
CY 2016 Rates			
14 - 44 F	$	195.08	
45+	$	326.47	
Weighted	$	286.93	
CY 2017 Rates			
14 - 44 F	$	195.08	
45+	$	326.47	
Weighted	$	286.93	0.00%

REG and PPC MM	
553	15.75%
2,956	84.25%
3,509	

Arizona Health Care Cost Containment System

Breast and Cervical Cancer Budget Development

SFY 16 MM Forecast

	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16
Regular Capitation	307	307	304	297	290	293	292	291	282	268	260	237
Prior Period Capitation	10	11	8	2	9	6	4	9	2	13	7	12
Fee for Service	8	8	7	5	5	5	5	5	6	6	6	7
Reinsurance	307	307	304	297	290	293	292	291	282	268	260	237
Integrated Physical Health	4	4	4	6	6	6	6	6	5	4	4	4
Integrated Mental Health	4	4	4	6	6	6	6	6	5	4	4	4
Behavioral Health	313	307	305	298	286	283	284	279	278	262	252	234

SFY 16 Rates

	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16
Regular Capitation	$401.58	$393.77	$396.69	$398.76	$391.31	$462.30	$393.46	$390.39	$393.27	$385.63	$375.97	$391.98
Prior Period Capitation	$334.43	$334.26	$383.99	$272.69	$242.49	$271.70	$333.85	$280.66	$261.80	$285.60	$292.81	$226.75
Fee for Service	$2,523.83	$1,412.48	$1,576.11	$3,032.91	$8,993.75	$2,204.08	$4,105.67	$1,944.28	$1,938.55	$2,648.26	$1,632.60	$1,503.51
Reinsurance	$20.24	$0.00	$0.00	$2.88	$0.00	$0.00	$0.00	$24.45	$0.00	$28.15	$0.00	$0.00
Integrated Physical Health	$532.76	$532.76	$532.76	$514.53	$514.53	$514.53	$514.53	$514.53	$502.34	$484.06	$484.06	$484.06
Integrated Mental Health	$1,893.63	$1,893.63	$1,893.63	$1,490.65	$1,490.65	$1,490.65	$1,490.65	$1,490.65	$1,455.34	$1,402.37	$1,402.37	$1,402.37
Behavioral Health	$79.90	$79.90	$79.90	$59.86	$59.86	$71.21	$59.86	$59.86	$59.86	$59.86	$59.86	$59.86

SFY 16 Rebase

	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
Regular Capitation	$123,186	$120,739	$120,532	$118,621	$113,499	$135,404	$114,698	$113,506	$110,951	$103,297	$97,869	$92,899	$1,365,200
Prior Period Capitation	$3,438	$3,670	$3,114	$627	$2,221	$1,527	$1,209	$2,414	$513	$3,753	$2,108	$2,773	$27,367
Fee for Service	$20,191	$11,300	$11,033	$15,165	$44,969	$11,020	$20,528	$9,721	$11,631	$15,890	$9,796	$10,525	$191,768
Reinsurance	$6,210	$0	$0	$856	$0	$0	$0	$7,110	$0	$7,541	$0	$0	$21,716
Integrated Physical Health	$2,131	$2,131	$2,131	$3,087	$3,087	$3,087	$3,087	$3,087	$2,512	$1,936	$1,936	$1,936	$30,149
Integrated Mental Health	$7,575	$7,575	$7,575	$8,944	$8,944	$8,944	$8,944	$8,944	$7,277	$5,609	$5,609	$5,609	$91,548
Behavioral Health	$25,009	$24,529	$24,370	$17,838	$17,120	$20,152	$17,000	$16,701	$16,641	$15,683	$15,085	$14,007	$224,135
TOTAL	$187,739	$169,943	$168,753	$165,138	$189,840	$180,134	$165,466	$161,483	$149,525	$153,710	$132,403	$127,750	$1,951,883

Arizona Health Care Cost Containment System

Breast and Cervical Cancer Fund Sources (SFY 2016)

SFY 16 Rebase

	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
Regular Capitation	$123,186	$120,739	$120,532	$118,621	$113,499	$135,404	$114,698	$113,506	$110,951	$103,297	$97,869	$92,899	$1,365,200
Prior Period Capitation	$3,438	$3,670	$3,114	$627	$2,221	$1,527	$1,209	$2,414	$513	$3,753	$2,108	$2,773	$27,367
Fee for Service	$20,191	$11,300	$11,033	$15,165	$44,969	$11,020	$20,528	$9,721	$11,631	$15,890	$9,796	$10,525	$191,768
Reinsurance	$6,210	$0	$0	$856	$0	$0	$0	$7,110	$0	$7,541	$0	$0	$21,716
Integrated Physical Health	$2,131	$2,131	$2,131	$3,087	$3,087	$3,087	$3,087	$3,087	$2,512	$1,936	$1,936	$1,936	$30,149
Integrated Mental Health	$7,575	$7,575	$7,575	$8,944	$8,944	$8,944	$8,944	$8,944	$7,277	$5,609	$5,609	$5,609	$91,548
Behavioral Health	$25,009	$24,529	$24,370	$17,838	$17,120	$20,152	$17,000	$16,701	$16,641	$15,683	$15,085	$14,007	$224,135
TOTAL	$187,739	$169,943	$168,753	$165,138	$189,840	$180,134	$165,466	$161,483	$149,525	$153,710	$132,403	$127,750	$1,951,883

Federal Fund

	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
Regular Capitation	$95,987	$94,079	$93,918	$92,800	$88,800	$105,900	$89,700	$88,800	$86,800	$80,800	$76,600	$72,700	$1,066,884
Prior Period Capitation	$2,679	$2,860	$2,427	$500	$1,700	$1,200	$900	$1,900	$400	$2,900	$1,600	$2,200	$21,265
Fee for Service	$15,733	$8,805	$8,597	$11,900	$35,200	$8,600	$16,100	$7,600	$9,100	$12,400	$7,700	$8,200	$149,934
Reinsurance	$4,839	$0	$0	$700	$0	$0	$0	$5,600	$0	$5,900	$0	$0	$17,039
Integrated Physical Health	$1,661	$1,661	$1,661	$2,400	$2,400	$2,400	$2,400	$2,400	$2,000	$1,500	$1,500	$1,500	$23,482
Integrated Mental Health	$5,902	$5,902	$5,902	$7,000	$7,000	$7,000	$7,000	$7,000	$5,700	$4,400	$4,400	$4,400	$71,606
Behavioral Health	$19,487	$19,113	$18,989	$14,000	$13,400	$15,800	$13,300	$13,100	$13,000	$12,300	$11,800	$11,000	$175,289
TOTAL	$146,286	$132,420	$131,493	$129,300	$148,500	$140,900	$129,400	$126,400	$117,000	$120,200	$103,600	$100,000	$1,525,499

State Fund

	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
Regular Capitation	$27,199	$26,659	$26,613	$25,821	$24,699	$29,504	$24,998	$24,706	$24,151	$22,497	$21,269	$20,199	$298,316
Prior Period Capitation	$759	$810	$688	$127	$521	$327	$309	$514	$113	$853	$508	$573	$6,102
Fee for Service	$4,458	$2,495	$2,436	$3,265	$9,769	$2,420	$4,428	$2,121	$2,531	$3,490	$2,096	$2,325	$41,834
Reinsurance	$1,371	$0	$0	$156	$0	$0	$0	$1,510	$0	$1,641	$0	$0	$4,678
Integrated Physical Health	$471	$471	$471	$687	$687	$687	$687	$687	$512	$436	$436	$436	$6,668
Integrated Mental Health	$1,672	$1,672	$1,672	$1,944	$1,944	$1,944	$1,944	$1,944	$1,577	$1,209	$1,209	$1,209	$19,942
Behavioral Health	$5,522	$5,416	$5,381	$3,838	$3,720	$4,352	$3,700	$3,601	$3,641	$3,383	$3,285	$3,007	$48,846
TOTAL	$41,453	$37,524	$37,261	$35,838	$41,340	$39,234	$36,066	$35,083	$32,525	$33,510	$28,803	$27,750	$426,385

Arizona Health Care Cost Containment System

Breast and Cervical Cancer Budget Development

SFY 17 MM Forecast

	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17
Regular Capitation	237	237	237	237	237	237	237	237	237	237	237	237
Prior Period Capitation	5	5	5	5	5	5	5	5	5	5	5	5
Fee for Service	7	7	7	7	7	7	7	7	7	7	7	7
Reinsurance	237	237	237	237	237	237	237	237	237	237	237	237
Integrated Physical Health	4	4	4	4	4	4	4	4	4	4	4	4
Integrated Mental Health	4	4	4	4	4	4	4	4	4	4	4	4
Behavioral Health	244	244	244	244	244	244	244	244	244	244	244	244

SFY 17 Rates

	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17
Regular Capitation	$393.74	$393.74	$393.74	$406.42	$406.42	$406.42	$406.45	$406.45	$406.45	$406.45	$406.45	$406.45
Prior Period Capitation	$292.31	$292.31	$292.31	$286.93	$286.93	$286.93	$286.93	$286.93	$286.93	$286.93	$286.93	$286.93
Fee for Service	$2,626.95	$2,626.95	$2,626.95	$2,697.83	$2,697.83	$2,697.83	$2,697.83	$2,697.83	$2,697.83	$2,697.83	$2,697.83	$2,697.83
Reinsurance	$6.34	$6.34	$6.34	$6.51	$6.51	$6.51	$6.51	$6.51	$6.51	$6.51	$6.51	$6.51
Integrated Physical Health	$484.06	$484.06	$484.06	$536.15	$536.15	$536.15	$536.15	$536.15	$536.15	$536.15	$536.15	$536.15
Integrated Mental Health	$1,402.37	$1,402.37	$1,402.37	$1,890.24	$1,890.24	$1,890.24	$1,890.24	$1,890.24	$1,890.24	$1,890.24	$1,890.24	$1,890.24
Behavioral Health	$59.86	$59.86	$59.86	$52.53	$52.53	$52.53	$52.53	$52.53	$52.53	$52.53	$52.53	$52.53

SFY 17 Request

	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
Regular Capitation	$93,300	$93,300	$93,300	$96,300	$96,300	$96,200	$96,200	$96,200	$96,200	$96,200	$96,200	$96,200	$1,145,900
Prior Period Capitation	$1,500	$1,500	$1,500	$1,400	$1,400	$1,400	$1,400	$1,400	$1,400	$1,400	$1,400	$1,400	$17,100
Fee for Service	$18,500	$18,600	$18,600	$19,200	$19,300	$19,400	$19,500	$19,600	$19,700	$19,800	$19,900	$19,900	$232,000
Reinsurance	$1,500	$1,500	$1,500	$1,500	$1,500	$1,500	$1,500	$1,500	$1,500	$1,500	$1,500	$1,500	$18,000
Integrated Physical Health	$1,900	$1,900	$1,900	$2,100	$2,100	$2,100	$2,100	$2,100	$2,100	$2,100	$2,100	$2,100	$24,600
Integrated Mental Health	$5,600	$5,600	$5,600	$7,600	$7,600	$7,600	$7,600	$7,600	$7,600	$7,600	$7,500	$7,500	$85,000
Behavioral Health	$14,600	$14,600	$14,600	$12,800	$12,800	$12,800	$12,800	$12,800	$12,800	$12,800	$12,800	$12,800	$159,000
TOTAL	$136,900	$137,000	$137,000	$140,900	$141,000	$141,000	$141,100	$141,200	$141,300	$141,400	$141,400	$141,400	$1,681,600

Arizona Health Care Cost Containment System

Breast and Cervical Cancer Fund Sources (SFY 2017)

SFY 17 Request

	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
Regular Capitation	$93,300	$93,300	$93,300	$96,300	$96,300	$96,200	$96,200	$96,200	$96,200	$96,200	$96,200	$96,200	$1,145,900
Prior Period Capitation	$1,500	$1,500	$1,500	$1,400	$1,400	$1,400	$1,400	$1,400	$1,400	$1,400	$1,400	$1,400	$17,100
Fee for Service	$18,500	$18,600	$18,600	$19,200	$19,300	$19,400	$19,500	$19,600	$19,700	$19,800	$19,900	$19,900	$232,000
Reinsurance	$1,500	$1,500	$1,500	$1,500	$1,500	$1,500	$1,500	$1,500	$1,500	$1,500	$1,500	$1,500	$18,000
Integrated Physical Health	$1,900	$1,900	$1,900	$2,100	$2,100	$2,100	$2,100	$2,100	$2,100	$2,100	$2,100	$2,100	$24,600
Integrated Mental Health	$5,600	$5,600	$5,600	$7,600	$7,600	$7,600	$7,600	$7,600	$7,600	$7,600	$7,500	$7,500	$85,000
Behavioral Health	$14,600	$14,600	$14,600	$12,800	$12,800	$12,800	$12,800	$12,800	$12,800	$12,800	$12,800	$12,800	$159,000
TOTAL	$136,900	$137,000	$137,000	$140,900	$141,000	$141,000	$141,100	$141,200	$141,300	$141,400	$141,400	$141,400	$1,681,600

Federal Fund

	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
Regular Capitation	$73,000	$73,000	$73,000	$75,600	$75,600	$75,500	$75,500	$75,500	$75,500	$75,500	$75,500	$75,500	$898,700
Prior Period Capitation	$1,200	$1,200	$1,200	$1,100	$1,100	$1,100	$1,100	$1,100	$1,100	$1,100	$1,100	$1,100	$13,500
Fee for Service	$14,500	$14,600	$14,600	$15,100	$15,100	$15,200	$15,300	$15,400	$15,500	$15,500	$15,600	$15,600	$182,000
Reinsurance	$1,200	$1,200	$1,200	$1,200	$1,200	$1,200	$1,200	$1,200	$1,200	$1,200	$1,200	$1,200	$14,400
Integrated Physical Health	$1,500	$1,500	$1,500	$1,600	$1,600	$1,600	$1,600	$1,600	$1,600	$1,600	$1,600	$1,600	$18,900
Integrated Mental Health	$4,400	$4,400	$4,400	$6,000	$6,000	$6,000	$6,000	$6,000	$6,000	$6,000	$5,900	$5,900	$67,000
Behavioral Health	$11,400	$11,400	$11,400	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$124,200
TOTAL	$107,200	$107,300	$107,300	$110,600	$110,600	$110,600	$110,700	$110,800	$110,900	$110,900	$110,900	$110,900	$1,318,700

State Fund

	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
Regular Capitation	$20,300	$20,300	$20,300	$20,700	$20,700	$20,700	$20,700	$20,700	$20,700	$20,700	$20,700	$20,700	$247,200
Prior Period Capitation	$300	$300	$300	$300	$300	$300	$300	$300	$300	$300	$300	$300	$3,600
Fee for Service	$4,000	$4,000	$4,000	$4,100	$4,200	$4,200	$4,200	$4,200	$4,200	$4,300	$4,300	$4,300	$50,000
Reinsurance	$300	$300	$300	$300	$300	$300	$300	$300	$300	$300	$300	$300	$3,600
Integrated Physical Health	$400	$400	$400	$500	$500	$500	$500	$500	$500	$500	$500	$500	$5,700
Integrated Mental Health	$1,200	$1,200	$1,200	$1,600	$1,600	$1,600	$1,600	$1,600	$1,600	$1,600	$1,600	$1,600	$18,000
Behavioral Health	$3,200	$3,200	$3,200	$2,800	$2,800	$2,800	$2,800	$2,800	$2,800	$2,800	$2,800	$2,800	$34,800
TOTAL	$29,700	$29,700	$29,700	$30,300	$30,400	$30,400	$30,400	$30,400	$30,400	$30,500	$30,500	$30,500	$362,900

Arizona Health Care Cost Containment System

Breast and Cervical Cancer Budget Development

SFY 18 MM Forecast

	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18
Regular Capitation	237	237	237	236	236	236	236	236	236	236	236	236
Prior Period Capitation	5	5	5	5	5	5	5	5	5	5	5	5
Fee for Service	7	7	7	8	8	8	8	8	8	8	8	8
Reinsurance	237	237	237	236	236	236	236	236	236	236	236	236
Integrated Physical Health	4	4	4	4	4	4	4	4	4	4	4	4
Integrated Mental Health	4	4	4	4	4	4	4	4	4	4	4	4
Behavioral Health	244	244	244	244	244	244	244	244	244	244	244	244

SFY 18 Rates

	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18
Regular Capitation	$406.45	$406.45	$406.45	$418.64	$418.64	$418.64	$418.64	$418.64	$418.64	$418.64	$418.64	$418.64
Prior Period Capitation	$286.93	$286.93	$286.93	$295.54	$295.54	$295.54	$295.54	$295.54	$295.54	$295.54	$295.54	$295.54
Fee for Service	$2,697.83	$2,697.83	$2,697.83	$2,778.76	$2,778.76	$2,778.76	$2,778.76	$2,778.76	$2,778.76	$2,778.76	$2,778.76	$2,778.76
Reinsurance	$6.51	$6.51	$6.51	$6.70	$6.70	$6.70	$6.70	$6.70	$6.70	$6.70	$6.70	$6.70
Integrated Physical Health	$536.15	$536.15	$536.15	$552.23	$552.23	$552.23	$552.23	$552.23	$552.23	$552.23	$552.23	$552.23
Integrated Mental Health	$1,890.24	$1,890.24	$1,890.24	$1,946.95	$1,946.95	$1,946.95	$1,946.95	$1,946.95	$1,946.95	$1,946.95	$1,946.95	$1,946.95
Behavioral Health	$52.53	$52.53	$52.53	$54.11	$54.11	$54.11	$54.11	$54.11	$54.11	$54.11	$54.11	$54.11

SFY 18 Request

	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
Regular Capitation	$96,200	$96,100	$96,100	$99,000	$99,000	$99,000	$99,000	$98,900	$98,900	$98,900	$98,900	$98,900	$1,178,900
Prior Period Capitation	$1,400	$1,400	$1,400	$1,500	$1,500	$1,500	$1,500	$1,500	$1,500	$1,500	$1,500	$1,500	$17,700
Fee for Service	$20,000	$20,100	$20,200	$20,900	$21,000	$21,100	$21,200	$21,300	$21,400	$21,500	$21,600	$21,700	$252,000
Reinsurance	$1,500	$1,500	$1,500	$1,600	$1,600	$1,600	$1,600	$1,600	$1,600	$1,600	$1,600	$1,600	$18,900
Integrated Physical Health	$2,100	$2,100	$2,100	$2,200	$2,200	$2,200	$2,200	$2,200	$2,200	$2,200	$2,200	$2,200	$26,100
Integrated Mental Health	$7,500	$7,500	$7,500	$7,800	$7,800	$7,800	$7,800	$7,800	$7,800	$7,800	$7,800	$7,800	$92,700
Behavioral Health	$12,800	$12,800	$12,800	$13,200	$13,200	$13,200	$13,200	$13,200	$13,200	$13,200	$13,200	$13,200	$157,200
TOTAL	$141,500	$141,500	$141,600	$146,200	$146,300	$146,400	$146,500	$146,500	$146,600	$146,700	$146,800	$146,900	$1,743,500

Arizona Health Care Cost Containment System

Breast and Cervical Cancer Fund Sources (SFY 2018)

SFY 18 Request

	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
Regular Capitation	$96,200	$96,100	$96,100	$99,000	$99,000	$99,000	$99,000	$98,900	$98,900	$98,900	$98,900	$98,900	$1,178,900
Prior Period Capitation	$1,400	$1,400	$1,400	$1,500	$1,500	$1,500	$1,500	$1,500	$1,500	$1,500	$1,500	$1,500	$17,700
Fee for Service	$20,000	$20,100	$20,200	$20,900	$21,000	$21,100	$21,200	$21,300	$21,400	$21,500	$21,600	$21,700	$252,000
Reinsurance	$1,500	$1,500	$1,500	$1,600	$1,600	$1,600	$1,600	$1,600	$1,600	$1,600	$1,600	$1,600	$18,900
Integrated Physical Health	$2,100	$2,100	$2,100	$2,200	$2,200	$2,200	$2,200	$2,200	$2,200	$2,200	$2,200	$2,200	$26,100
Integrated Mental Health	$7,500	$7,500	$7,500	$7,800	$7,800	$7,800	$7,800	$7,800	$7,800	$7,800	$7,800	$7,800	$92,700
Behavioral Health	$12,800	$12,800	$12,800	$13,200	$13,200	$13,200	$13,200	$13,200	$13,200	$13,200	$13,200	$13,200	$157,200
TOTAL	$141,500	$141,500	$141,600	$146,200	$146,300	$146,400	$146,500	$146,500	$146,600	$146,700	$146,800	$146,900	$1,743,500

Federal Fund

	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
Regular Capitation	$75,500	$75,400	$75,400	$77,900	$77,900	$77,900	$77,900	$77,800	$77,800	$77,800	$77,800	$77,800	$926,900
Prior Period Capitation	$1,100	$1,100	$1,100	$1,200	$1,200	$1,200	$1,200	$1,200	$1,200	$1,200	$1,200	$1,200	$14,100
Fee for Service	$15,700	$15,800	$15,900	$16,400	$16,500	$16,600	$16,700	$16,800	$16,800	$16,900	$17,000	$17,100	$198,200
Reinsurance	$1,200	$1,200	$1,200	$1,300	$1,300	$1,300	$1,300	$1,300	$1,300	$1,300	$1,300	$1,300	$15,300
Integrated Physical Health	$1,600	$1,600	$1,600	$1,700	$1,700	$1,700	$1,700	$1,700	$1,700	$1,700	$1,700	$1,700	$20,100
Integrated Mental Health	$5,900	$5,900	$5,900	$6,100	$6,100	$6,100	$6,100	$6,100	$6,100	$6,100	$6,100	$6,100	$72,600
Behavioral Health	$10,000	$10,000	$10,000	$10,400	$10,400	$10,400	$10,400	$10,400	$10,400	$10,400	$10,400	$10,400	$123,600
TOTAL	$111,000	$111,000	$111,100	$115,000	$115,100	$115,200	$115,300	$115,300	$115,300	$115,400	$115,500	$115,600	$1,370,800

State Fund

	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
Regular Capitation	$20,700	$20,700	$20,700	$21,100	$21,100	$21,100	$21,100	$21,100	$21,100	$21,100	$21,100	$21,100	$252,000
Prior Period Capitation	$300	$300	$300	$300	$300	$300	$300	$300	$300	$300	$300	$300	$3,600
Fee for Service	$4,300	$4,300	$4,300	$4,500	$4,500	$4,500	$4,500	$4,500	$4,600	$4,600	$4,600	$4,600	$53,800
Reinsurance	$300	$300	$300	$300	$300	$300	$300	$300	$300	$300	$300	$300	$3,600
Integrated Physical Health	$500	$500	$500	$500	$500	$500	$500	$500	$500	$500	$500	$500	$6,000
Integrated Mental Health	$1,600	$1,600	$1,600	$1,700	$1,700	$1,700	$1,700	$1,700	$1,700	$1,700	$1,700	$1,700	$20,100
Behavioral Health	$2,800	$2,800	$2,800	$2,800	$2,800	$2,800	$2,800	$2,800	$2,800	$2,800	$2,800	$2,800	$33,600
TOTAL	$30,500	$30,500	$30,500	$31,200	$31,200	$31,200	$31,200	$31,200	$31,300	$31,300	$31,300	$31,300	$372,700

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 3-3004 Breast and Cervical Cancer

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	1,746.2	1,901.0	(157.5)	1,743.5
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Expenditure Categories Total:	1,746.2	1,901.0	(157.5)	1,743.5
Fund Source					
Appropriated Funds					
1000-A	General Fund (Appropriated)	350.8	366.9	5.8	372.7
		350.8	366.9	5.8	372.7
Non-Appropriated Funds					
2120-N	AHCCCS Fund (Non-Appropriated)	1,395.4	1,534.1	(163.3)	1,370.8
		1,395.4	1,534.1	(163.3)	1,370.8
	Fund Source Total:	1,746.2	1,901.0	(157.5)	1,743.5

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3004 Breast and Cervical Cancer

Fund: 1000-A General Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	350.8	366.9	5.8	372.7
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Appropriated Total:	350.8	366.9	5.8	372.7
Fund Total:		350.8	366.9	5.8	372.7
Program Total For Selected Funds:		350.8	366.9	5.8	372.7

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3004 Breast and Cervical Cancer

Fund: 2120-N AHCCCS Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Non-Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	1,395.4	1,534.1	(163.3)	1,370.8
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Non-Appropriated Total:		1,395.4	1,534.1	(163.3)	1,370.8
Fund Total:		1,395.4	1,534.1	(163.3)	1,370.8
Program Total For Selected Funds:		1,395.4	1,534.1	(163.3)	1,370.8

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3004 Breast and Cervical Cancer

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	0.0	0.0
Boards and Commissions	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	0.0	0.0
Attorney General Legal Services	0.0	0.0
External Legal Services	0.0	0.0
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	0.0	0.0
Hospital Services	0.0	0.0
Other Medical Services	0.0	0.0
Institutional Care	0.0	0.0
Education And Training	0.0	0.0
Vendor Travel	0.0	0.0
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0
Other Professional And Outside Services	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3004 Breast and Cervical Cancer

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	1,746.2	1,901.0
Expenditure Category Total	1,746.2	1,901.0
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	350.8	366.9
	350.8	366.9
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	1,395.4	1,534.1
	1,395.4	1,534.1
Fund Source Total	1,746.2	1,901.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	0.0	0.0
Information Technology Services	0.0	0.0
Utilities	0.0	0.0
Non-Building or Land Rent	0.0	0.0
Building Rent Charges to State Agencies	0.0	0.0
COP Building Rent Charges to State Agencies	0.0	0.0
Rental of Land & Buildings	0.0	0.0
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	0.0	0.0
Repair & Maintenance	0.0	0.0
Software Support and Maintenance	0.0	0.0
Operating Supplies	0.0	0.0
Resale Supplies	0.0	0.0
Sales of Assets	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3004 Breast and Cervical Cancer

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Conference, Education & Training	0.0	0.0
Advertising	0.0	0.0
Printing & Photography	0.0	0.0
Postage & Delivery	0.0	0.0
Miscellaneous Operating	0.0	0.0
Depreciation Expense	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	0.0	0.0
Vehicles - Non-Capital	0.0	0.0
Furniture - Non-Capital	0.0	0.0
EDP Equipment - Mainframe - Non-Capital	0.0	0.0
Telecommunication Equipment - Non Capital	0.0	0.0
Other Equipment - Non-Capital	0.0	0.0
Purchased Or Licensed Software/Website	0.0	0.0
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0
Expenditure Category Total	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3004 Breast and Cervical Cancer

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	0.0	0.0
Expenditure Category Total	0.0	0.0

All dollars are presented in thousands (not FTE).

FREEDOM TO WORK (TICKET TO WORK)

DESCRIPTION/BACKGROUND

The Ticket to Work Incentives Improvement Act of 1999 (TWWIIA) improves access to employment training and placement services for people with disabilities who want to work. It also offers States opportunities to eliminate barriers to employment for people with disabilities by improving access to health care. TWWIIA created two new optional categorical eligibility groups. The first group, called the "Basic Coverage Group," are individuals between the ages of 16 through 64 years and who, except for earned income, would be eligible to receive Supplemental Security Income (SSI) benefits. The second optional categorical eligibility group is called the "Medical Improvement Group." This group covers individuals with a medically improved disability who lose their Medicaid eligibility under the "Basic Coverage Group" because their medical conditions have improved to the point where they are no longer disabled under the SSI definition.

STATUTORY AUTHORITY

Laws 2001, Chapter 385 (A.R.S. § 36-2929 and 36-2950) created a new AHCCCS eligibility category for two groups of individuals: Individuals age 16 through 64 who meet SSI eligibility criteria and have an earned income below 250% FPL (1902(a)(10)(A)(ii)(XV) of the Social Security Act); and employed individuals with a medically improved disability and earned income below 250% FPL (1902(a)(10)(A)(ii)(XVI) of the Social Security Act). This program, known as Ticket to Work or Freedom to Work, was implemented on January 1, 2003.

METHODOLOGY

(Budget Driver/Source of Information)

As of June 2015 there were 1,981 members enrolled in Freedom to Work (1,927 Acute, 54 Long Term Care). By June 2016, enrollment had grown to 2,256 (2,199 Acute, 57 Long Term Care), an increase of 13.88%. The projected enrollment for FY2017 and FY2018 is based on a 60-month regression analysis. The rebase resulted in projected June 2017 enrollment of 2,409 (2,348 Acute, 61 Long Term Care) and a June FY2018 total of 2,560 member months (2,495 Acute, 65 Long Term Care). This is an increase of 6.78% and 6.27% for FY2017 and FY2018 respectively.

The previous totals do not include eligibles receiving physical and behavioral health care through Mercy Maricopa Integrated Care (MMIC) or the Greater Arizona RBHA integrated plans. As part of the AHCCCS behavioral health integration effort, as of June 1, 2015, 597 FTW members received physical and behavioral health care through Mercy Maricopa Integrated Care (MMIC) health plan. Beginning on October 1, 2015, another 219 received physical and behavioral health care through the Greater Arizona RBHA (GrAZ) integrated plans. By June 2016, 611 members were receiving services

through MMIC and another 215 members were receiving services through GrAZ. It is anticipated that by June 2017, a total of 867 TTW members will receive integrated behavioral health services through either MMIC or GrAZ and that by June 2018 this number will reach 908.

Acute Coverage - Acute members are eligible for regular and prior period capitation, behavioral health capitation, fee-for-service, reinsurance, and Medicare Part B premium coverage. For FY2018, AHCCCS is recommending a 3.0% increase to both prospective and prior period rates to account for utilization and inflationary increases. For more detail of rates used in the FY2016-FY2017 forecast, see the Chart 1 on the following page.

LTC Coverage – LTC members are eligible for regular and prior period capitation, fee-for-service, reinsurance, and Medicare Part B premium coverage. The LTC capitation rate shown below is a loaded rate which includes reinsurance and fee-for-service. The CY2018 rate of $3,256.03 reflects a recommended an increase of 2.54 % over the CY2017 rate of $3,401.51 to account for utilization and inflationary increases.

For more detail of rates used in the FY2017-FY2018 forecast, see the Chart 1 below.

Chart 1

		Regular Capitation	% (+,-)	Prior Period Capitation	% (+,-)	FFS	% (+,-)	Non-Integrated Behavioral Health	% (+,-)	MMIC/ Greater AZ	% (+,-)	Reinsurance	% (+,-)	SMIB	% (+,-)
CY16 (10/15 to 9/16)	Acute	$275.85	12.28%	$213.48	-7.72%	$662.38	27.77%	$59.86	-25.08%	$2,237.12	-7.20%	$1.82	-74.51%	$11.94	3.63%
	LTC	$4,056.10	1.57%											$20.34	14.57%
CY17 (10/16 to 9/17)	Acute	$254.25	-7.83%	$206.98	-3.04%	$681.98	2.96%	$52.53	-12.25%	$2,426.39	8.46%	$1.68	-7.71%	$12.18	2.00%
	LTC	$3,401.51	-16.14%											$21.08	3.65%
CY18 (10/17 to 9/18)	Acute	$261.93	3.02%	$213.19	3.00%	$702.44	3.00%	$54.11	3.00%	$2,499.18	3.00%	$1.73	3.00%	$12.96	6.40%
	LTC	$3,487.90	2.54%											$22.43	6.40%

Freedom to Work members may be required to pay a monthly premium. The amount of the member's premium is based on the individual's net earned income. The premium amount can range from $0 - $35 and cannot exceed 2% of the member's net earned income.

The updated FMAP percentages that were used in the analysis are shown in the table below.

FMAP		
FFY 2016	68.92%	Actual
FFY 2017	69.24%	Actual
FFY 2018	69.53%	Estimate

Description of the Problem

The projected expenditures are shown in the table below. Based on the current projections for FY2018, AHCCCS will require $33,573,200 Total Fund ($10,253,000 General Fund) for this program, or an increase of $3,411,700 Total Fund ($1,183,700 General Fund).

	State Match	Federal Authority	Total
FY17 Allocation	9,069,300	21,092,200	30,161,500
FY18 Request	10,253,000	23,320,200	33,573,200
FY18 Increase (Decrease)	1,183,700	2,228,000	3,411,700

Proposed Solution to the problem

In FY 2018, AHCCCS requests an increase of $3,411,700 Total Fund ($1,183,700 General Fund) compared to the FY2017 allocated amount.

Performance Measures to quantify the success of the solution:

- AHCCCS member enrollment in Newly Eligible Adults.
- Maintain the % of overall Health Plan compliance with key indicators at ≥99%.

Statutory Reference

A.R.S. § 36-2929
A.R.S. § 36-2950
1902 (a)(10)(A)(ii)(XV) of the Social Security Act
1902 (a)(10)(A)(ii)(XVI) of the Social Security Act

Arizona Health Care Cost Containment System

Freedom-to-Work Summary - Fiscal Years 2016 - 2018

		FY16 Actuals	FY17 Allocation	FY17 Rebase	FY18 Request	FY18 Change
Freedom-to-Work	(SM)	$8,806,645	$9,069,300	$9,502,900	$10,253,000	$1,183,700
	(TF)	$28,235,197	$30,161,500	$30,813,700	$33,573,200	$3,411,700

Notes:

1) FY16 Actuals are from PMMIS and may not reconcile to AFIS due to timing and manual adjustments.

2) The JLBC provides the Traditional Medicaid Services Appropriation figure and the Freedom-to-Work allocation is included in this appropriation.

Arizona Health Care Cost Containment System

Freedom-to-Work Enrollment Forecast

	ENROLLMENT ACTUAL (1)	PERCENT QTR.GROWTH	ENROLLMENT FORECAST (2)	SFY TOTAL	YEAR TO YEAR GROWTH %	JUNE TO JUNE GROWTH %	SFY
2009.3	3,211	-2.10%					
2009.4	3,122	-2.77%					
2010.1	3,073	-1.57%					
2010.2	3,211	4.49%		12,617	-1.88%	6.32%	SFY 09-10
2010.3	3,697	15.14%					
2010.4	4,123	11.52%					
2011.1	4,285	3.93%					
2011.2	4,422	3.20%		16,527	30.99%	33.69%	SFY 10-11
2011.3	4,504	1.85%					
2011.4	4,497	-0.16%					
2012.1	4,541	0.98%					
2012.2	4,650	2.40%		18,192	10.07%	5.93%	SFY 11-12
2012.3	4,749	2.13%					
2012.4	4,676	-1.54%					
2013.1	4,701	0.53%					
2013.2	4,803	2.17%		18,929	4.05%	2.61%	SFY 12-13
2013.3	4,822	0.40%					
2013.4	4,839	0.35%					
2014.1	4,755	-1.74%					
2014.2	4,834	1.66%		19,250	1.70%	1.05%	SFY 13-14
2014.3	5,194	7.45%					
2014.4	5,491	5.72%					
2015.1	5,646	2.82%					
2015.2	5,793	2.60%		22,124	14.93%	20.55%	SFY 14-15
2015.3	6,177	6.63%					
2015.4	6,438	4.23%					
2016.1	6,546	1.68%					
2016.2	6,632	1.31%		25,793	16.58%	13.84%	SFY 15-16
2016.3		2.33%	6,787				
2016.4		1.68%	6,900				
2017.1		1.65%	7,014				
2017.2		1.62%	7,128	27,829	7.89%	2.78%	SFY 16-17
2017.3		1.60%	7,242				
2017.4		1.57%	7,355				
2018.1		1.55%	7,469				
2018.2		1.52%	7,583	29,648	6.54%	4.47%	SFY 17-18

(1) Enrollment is from the beginning of the month enrollment report and includes Capitated, ALTCS, and FFS members.
(2) Based on 60 Month Regression Forecast with Add Factor for June 2016.

Observations:	60
Adj. R Square:	0.8384
Standard Error:	97

June 2016 actual included in base for forecast.

Freedom-to-Work Enrollment Forecast

Arizona Health Care Cost Containment System

Freedom-to-Work Rate Development Worksheet

SFY16 REG MM			
SSI w/		22,211	87.46%
SSI w/o		3,184	12.54%
		25,395	
CY 2016 Rates			
SSI w/	$	157.99	
SSI w/o	$	924.56	
Weighted	$	254.11	
CY 2017 Rates			
SSI w/	$	157.91	
SSI w/o	$	926.68	
Weighted	$	254.30	0.08%

SFY16 PPC MM			
SSI w/		1136	72.60%
SSI w/o		429	27.40%
		1565	
CY 2016 Rates			
SSI w/	$	68.18	
SSI w/o	$	574.77	
Weighted	$	206.98	
CY 2017 Rates			
SSI w/	$	68.18	
SSI w/o	$	574.77	
Weighted	$	206.98	0.00%

SFY17 REG and PPC MM		
SSI w/	23,347	86.60%
SSI w/o	3,613	13.40%
	26,959	

Arizona Health Care Cost Containment System

Freedom-to-Work Budget Development

SFY 16 MM Forecast

	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16
Acute Care												
Regular Capitation	1,363	1,437	1,463	1,260	1,261	1,315	1,326	1,327	1,338	1,336	1,353	1,407
Prior Period Capitation	268	226	181	152	77	108	67	94	62	57	145	127
Fee for Service	17	18	18	16	17	19	21	20	21	21	20	19
Reinsurance	1,967	2,047	2,078	2,095	2,089	2,151	2,148	2,130	2,153	2,152	2,162	2,224
Medicare Premiums	1,967	2,047	2,078	2,095	2,089	2,151	2,148	2,130	2,153	2,152	2,162	2,224
MMIC Physical	606	611	614	612	612	615	607	602	604	607	598	611
MMIC MH	606	611	614	612	612	615	607	602	604	607	598	611
Greater AZ Physical	0	0	0	220	219	218	214	208	209	209	213	215
Greater AZ MH	0	0	0	220	219	218	214	208	209	209	213	215
Behavioral Health	1,354	1,426	1,460	1,255	1,262	232	239	234	235	224	222	230
Long Term Care												
Capitation	59	52	61	56	55	55	77	42	54	58	57	56
Medicare Premiums	29	30	30	33	31	32	39	32	31	30	31	30

SFY 16 Rates

	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16
Acute Care												
Regular Capitation	$252.96	$258.84	$258.18	$289.37	$286.39	$333.91	$288.54	$286.79	$282.31	$280.52	$276.84	$264.44
Prior Period Capitation	$225.13	$235.67	$214.63	$201.69	$211.77	$193.54	$120.31	$271.44	$105.06	$249.91	$192.98	$174.65
Fee for Service	$362.50	$863.45	$768.36	$553.22	$1,122.00	$626.44	$177.41	$1,025.54	$880.17	$347.94	$604.28	$698.34
Reinsurance	$1.32	$0.00	$1.25	$2.48	$1.24	$1.21	$0.00	$2.83	$1.20	$1.21	$5.59	$1.18
Medicare Premiums	$10.88	$10.86	$10.75	$11.47	$11.10	$10.97	$13.35	$12.84	$12.28	$12.11	$12.34	$11.67
MMIC Physical	530.90	531.91	533.88	577.45	574.61	578.29	575.63	569.73	577.59	573.67	575.48	566.76
MMIC MH	1,887.00	1,890.60	1,897.61	1,672.93	1,664.70	1,675.38	1,667.65	1,650.58	1,673.34	1,661.99	1,667.23	1,641.98
Greater AZ Physical	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Greater AZ MH	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Behavioral Health	$79.90	$79.90	$79.90	$59.86	$59.86	$106.50	$59.86	$59.86	$59.86	$59.86	$59.86	$59.86
Long Term Care												
Capitation	$3,739.75	$4,226.44	$3,778.26	$4,022.41	$4,271.29	$3,996.88	$3,128.51	$5,565.53	$4,021.86	$3,989.95	$4,385.31	$4,009.65
Medicare Premiums	$25.32	$20.98	$20.98	$19.07	$20.30	$19.67	$18.74	$22.84	$23.57	$20.30	$19.65	$20.30

SFY 16 Rebase

	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
Acute Care													
Regular Capitation	$344,803	$371,924	$377,649	$364,639	$361,111	$438,992	$382,610	$380,513	$377,685	$374,705	$374,666	$372,158	$4,521,456
Prior Period Capitation	$60,299	$53,365	$38,869	$30,645	$16,359	$20,968	$8,090	$25,426	$6,540	$14,280	$27,917	$22,182	$324,938
Fee for Service	$6,163	$15,542	$13,830	$8,852	$19,074	$11,902	$3,726	$20,511	$18,484	$7,307	$12,086	$13,268	$150,744
Reinsurance	$2,595	$0	$2,595	$5,191	$2,595	$2,595	$0	$6,023	$2,594	$2,594	$12,091	$2,634	$41,509
Medicare Premiums	$21,400	$22,239	$22,344	$24,022	$23,183	$23,603	$28,664	$27,354	$26,431	$26,065	$26,674	$25,943	$297,921
MMIC Physical	$321,715	$325,089	$327,650	$353,282	$351,521	$355,917	$349,543	$343,030	$348,840	$348,098	$343,906	$346,435	$4,115,026
MMIC MH	$1,143,483	$1,155,478	$1,164,580	$1,023,498	$1,018,396	$1,031,132	$1,012,666	$993,799	$1,010,631	$1,008,480	$996,336	$1,003,662	$12,562,142
Greater AZ Physical	$0	$0	$0	$124,807	$123,092	$122,940	$121,061	$117,197	$118,089	$119,377	$119,240	$121,208	$1,087,011
Greater AZ MH	$0	$0	$0	$213,973	$211,034	$210,774	$207,552	$200,928	$202,457	$204,665	$204,429	$207,804	$1,863,616
Behavioral Health	$108,185	$113,937	$116,654	$75,124	$75,543	$24,707	$14,307	$14,007	$14,067	$13,409	$13,289	$13,768	$596,997
Acute Care Sub-Total	$2,008,642	$2,057,574	$2,064,171	$2,224,033	$2,201,909	$2,243,531	$2,128,218	$2,128,789	$2,125,818	$2,118,979	$2,130,634	$2,129,063	$25,561,360
Long Term Care													
Capitation	$206,326	$214,590	$221,261	$220,918	$230,423	$213,367	$235,491	$223,746	$211,177	$225,901	$244,577	$218,159	$2,665,937
Medicare Premiums	$734	$629	$629	$629	$629	$629	$731	$731	$731	$609	$609	$609	$7,901
Long Term Care Sub-Total	$207,061	$215,220	$221,890	$221,547	$231,052	$213,996	$236,222	$224,477	$211,908	$226,510	$245,186	$218,768	$2,673,837
TOTAL	$2,215,703	$2,272,794	$2,286,061	$2,445,580	$2,432,961	$2,457,526	$2,364,441	$2,353,266	$2,337,726	$2,345,489	$2,375,820	$2,347,831	$28,235,197

Arizona Health Care Cost Containment System

Freedom-to-Work Fund Sources (SFY 2016)

SFY 16 Rebase

	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
Acute Care													
Regular Capitation	$344,803	$371,924	$377,649	$364,639	$361,111	$438,992	$382,610	$380,513	$377,685	$374,705	$374,666	$372,158	$4,521,456
Prior Period Capitation	$60,299	$53,365	$38,869	$30,645	$16,359	$20,968	$8,090	$25,426	$6,540	$14,280	$27,917	$22,182	$324,938
Fee for Service	$6,163	$15,542	$13,830	$8,852	$19,074	$11,902	$3,726	$20,511	$18,484	$7,307	$12,086	$13,268	$150,744
Reinsurance	$2,595	$0	$2,595	$5,191	$2,595	$2,595	$0	$6,023	$2,594	$2,594	$12,091	$2,634	$41,509
Medicare Premiums	$21,400	$22,239	$22,344	$24,022	$23,183	$23,603	$28,664	$27,354	$26,431	$26,065	$26,674	$25,943	$297,921
MMIC Physical	$321,715	$325,089	$327,650	$353,282	$351,521	$355,917	$349,543	$343,030	$348,840	$348,098	$343,906	$346,435	$4,115,026
MMIC MH	$1,143,483	$1,155,478	$1,164,580	$1,023,498	$1,018,396	$1,031,132	$1,012,666	$993,799	$1,010,631	$1,008,480	$996,336	$1,003,662	$12,562,142
Greater AZ Physical	$0	$0	$0	$124,807	$123,092	$122,940	$121,061	$117,197	$118,089	$119,377	$119,240	$121,208	$1,087,011
Greater AZ MH	$0	$0	$0	$213,973	$211,034	$210,774	$207,552	$200,928	$202,457	$204,665	$204,429	$207,804	$1,863,616
Behavioral Health	$108,185	$113,937	$116,654	$75,124	$75,543	$24,707	$14,307	$14,007	$14,067	$13,409	$13,289	$13,768	$596,997
Acute Care Sub-Total	$2,008,642	$2,057,574	$2,064,171	$2,224,033	$2,201,909	$2,243,531	$2,128,218	$2,128,789	$2,125,818	$2,118,979	$2,130,634	$2,129,063	$25,561,360
Long Term Care													
Capitation	$206,326	$214,590	$221,261	$220,918	$230,423	$213,367	$235,491	$223,746	$211,177	$225,901	$244,577	$218,159	$2,665,937
Medicare Premiums	$734	$629	$629	$629	$629	$629	$731	$731	$731	$609	$609	$609	$7,901
Long Term Care Sub-Total	$207,061	$215,220	$221,890	$221,547	$231,052	$213,996	$236,222	$224,477	$211,908	$226,510	$245,186	$218,768	$2,673,837
TOTAL	$2,215,703	$2,272,794	$2,286,061	$2,445,580	$2,432,961	$2,457,526	$2,364,441	$2,353,266	$2,337,726	$2,345,489	$2,375,820	$2,347,831	$28,235,197

Federal Fund

	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
Acute Care													
Regular Capitation	$236,100	$254,600	$258,500	$251,300	$248,900	$302,600	$263,700	$262,200	$260,300	$258,200	$258,200	$256,500	$3,111,100
Prior Period Capitation	$41,280	$36,533	$26,609	$21,100	$11,300	$14,500	$5,600	$17,500	$4,500	$9,800	$19,200	$15,300	$223,223
Fee for Service	$4,219	$10,640	$9,468	$6,100	$13,100	$8,200	$2,600	$14,100	$12,700	$5,000	$8,300	$9,100	$103,527
Reinsurance	$1,777	$0	$1,777	$3,600	$1,800	$1,800	$0	$4,200	$1,800	$1,800	$8,300	$1,800	$28,654
Medicare Premiums	$14,650	$15,225	$15,296	$16,600	$16,000	$16,300	$19,800	$18,900	$18,200	$18,000	$18,400	$17,900	$205,271
MMIC Physical	$220,246	$222,556	$224,309	$243,500	$242,300	$245,300	$240,900	$236,400	$240,400	$239,900	$237,000	$238,800	$2,831,611
MMIC MH	$782,829	$791,040	$797,271	$705,400	$701,900	$710,700	$697,900	$684,900	$696,500	$695,000	$686,700	$691,700	$8,641,840
Greater AZ Physical	$0	$0	$0	$86,000	$84,800	$84,700	$83,400	$80,800	$81,400	$82,300	$82,200	$83,500	$749,100
Greater AZ MH	$0	$0	$0	$147,500	$145,400	$145,300	$143,000	$138,500	$139,500	$141,100	$140,900	$143,200	$1,284,400
Behavioral Health	$74,063	$78,002	$79,861	$51,800	$52,100	$17,000	$9,900	$9,700	$9,700	$9,200	$9,200	$9,500	$410,026
Acute Care Sub-Total	$1,375,164	$1,408,596	$1,413,093	$1,532,900	$1,517,600	$1,546,400	$1,466,800	$1,467,200	$1,465,000	$1,460,300	$1,468,400	$1,467,300	$17,588,753
Long Term Care													
Capitation	$141,251	$146,909	$151,475	$152,300	$158,800	$147,100	$162,300	$154,200	$145,500	$155,700	$168,600	$150,400	$1,834,535
Medicare Premiums	$503	$431	$431	$400	$400	$400	$500	$500	$500	$400	$400	$400	$5,264
Long Term Care Sub-Total	$141,754	$147,340	$151,906	$152,700	$159,200	$147,500	$162,800	$154,700	$146,000	$156,100	$169,000	$150,800	$1,839,800
TOTAL	$1,516,918	$1,555,936	$1,564,999	$1,685,600	$1,676,800	$1,693,900	$1,629,600	$1,621,900	$1,611,000	$1,616,400	$1,637,400	$1,618,100	$19,428,553

State Fund

	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
Acute Care													
Regular Capitation	$108,703	$117,324	$119,149	$113,339	$112,211	$136,392	$118,910	$118,313	$117,385	$116,505	$116,466	$115,658	$1,410,356
Prior Period Capitation	$19,018	$16,831	$12,259	$9,545	$5,059	$6,468	$2,490	$7,926	$2,040	$4,480	$8,717	$6,882	$101,715
Fee for Service	$1,944	$4,902	$4,362	$2,752	$5,974	$3,702	$1,126	$6,411	$5,784	$2,307	$3,786	$4,168	$47,216
Reinsurance	$819	$0	$819	$1,591	$795	$795	$0	$1,823	$794	$794	$3,791	$834	$12,855
Medicare Premiums	$6,749	$7,014	$7,047	$7,422	$7,183	$7,303	$8,864	$8,454	$8,231	$8,065	$8,274	$8,043	$92,650
MMIC Physical	$101,469	$102,533	$103,341	$109,782	$109,221	$110,617	$108,643	$106,630	$108,440	$108,198	$106,906	$107,635	$1,283,414
MMIC MH	$360,655	$364,438	$367,308	$318,098	$316,496	$320,432	$314,766	$308,899	$314,131	$313,480	$309,636	$311,962	$3,920,301
Greater AZ Physical	$0	$0	$0	$38,807	$38,292	$38,240	$37,661	$36,397	$36,689	$37,077	$37,040	$37,708	$337,911
Greater AZ MH	$0	$0	$0	$66,473	$65,634	$65,474	$64,552	$62,428	$62,957	$63,565	$63,529	$64,604	$579,216
Behavioral Health	$34,121	$35,936	$36,793	$23,324	$23,443	$7,707	$4,407	$4,307	$4,367	$4,209	$4,089	$4,268	$186,971
Acute Care Sub-Total	$633,478	$648,978	$651,078	$691,133	$684,309	$697,131	$661,418	$661,589	$660,818	$658,679	$662,234	$661,763	$7,972,607
Long Term Care													
Capitation	$65,075	$67,682	$69,786	$68,618	$71,623	$66,267	$73,191	$69,546	$65,677	$70,201	$75,977	$67,759	$831,402
Medicare Premiums	$232	$199	$199	$229	$229	$229	$231	$231	$231	$209	$209	$209	$2,636
Long Term Care Sub-Total	$65,307	$67,880	$69,984	$68,847	$71,852	$66,496	$73,422	$69,777	$65,908	$70,410	$76,186	$67,968	$834,038
TOTAL	$698,785	$716,858	$721,062	$759,980	$756,161	$763,626	$734,841	$731,366	$726,726	$729,089	$738,420	$729,731	$8,806,645

Arizona Health Care Cost Containment System

Freedom-to-Work Budget Development

SFY 17 MM Forecast

	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17
Acute Care												
Regular Capitation	1,415	1,423	1,431	1,439	1,447	1,455	1,463	1,471	1,478	1,486	1,494	1,502
Prior Period Capitation	137	138	138	139	140	141	141	142	143	144	144	145
Fee for Service	19	19	19	19	19	19	19	19	20	20	20	20
Reinsurance	2,245	2,256	2,267	2,279	2,290	2,301	2,313	2,324	2,335	2,347	2,358	2,369
Medicare Premiums	2,245	2,256	2,267	2,279	2,290	2,301	2,313	2,324	2,335	2,347	2,358	2,369
MMIC Physical	615	618	622	625	628	632	635	639	642	646	649	652
MMIC MH	615	618	622	625	628	632	635	639	642	646	649	652
Greater AZ Physical	215	215	215	215	215	215	215	215	215	215	215	215
Greater AZ MH	215	215	215	215	215	215	215	215	215	215	215	215
Behavioral Health	1,434	1,442	1,450	1,458	1,466	1,474	1,482	1,490	1,498	1,506	1,514	1,522
Long Term Care												
Capitation	56	57	57	57	58	58	58	59	59	59	59	60
Medicare Premiums	30	30	30	30	30	30	30	30	30	30	30	30

SFY 17 Rates

	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17
Acute Care												
Regular Capitation	$243.47	$243.47	$243.47	$254.11	$254.11	$254.11	$254.30	$254.30	$254.30	$254.30	$254.30	$254.30
Prior Period Capitation	$256.06	$256.06	$256.06	$206.98	$206.98	$206.98	$206.98	$206.98	$206.98	$206.98	$206.98	$206.98
Fee for Service	$664.07	$664.07	$664.07	$681.98	$681.98	$681.98	$681.98	$681.98	$681.98	$681.98	$681.98	$681.98
Reinsurance	$1.63	$1.63	$1.63	$1.68	$1.68	$1.68	$1.68	$1.68	$1.68	$1.68	$1.68	$1.68
Medicare Premiums	$11.73	$11.73	$11.73	$11.73	$11.73	$11.73	$12.33	$12.33	$12.33	$12.33	$12.33	$12.33
MMIC Physical	573.13	573.13	573.13	536.15	536.15	536.15	536.15	536.15	536.15	536.15	536.15	536.15
MMIC MH	1,660.43	1,660.43	1,660.43	1,890.24	1,890.24	1,890.24	1,890.24	1,890.24	1,890.24	1,890.24	1,890.24	1,890.24
Greater AZ Physical	$565.21	$565.21	$565.21	$554.00	$554.00	$554.00	$554.00	$554.00	$554.00	$554.00	$554.00	$554.00
Greater AZ MH	$969.01	$969.01	$969.01	$988.31	$988.31	$988.31	$988.31	$988.31	$988.31	$988.31	$988.31	$988.31
Behavioral Health	$59.86	$59.86	$59.86	$52.53	$52.53	$52.53	$52.53	$52.53	$52.53	$52.53	$52.53	$52.53
Long Term Care												
Capitation	$4,009.65	$4,009.65	$4,009.65	$3,401.51	$3,401.51	$3,401.51	$3,401.51	$3,401.51	$3,401.51	$3,401.51	$3,401.51	$3,401.51
Medicare Premiums	$20.30	$20.30	$20.30	$20.30	$20.30	$20.30	$21.34	$21.34	$21.34	$21.34	$21.34	$21.34

SFY 17 Request

	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
Acute Care													
Regular Capitation	$344,600	$346,500	$348,400	$365,600	$367,600	$369,700	$371,900	$374,000	$376,000	$378,000	$380,000	$382,000	$4,404,300
Prior Period Capitation	$35,000	$35,200	$35,400	$28,800	$29,000	$29,100	$29,300	$29,400	$29,600	$29,700	$29,900	$30,100	$370,500
Fee for Service	$12,600	$12,600	$12,600	$13,000	$13,000	$13,000	$13,000	$13,000	$13,600	$13,600	$13,600	$13,600	$157,200
Reinsurance	$3,700	$3,700	$3,700	$3,800	$3,800	$3,900	$3,900	$3,900	$3,900	$3,900	$4,000	$4,000	$46,200
Medicare Premiums	$26,300	$26,500	$26,600	$26,700	$26,900	$27,000	$28,500	$28,700	$28,800	$28,900	$29,100	$29,200	$333,200
MMIC Physical	$352,300	$354,300	$356,200	$335,100	$336,900	$338,800	$340,600	$342,400	$344,300	$346,100	$348,000	$349,800	$4,144,800
MMIC MH	$1,020,600	$1,026,300	$1,032,000	$1,181,400	$1,187,900	$1,194,300	$1,200,800	$1,207,300	$1,213,800	$1,220,300	$1,226,800	$1,233,300	$13,944,800
Greater AZ Physical	$121,400	$121,400	$121,400	$118,900	$118,900	$118,900	$118,900	$118,900	$118,900	$118,900	$118,900	$118,900	$1,434,300
Greater AZ MH	$208,100	$208,100	$208,100	$212,200	$212,200	$212,200	$212,200	$212,200	$212,200	$212,200	$212,200	$212,200	$2,534,100
Behavioral Health	$85,900	$86,300	$86,800	$76,600	$77,000	$77,400	$77,800	$78,200	$78,700	$79,100	$79,500	$80,000	$963,300
Acute Care Sub-Total	$2,210,500	$2,220,900	$2,231,200	$2,362,100	$2,373,200	$2,384,300	$2,396,900	$2,408,000	$2,419,800	$2,430,700	$2,442,000	$2,453,100	$28,332,700
Long Term Care													
Capitation	$225,900	$227,200	$228,400	$194,900	$195,900	$197,000	$198,100	$199,100	$200,200	$201,300	$202,400	$203,400	$2,473,800
Medicare Premiums	$600	$600	$600	$600	$600	$600	$600	$600	$600	$600	$600	$600	$7,200
Long Term Care Sub-Total	$226,500	$227,800	$229,000	$195,500	$196,500	$197,600	$198,700	$199,700	$200,800	$201,900	$203,000	$204,000	$2,481,000
TOTAL	$2,437,000	$2,448,700	$2,460,200	$2,557,600	$2,569,700	$2,581,900	$2,595,600	$2,607,700	$2,620,600	$2,632,600	$2,645,000	$2,657,100	$30,813,700

Arizona Health Care Cost Containment System

Freedom-to-Work Fund Sources (SFY 2017)

SFY 17 Request

	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
Acute Care													
Regular Capitation	$344,600	$346,500	$348,400	$365,600	$367,600	$369,700	$371,900	$374,000	$376,000	$378,000	$380,000	$382,000	$4,404,300
Prior Period Capitation	$35,000	$35,200	$35,400	$28,800	$29,000	$29,100	$29,300	$29,400	$29,600	$29,700	$29,900	$30,100	$370,500
Fee for Service	$12,600	$12,600	$12,600	$13,000	$13,000	$13,000	$13,000	$13,000	$13,600	$13,600	$13,600	$13,600	$157,200
Reinsurance	$3,700	$3,700	$3,700	$3,800	$3,800	$3,900	$3,900	$3,900	$3,900	$3,900	$4,000	$4,000	$46,200
Medicare Premiums	$26,300	$26,500	$26,600	$26,700	$26,900	$27,000	$28,500	$28,700	$28,800	$28,900	$29,100	$29,200	$333,200
MMIC Physical	$352,300	$354,300	$356,200	$335,100	$336,900	$338,800	$340,600	$342,400	$344,300	$346,100	$348,000	$349,800	$4,144,800
MMIC MH	$1,020,600	$1,026,300	$1,032,000	$1,181,400	$1,187,900	$1,194,300	$1,200,800	$1,207,300	$1,213,800	$1,220,300	$1,226,800	$1,233,300	$13,944,800
Greater AZ Physical	$121,400	$121,400	$121,400	$118,900	$118,900	$118,900	$118,900	$118,900	$118,900	$118,900	$118,900	$118,900	$1,434,300
Greater AZ MH	$208,100	$208,100	$208,100	$212,200	$212,200	$212,200	$212,200	$212,200	$212,200	$212,200	$212,200	$212,200	$2,534,100
Behavioral Health	$85,900	$86,300	$86,800	$76,600	$77,000	$77,400	$77,800	$78,200	$78,700	$79,100	$79,500	$80,000	$963,300
Acute Care Sub-Total	$2,210,500	$2,220,900	$2,231,200	$2,362,100	$2,373,200	$2,384,300	$2,396,900	$2,408,000	$2,419,800	$2,430,700	$2,442,000	$2,453,100	$28,332,700
Long Term Care													
Capitation	$225,900	$227,200	$228,400	$194,900	$195,900	$197,000	$198,100	$199,100	$200,200	$201,300	$202,400	$203,400	$2,473,800
Medicare Premiums	$600	$600	$600	$600	$600	$600	$600	$600	$600	$600	$600	$600	$7,200
Long Term Care Sub-Total	$226,500	$227,800	$229,000	$195,500	$196,500	$197,600	$198,700	$199,700	$200,800	$201,900	$203,000	$204,000	$2,481,000
TOTAL	$2,437,000	$2,448,700	$2,460,200	$2,557,600	$2,569,700	$2,581,900	$2,595,600	$2,607,700	$2,620,600	$2,632,600	$2,645,000	$2,657,100	$30,813,700

Federal Fund

	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
Acute Care													
Regular Capitation	$237,500	$238,800	$240,100	$253,100	$254,500	$256,000	$257,500	$259,000	$260,300	$261,700	$263,100	$264,500	$3,046,100
Prior Period Capitation	$24,100	$24,300	$24,400	$19,900	$20,100	$20,100	$20,300	$20,400	$20,500	$20,600	$20,700	$20,800	$256,200
Fee for Service	$8,700	$8,700	$8,700	$9,000	$9,000	$9,000	$9,000	$9,000	$9,400	$9,400	$9,400	$9,400	$108,700
Reinsurance	$2,600	$2,600	$2,600	$2,600	$2,600	$2,700	$2,700	$2,700	$2,700	$2,700	$2,800	$2,800	$32,100
Medicare Premiums	$18,100	$18,300	$18,300	$18,500	$18,600	$18,700	$19,700	$19,900	$19,900	$20,000	$20,100	$20,200	$230,300
MMIC Physical	$242,800	$244,200	$245,500	$232,000	$233,300	$234,600	$235,800	$237,100	$238,400	$239,600	$241,000	$242,200	$2,866,500
MMIC MH	$703,400	$707,300	$711,300	$818,000	$822,500	$826,900	$831,400	$835,900	$840,400	$844,900	$849,400	$853,900	$9,645,300
Greater AZ Physical	$83,700	$83,700	$83,700	$82,300	$82,300	$82,300	$82,300	$82,300	$82,300	$82,300	$82,300	$82,300	$991,800
Greater AZ MH	$143,400	$143,400	$143,400	$146,900	$146,900	$146,900	$146,900	$146,900	$146,900	$146,900	$146,900	$146,900	$1,752,300
Behavioral Health	$59,200	$59,500	$59,800	$53,000	$53,300	$53,600	$53,900	$54,100	$54,500	$54,800	$55,000	$55,400	$666,100
Acute Care Sub-Total	$1,523,500	$1,530,800	$1,537,800	$1,635,300	$1,643,100	$1,650,800	$1,659,500	$1,667,300	$1,675,300	$1,682,900	$1,690,700	$1,698,400	$19,595,400
Long Term Care													
Capitation	$155,700	$156,600	$157,400	$134,900	$135,600	$136,400	$137,200	$137,900	$138,600	$139,400	$140,100	$140,800	$1,710,600
Medicare Premiums	$400	$400	$400	$400	$400	$400	$400	$400	$400	$400	$400	$400	$4,800
Long Term Care Sub-Total	$156,100	$157,000	$157,800	$135,300	$136,000	$136,800	$137,600	$138,300	$139,000	$139,800	$140,500	$141,200	$1,715,400
TOTAL	$1,679,600	$1,687,800	$1,695,600	$1,770,600	$1,779,100	$1,787,600	$1,797,100	$1,805,600	$1,814,300	$1,822,700	$1,831,200	$1,839,600	$21,310,800

State Fund

	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
Acute Care													
Regular Capitation	$107,100	$107,700	$108,300	$112,500	$113,100	$113,700	$114,400	$115,000	$115,700	$116,300	$116,900	$117,500	$1,358,200
Prior Period Capitation	$10,900	$10,900	$11,000	$8,900	$8,900	$9,000	$9,000	$9,000	$9,100	$9,100	$9,200	$9,300	$114,300
Fee for Service	$3,900	$3,900	$3,900	$4,000	$4,000	$4,000	$4,000	$4,000	$4,200	$4,200	$4,200	$4,200	$48,500
Reinsurance	$1,100	$1,100	$1,100	$1,200	$1,200	$1,200	$1,200	$1,200	$1,200	$1,200	$1,200	$1,200	$14,100
Medicare Premiums	$8,200	$8,200	$8,300	$8,200	$8,300	$8,300	$8,800	$8,800	$8,900	$8,900	$9,000	$9,000	$102,900
MMIC Physical	$109,500	$110,100	$110,700	$103,100	$103,600	$104,200	$104,800	$105,300	$105,900	$106,500	$107,000	$107,600	$1,278,300
MMIC MH	$317,200	$319,000	$320,700	$363,400	$365,400	$367,400	$369,400	$371,400	$373,400	$375,400	$377,400	$379,400	$4,299,500
Greater AZ Physical	$37,700	$37,700	$37,700	$36,600	$36,600	$36,600	$36,600	$36,600	$36,600	$36,600	$36,600	$36,600	$442,500
Greater AZ MH	$64,700	$64,700	$64,700	$65,300	$65,300	$65,300	$65,300	$65,300	$65,300	$65,300	$65,300	$65,300	$781,800
Behavioral Health	$26,700	$26,800	$27,000	$23,600	$23,700	$23,800	$23,900	$24,100	$24,200	$24,300	$24,500	$24,600	$297,200
Acute Care Sub-Total	$687,000	$690,100	$693,400	$726,800	$730,100	$733,500	$737,400	$740,700	$744,500	$747,800	$751,300	$754,700	$8,737,300
Long Term Care													
Capitation	$70,200	$70,600	$71,000	$60,000	$60,300	$60,600	$60,900	$61,200	$61,600	$61,900	$62,300	$62,600	$763,200
Medicare Premiums	$200	$200	$200	$200	$200	$200	$200	$200	$200	$200	$200	$200	$2,400
Long Term Care Sub-Total	$70,400	$70,800	$71,200	$60,200	$60,500	$60,800	$61,100	$61,400	$61,800	$62,100	$62,500	$62,800	$765,600
TOTAL	$757,400	$760,900	$764,600	$787,000	$790,600	$794,300	$798,500	$802,100	$806,300	$809,900	$813,800	$817,500	$9,502,900

Arizona Health Care Cost Containment System

Freedom-to-Work Budget Development

SFY 18 MM Forecast

	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18
Acute Care												
Regular Capitation	1,510	1,518	1,526	1,534	1,542	1,550	1,557	1,565	1,573	1,581	1,589	1,597
Prior Period Capitation	146	147	148	148	149	150	151	151	152	153	154	154
Fee for Service	20	20	20	20	20	20	20	20	20	20	20	20
Reinsurance	2,381	2,392	2,403	2,415	2,426	2,437	2,449	2,460	2,471	2,483	2,494	2,505
Medicare Premiums	2,381	2,392	2,403	2,415	2,426	2,437	2,449	2,460	2,471	2,483	2,494	2,505
MMIC Physical	656	659	663	666	670	673	676	680	683	687	690	694
MMIC MH	656	659	663	666	670	673	676	680	683	687	690	694
Greater AZ Physical	215	215	215	215	215	215	215	215	215	215	215	215
Greater AZ MH	215	215	215	215	215	215	215	215	215	215	215	215
Behavioral Health	1,530	1,538	1,546	1,554	1,562	1,570	1,577	1,585	1,593	1,601	1,609	1,617
Long Term Care												
Capitation	60	60	61	61	61	62	62	62	63	63	63	64
Medicare Premiums	30	30	30	30	30	30	30	30	30	30	30	30

SFY 18 Rates

	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18
Acute Care												
Regular Capitation	$254.30	$254.30	$254.30	$261.93	$261.93	$261.93	$261.93	$261.93	$261.93	$261.93	$261.93	$261.93
Prior Period Capitation	$206.98	$206.98	$206.98	$213.19	$213.19	$213.19	$213.19	$213.19	$213.19	$213.19	$213.19	$213.19
Fee for Service	$681.98	$681.98	$681.98	$702.44	$702.44	$702.44	$702.44	$702.44	$702.44	$702.44	$702.44	$702.44
Reinsurance	$1.68	$1.68	$1.68	$1.73	$1.73	$1.73	$1.73	$1.73	$1.73	$1.73	$1.73	$1.73
Medicare Premiums	$12.33	$12.33	$12.33	$12.96	$12.96	$12.96	$12.96	$12.96	$12.96	$12.96	$12.96	$12.96
MMIC Physical	536.15	536.15	536.15	552.23	552.23	552.23	552.23	552.23	552.23	552.23	552.23	552.23
MMIC MH	1,890.24	1,890.24	1,890.24	1,946.95	1,946.95	1,946.95	1,946.95	1,946.95	1,946.95	1,946.95	1,946.95	1,946.95
Greater AZ Physical	$554.00	$554.00	$554.00	$570.62	$570.62	$570.62	$570.62	$570.62	$570.62	$570.62	$570.62	$570.62
Greater AZ MH	$988.31	$988.31	$988.31	$1,017.96	$1,017.96	$1,017.96	$1,017.96	$1,017.96	$1,017.96	$1,017.96	$1,017.96	$1,017.96
Behavioral Health	$52.53	$52.53	$52.53	$54.11	$54.11	$54.11	$54.11	$54.11	$54.11	$54.11	$54.11	$54.11
Long Term Care												
Capitation	$3,401.51	$3,401.51	$3,401.51	$3,487.90	$3,487.90	$3,487.90	$3,487.90	$3,487.90	$3,487.90	$3,487.90	$3,487.90	$3,487.90
Medicare Premiums	$21.34	$21.34	$21.34	$22.43	$22.43	$22.43	$22.43	$22.43	$22.43	$22.43	$22.43	$22.43

SFY 18 Request

	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
Acute Care													
Regular Capitation	$384,000	$386,000	$388,000	$401,700	$403,800	$405,900	$407,900	$410,000	$412,100	$414,200	$416,200	$418,300	$4,848,100
Prior Period Capitation	$30,200	$30,400	$30,500	$31,600	$31,800	$31,900	$32,100	$32,300	$32,400	$32,600	$32,800	$32,900	$381,500
Fee for Service	$13,600	$13,600	$13,600	$14,000	$14,000	$14,000	$14,000	$14,000	$14,000	$14,000	$14,000	$14,000	$166,800
Reinsurance	$4,000	$4,000	$4,000	$4,200	$4,200	$4,200	$4,200	$4,300	$4,300	$4,300	$4,300	$4,300	$50,300
Medicare Premiums	$29,400	$29,500	$29,600	$31,300	$31,400	$31,600	$31,700	$31,900	$32,000	$32,200	$32,300	$32,500	$375,400
MMIC Physical	$351,600	$353,500	$355,300	$367,900	$369,800	$371,700	$373,600	$375,500	$377,400	$379,300	$381,100	$383,000	$4,439,700
MMIC MH	$1,239,800	$1,246,200	$1,252,700	$1,297,000	$1,303,700	$1,310,400	$1,317,000	$1,323,700	$1,330,400	$1,337,100	$1,343,800	$1,350,500	$15,652,300
Greater AZ Physical	$118,900	$118,900	$118,900	$122,500	$122,500	$122,500	$122,500	$122,500	$122,500	$122,500	$122,500	$122,500	$1,459,200
Greater AZ MH	$212,200	$212,200	$212,200	$218,600	$218,600	$218,600	$218,600	$218,600	$218,600	$218,600	$218,600	$218,600	$2,604,000
Behavioral Health	$80,400	$80,800	$81,200	$84,100	$84,500	$84,900	$85,400	$85,800	$86,200	$86,600	$87,100	$87,500	$1,014,500
Acute Care Sub-Total	$2,464,100	$2,475,100	$2,486,000	$2,572,900	$2,584,300	$2,595,700	$2,607,000	$2,618,600	$2,629,900	$2,641,400	$2,652,700	$2,664,100	$30,991,800
Long Term Care													
Capitation	$204,500	$205,600	$206,600	$213,000	$214,100	$215,200	$216,300	$217,400	$218,500	$219,600	$220,700	$221,800	$2,573,300
Medicare Premiums	$600	$600	$600	$700	$700	$700	$700	$700	$700	$700	$700	$700	$8,100
Long Term Care Sub-Total	$205,100	$206,200	$207,200	$213,700	$214,800	$215,900	$217,000	$218,100	$219,200	$220,300	$221,400	$222,500	$2,581,400
TOTAL	$2,669,200	$2,681,300	$2,693,200	$2,786,600	$2,799,100	$2,811,600	$2,824,000	$2,836,700	$2,849,100	$2,861,700	$2,874,100	$2,886,600	$33,573,200

Arizona Health Care Cost Containment System
Freedom-to-Work Fund Sources (SFY 2018)

SFY 18 Request

	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
Acute Care													
Regular Capitation	$384,000	$386,000	$388,000	$401,700	$403,800	$405,900	$407,900	$410,000	$412,100	$414,200	$416,200	$418,300	$4,848,100
Prior Period Capitation	$30,200	$30,400	$30,500	$31,600	$31,800	$31,900	$32,100	$32,300	$32,400	$32,600	$32,800	$32,900	$381,500
Fee for Service	$13,600	$13,600	$13,600	$14,000	$14,000	$14,000	$14,000	$14,000	$14,000	$14,000	$14,000	$14,000	$166,800
Reinsurance	$4,000	$4,000	$4,000	$4,200	$4,200	$4,200	$4,200	$4,300	$4,300	$4,300	$4,300	$4,300	$50,300
Medicare Premiums	$29,400	$29,500	$29,600	$31,300	$31,400	$31,600	$31,700	$31,900	$32,000	$32,200	$32,300	$32,500	$375,400
MMIC Physical	$351,600	$353,500	$355,300	$367,900	$369,800	$371,700	$373,600	$375,500	$377,400	$379,300	$381,100	$383,000	$4,439,700
MMIC MH	$1,239,800	$1,246,200	$1,252,700	$1,297,000	$1,303,700	$1,310,400	$1,317,000	$1,323,700	$1,330,400	$1,337,100	$1,343,800	$1,350,500	$15,652,300
Greater AZ Physical	$118,900	$118,900	$118,900	$122,500	$122,500	$122,500	$122,500	$122,500	$122,500	$122,500	$122,500	$122,500	$1,459,200
Greater AZ MH	$212,200	$212,200	$212,200	$218,600	$218,600	$218,600	$218,600	$218,600	$218,600	$218,600	$218,600	$218,600	$2,604,000
Behavioral Health	$80,400	$80,800	$81,200	$84,100	$84,500	$84,900	$85,400	$85,800	$86,200	$86,600	$87,100	$87,500	$1,014,500
Acute Care Sub-Total	$2,464,100	$2,475,100	$2,486,000	$2,572,900	$2,584,300	$2,595,700	$2,607,000	$2,618,600	$2,629,900	$2,641,400	$2,652,700	$2,664,100	$30,991,800
Long Term Care													
Capitation	$204,500	$205,600	$206,600	$213,000	$214,100	$215,200	$216,300	$217,400	$218,500	$219,600	$220,700	$221,800	$2,573,300
Medicare Premiums	$600	$600	$600	$700	$700	$700	$700	$700	$700	$700	$700	$700	$8,100
Long Term Care Sub-Total	$205,100	$206,200	$207,200	$213,700	$214,800	$215,900	$217,000	$218,100	$219,200	$220,300	$221,400	$222,500	$2,581,400
TOTAL	$2,669,200	$2,681,300	$2,693,200	$2,786,600	$2,799,100	$2,811,600	$2,824,000	$2,836,700	$2,849,100	$2,861,700	$2,874,100	$2,886,600	$33,573,200

Federal Fund

	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
Acute Care													
Regular Capitation	$265,900	$267,300	$268,700	$279,300	$280,800	$282,200	$283,600	$285,100	$286,500	$288,000	$289,400	$290,800	$3,367,600
Prior Period Capitation	$20,900	$21,000	$21,100	$22,000	$22,100	$22,200	$22,300	$22,500	$22,500	$22,700	$22,800	$22,900	$265,000
Fee for Service	$9,400	$9,400	$9,400	$9,700	$9,700	$9,700	$9,700	$9,700	$9,700	$9,700	$9,700	$9,700	$115,500
Reinsurance	$2,800	$2,800	$2,800	$2,900	$2,900	$2,900	$2,900	$3,000	$3,000	$3,000	$3,000	$3,000	$35,000
Medicare Premiums	$20,400	$20,400	$20,500	$21,800	$21,800	$22,000	$22,000	$22,200	$22,200	$22,400	$22,500	$22,600	$260,800
MMIC Physical	$243,400	$244,800	$246,000	$255,800	$257,100	$258,400	$259,800	$261,100	$262,400	$263,700	$265,000	$266,300	$3,083,800
MMIC MH	$858,400	$862,900	$867,400	$901,800	$906,500	$911,100	$915,700	$920,400	$925,000	$929,700	$934,300	$939,000	$10,872,200
Greater AZ Physical	$82,300	$82,300	$82,300	$85,200	$85,200	$85,200	$85,200	$85,200	$85,200	$85,200	$85,200	$85,200	$1,013,700
Greater AZ MH	$146,900	$146,900	$146,900	$152,000	$152,000	$152,000	$152,000	$152,000	$152,000	$152,000	$152,000	$152,000	$1,808,700
Behavioral Health	$55,700	$55,900	$56,200	$58,500	$58,800	$59,000	$59,400	$59,700	$59,900	$60,200	$60,600	$60,800	$704,700
Acute Care Sub-Total	$1,706,100	$1,713,700	$1,721,300	$1,789,000	$1,796,900	$1,804,700	$1,812,600	$1,820,900	$1,828,400	$1,836,600	$1,844,500	$1,852,300	$21,527,000
Long Term Care													
Capitation	$141,600	$142,400	$143,000	$148,100	$148,900	$149,600	$150,400	$151,200	$151,900	$152,700	$153,500	$154,200	$1,787,500
Medicare Premiums	$400	$400	$400	$500	$500	$500	$500	$500	$500	$500	$500	$500	$5,700
Long Term Care Sub-Total	$142,000	$142,800	$143,400	$148,600	$149,400	$150,100	$150,900	$151,700	$152,400	$153,200	$154,000	$154,700	$1,793,200
TOTAL	$1,848,100	$1,856,500	$1,864,700	$1,937,600	$1,946,300	$1,954,800	$1,963,500	$1,972,600	$1,980,800	$1,989,800	$1,998,500	$2,007,000	$23,320,200

State Fund

	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
Acute Care													
Regular Capitation	$118,100	$118,700	$119,300	$122,400	$123,000	$123,700	$124,300	$124,900	$125,600	$126,200	$126,800	$127,500	$1,480,500
Prior Period Capitation	$9,300	$9,400	$9,400	$9,600	$9,700	$9,700	$9,800	$9,800	$9,900	$9,900	$10,000	$10,000	$116,500
Fee for Service	$4,200	$4,200	$4,200	$4,300	$4,300	$4,300	$4,300	$4,300	$4,300	$4,300	$4,300	$4,300	$51,300
Reinsurance	$1,200	$1,200	$1,200	$1,300	$1,300	$1,300	$1,300	$1,300	$1,300	$1,300	$1,300	$1,300	$15,300
Medicare Premiums	$9,000	$9,100	$9,100	$9,500	$9,600	$9,600	$9,700	$9,700	$9,800	$9,800	$9,800	$9,900	$114,600
MMIC Physical	$108,200	$108,700	$109,300	$112,100	$112,700	$113,300	$113,800	$114,400	$115,000	$115,600	$116,100	$116,700	$1,355,900
MMIC MH	$381,400	$383,300	$385,300	$395,200	$397,200	$399,300	$401,300	$403,300	$405,400	$407,400	$409,500	$411,500	$4,780,100
Greater AZ Physical	$36,600	$36,600	$36,600	$37,300	$37,300	$37,300	$37,300	$37,300	$37,300	$37,300	$37,300	$37,300	$445,500
Greater AZ MH	$65,300	$65,300	$65,300	$66,600	$66,600	$66,600	$66,600	$66,600	$66,600	$66,600	$66,600	$66,600	$795,300
Behavioral Health	$24,700	$24,900	$25,000	$25,600	$25,700	$25,900	$26,000	$26,100	$26,300	$26,400	$26,500	$26,700	$309,800
Acute Care Sub-Total	$758,000	$761,400	$764,700	$783,900	$787,400	$791,000	$794,400	$797,700	$801,500	$804,800	$808,200	$811,800	$9,464,800
Long Term Care													
Capitation	$62,900	$63,200	$63,600	$64,900	$65,200	$65,600	$65,900	$66,200	$66,600	$66,900	$67,200	$67,600	$785,800
Medicare Premiums	$200	$200	$200	$200	$200	$200	$200	$200	$200	$200	$200	$200	$2,400
Long Term Care Sub-Total	$63,100	$63,400	$63,800	$65,100	$65,400	$65,800	$66,100	$66,400	$66,800	$67,100	$67,400	$67,800	$788,200
TOTAL	$821,100	$824,800	$828,500	$849,000	$852,800	$856,800	$860,500	$864,100	$868,300	$871,900	$875,600	$879,600	$10,253,000

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 3-3005 Ticket to Work

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	27,856.0	30,161.5	3,411.7	33,573.2
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Expenditure Categories Total:	27,856.0	30,161.5	3,411.7	33,573.2
Fund Source					
Appropriated Funds					
1000-A	General Fund (Appropriated)	8,670.6	9,069.3	1,183.7	10,253.0
		8,670.6	9,069.3	1,183.7	10,253.0
Non-Appropriated Funds					
2120-N	AHCCCS Fund (Non-Appropriated)	19,185.4	21,092.2	2,228.0	23,320.2
		19,185.4	21,092.2	2,228.0	23,320.2
	Fund Source Total:	27,856.0	30,161.5	3,411.7	33,573.2

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3005 Ticket to Work

Fund: 2120-N AHCCCS Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Non-Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	19,185.4	21,092.2	2,228.0	23,320.2
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Non-Appropriated Total:		19,185.4	21,092.2	2,228.0	23,320.2
Fund Total:		19,185.4	21,092.2	2,228.0	23,320.2
Program Total For Selected Funds:		19,185.4	21,092.2	2,228.0	23,320.2

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3005 Ticket to Work

Fund: 1000-A General Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	8,670.6	9,069.3	1,183.7	10,253.0
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Appropriated Total:		8,670.6	9,069.3	1,183.7	10,253.0
Fund Total:		8,670.6	9,069.3	1,183.7	10,253.0
Program Total For Selected Funds:		8,670.6	9,069.3	1,183.7	10,253.0

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3005 Ticket to Work

Fund: 2120-N AHCCCS Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	19,185.4	21,092.2	2,228.0	23,320.2
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Non-Appropriated Total:	19,185.4	21,092.2	2,228.0	23,320.2
	Fund Total:	19,185.4	21,092.2	2,228.0	23,320.2
	Program Total For Selected Funds:	19,185.4	21,092.2	2,228.0	23,320.2

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3005 Ticket to Work

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	0.0	0.0
Boards and Commissions	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	0.0	0.0
Attorney General Legal Services	0.0	0.0
External Legal Services	0.0	0.0
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	0.0	0.0
Hospital Services	0.0	0.0
Other Medical Services	0.0	0.0
Institutional Care	0.0	0.0
Education And Training	0.0	0.0
Vendor Travel	0.0	0.0
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0
Other Professional And Outside Services	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3005 Ticket to Work

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	27,856.0	30,161.5
Expenditure Category Total	27,856.0	30,161.5
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	8,670.6	9,069.3
	8,670.6	9,069.3
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	19,185.4	21,092.2
	19,185.4	21,092.2
Fund Source Total	27,856.0	30,161.5

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	0.0	0.0
Information Technology Services	0.0	0.0
Utilities	0.0	0.0
Non-Building or Land Rent	0.0	0.0
Building Rent Charges to State Agencies	0.0	0.0
COP Building Rent Charges to State Agencies	0.0	0.0
Rental of Land & Buildings	0.0	0.0
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	0.0	0.0
Repair & Maintenance	0.0	0.0
Software Support and Maintenance	0.0	0.0
Operating Supplies	0.0	0.0
Resale Supplies	0.0	0.0
Sales of Assets	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3005 Ticket to Work

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Conference, Education & Training	0.0	0.0
Advertising	0.0	0.0
Printing & Photography	0.0	0.0
Postage & Delivery	0.0	0.0
Miscellaneous Operating	0.0	0.0
Depreciation Expense	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	0.0	0.0
Vehicles - Non-Capital	0.0	0.0
Furniture - Non-Capital	0.0	0.0
EDP Equipment - Mainframe - Non-Capital	0.0	0.0
Telecommunication Equipment - Non Capital	0.0	0.0
Other Equipment - Non-Capital	0.0	0.0
Purchased Or Licensed Software/Website	0.0	0.0
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

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All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3005 Ticket to Work

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	0.0	0.0
Expenditure Category Total	0.0	0.0

All dollars are presented in thousands (not FTE).

MEDICARE PART D "CLAWBACK" PAYMENTS

PROGRAM DESCRIPTION/BACKGROUND:

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA) established the Medicare Part D prescription drug program, which provides prescription drug coverage to Medicaid recipients who are Medicare eligible (dual eligible members). The Medicare Part D prescription drug benefit resulted in a reduction to capitation rates and fee-for-service payments since Medicaid no longer pays prescription drug expenditures (with certain exceptions as defined in the AHCCCS Medical Policy Manual) for those who are eligible for the Part D benefit, but states have to reimburse the federal government for this savings according to a prescribed formula.

METHODOLOGY:

CLAWBACK PMPM:

In accordance with the law, calendar year 2003 is the base year for the development of the clawback payment. CMS used a combination of fee-for-service claim information and encounter data provided through MSIS and/or PMMIS to develop the 2003 base PMPM. The PMPM calculated for 2003 was then trended forward using the National Health Expenditure (NHE) inflation factor to 2006. CMS will only be billing one rate for all full benefit dual eligible members regardless of enrollment (Acute Care, Behavioral Health, ALTCS, and DDD) or eligibility (managed care or fee-for-service). The CMS rates used as the basis for the clawback payments are shown below.

	Actual 1/1/2013 to 9/30/2013	Actual 10/1/2013 to 12/31/2013	Actual 1/1/2014 to 9/30/2014	Actual 10/1/2014 to 12/31/2014	Actual 1/1/2015 to 9/30/2015	Actual 10/1/2015 to 12/31/2015	Actual 1/1/2016 to 9/30/2016	Estimate 10/1/2016 to 12/31/2016	Estimate 1/1/2017 to 9/30/2017	Estimate 10/1/2017 to 12/31/2017	Estimate 1/1/2018 to 9/30/2018
Total Fund PMPM	201.12	201.13	193.01	193.01	200.04	200.04	223.29	223.28	249.54	249.51	259.45
FMAP	65.68%	67.23%	67.23%	68.46%	68.46%	68.92%	68.92%	69.24%	69.24%	69.53%	69.53%
State Match PMPM	69.03	65.91	63.25	60.87	63.09	62.17	69.40	68.68	76.76	76.03	79.05
Clawback %	78.33%	78.33%	76.67%	76.67%	75.00%	75.00%	75.00%	75.00%	75.00%	75.00%	75.00%
Clawback PMPM	54.07	51.63	48.49	46.67	47.32	46.63	52.05	51.51	57.57	57.02	59.29

The following factors impact the PMPM paid by the state:

- The total fund PMPM is adjusted every calendar year in January. Beginning with CY 2009, the annual increases were based on Part D program data. In addition, CMS adjusts the annual percentage increase to reflect prior-year revisions to previous percentage increases, based on subsequent data and projections. As a result of this methodology, the re-benchmarking and recalculations of prior-year NHE data continue to have an impact on future state costs.

- Average growth in the PMPM going back to the program's inception is 3.29%. The actual increase for CY 2016 was 11.62%. The announced parameters that will guide the Calendar Year 2017 PMPM change reflect a projected increase of 11.76%. AHCCCS is using the projected PMPMs published by Federal Funds Information for States (FFIS) in Issue Brief 16-19 (April 7, 2016) as the basis for the CY 2017 PMPM. For the January 2018 PMPM increase estimates, AHCCCS is using the average of the five most recent years which equates to a 3.98% growth rate.
- The State Match PMPM is calculated by taking the total fund PMPM multiplied by the state's Federal Matching Assistance Percentage (FMAP), which changes every October. For SFY 2017, the first quarter FMAP is 68.92%. Effective 10/1/16 it increases to 69.24%.

- It is assumed that the FMAP will increase from 69.24% in FFY 2017 to 69.53% in FFY 2018 based on Federal Funds Information for States (FFIS) in Issue Brief 16-14 (March 25, 2016).

- The percentage of estimated savings paid back to CMS has now stabilized at 75% beginning with Calendar Year 2015.

As a result of an initial invoicing lag when the program began in January 2006, the 12 payments made by the state each year are for the period of May through April, rather than the traditional July through June.

PROGRAM DISTRIBUTION:

The total clawback payment, which is calculated by multiplying the number of dual eligible members by the applicable PMPM rates, is then distributed to the various AHCCCS and Pass-Through programs using the fixed percentages used to calculate the calendar year 2003 drug costs used in the calculation of the above rates. These percentages will remain constant over the life of the clawback payment and will not be impacted by changes to enrollment. The percentages are as follows:

AHCCCS Acute	46.14%
ALTCS-EPD	33.18%
ALTCS-DD (DES)	3.53%
DHS BHS	17.15%

DUAL ELIGIBLE MEMBERSHIP:

AHCCCS is projecting full benefit dual eligible members using a 24 month regression for the current month enrollment plus an average amount of retro enrollment based on the last 12 months of invoices. The average amount of retro member months is 3,737. The methodology results in projected annual year over year growth of 4.85% in SFY 2017 and 4.96% in SFY 2018. Using this methodology, AHCCCS is forecasting that the 154,965 full benefit dual members (billed for clawback) in June 2016 will grow to 162,856 by June 2017 and 170,747 by June 2018.

In FY 2018, AHCCCS will require additional resources for this state only expenditure. The Acute Care and BHS Clawback is all General Fund. The ALTCS Clawback payment is split between General Fund and County Funds.

	SFY16 Actual	SFY17 Allocation	SFY17 Rebase	SFY18 Request	SFY18 Inc.(Dec)
AHCCCS ACUTE	40,657,468	42,527,100	47,029,500	53,262,300	10,735,200
AHCCCS ALTCS					
General Fund	11,555,498	14,094,700	14,201,400	15,687,700	1,593,000
County Fund	17,681,929	19,471,000	19,618,300	22,614,100	3,143,100
TOTAL ALTCS	29,237,427	33,565,700	33,819,700	38,301,800	4,736,100
BHS	15,112,173	17,349,400	17,480,600	19,797,300	2,447,900
DES-DD	3,110,553	3,370,600	3,598,100	4,074,900	704,300
Grand Total	88,117,621	96,812,800	101,927,900	115,436,300	18,623,500

PROPOSED SOLUTION TO THE PROBLEM:
For FY18, AHCCCS requests an increase of $10,735,200 General Fund to the Acute Care Clawback line item for these federally mandated payments. Within the ALTCS Clawback line item, AHCCCS requests a state match increase of $4,736,100 consisting of a General Fund increase of $1,593,000 and a County Fund increase of $3,143,000. For the BHS Clawback line, AHCCCS requests an increase of $2,447,900

Performance Measures to quantify the success of the solution:

- AHCCCS member enrollment in Newly Eligible Adults.
- Maintain the % of overall Health Plan compliance with key indicators at ≥99%.

STATUTORY AUTHORITY:
Section 103(f), Medicare Prescription Drug, Improvement, and Modernization Act (MMA) of 2003 (P.L. 108-173)
Social Security Act, Section 1935(42 U.S.C. 1396u-5)

Arizona Health Care Cost Containment System

Medicare Part D Clawback Enrollment

Year-Quarter	ACTUAL (1)	PERCENT QTR.GROWTH	FORECAST (2)	SFY TOTAL	YEAR TO YEAR GROWTH %	JUNE TO JUNE GROWTH %	SFY
2009.03	327,271						
2009.04	333,163	1.80%					
2010.01	336,466	0.99%					
2010.02	341,217	1.41%		1,338,117			
2010.03	346,855	1.65%					
2010.04	352,262	1.56%					
2011.01	357,668	1.53%					
2011.02	363,036	1.50%		1,419,821	6.11%	5.85%	SFY 10-11
2011.03	366,252	0.89%					
2011.04	369,220	0.81%					
2012.01	371,716	0.68%					
2012.02	379,316	2.04%		1,486,504	4.70%	3.44%	SFY 11-12
2012.03	381,536	0.59%					
2012.04	383,087	0.41%					
2013.01	385,249	0.56%					
2013.02	388,289	0.79%		1,538,161	3.48%	3.39%	SFY 12-13
2013.03	392,751	1.15%					
2013.04	396,595	0.98%					
2014.01	404,359	1.96%					
2014.02	415,811	2.83%		1,609,516	4.64%	7.56%	SFY 13-14
2014.03	427,375	2.78%					
2014.04	434,310	1.62%					
2015.01	438,873	1.05%					
2015.02	442,994	0.94%		1,743,552	8.33%	6.35%	SFY 14-15
2015.03	448,524	1.25%					
2015.04	454,151	1.25%					
2016.01	458,084	0.87%					
2016.02		0.80%	461,729	1,822,488	4.53%	4.48%	SFY 15-16
2016.03		1.54%	468,839				
2016.04		1.26%	474,758				
2017.01		1.25%	480,676				
2017.02		1.23%	486,594	1,910,867	4.85%	5.09%	SFY 16-17
2017.03		1.22%	492,513				
2017.04		1.20%	498,431				
2018.01		1.19%	504,349				
2018.02		1.17%	510,268	2,005,560	4.96%	4.85%	SFY 17-18

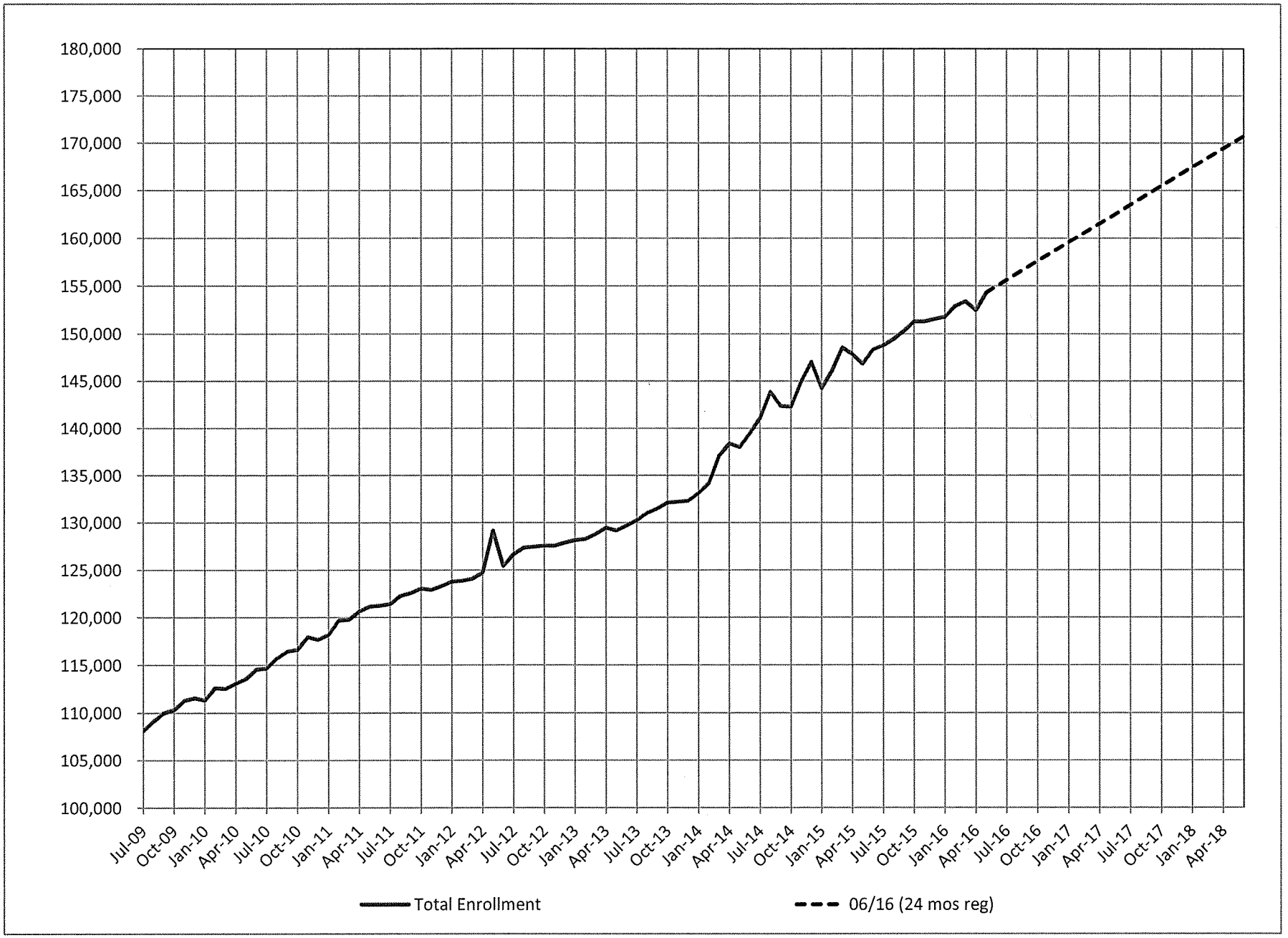
Notes:

1) Enrollment from Invoice Detail

2) Forecast enrollment based on 24 month regression for current month plus average monthly retro of 3,737

3) The SFY Totals above are based on July through June enrollment. However, due to a lag in billing, the invoices actually paid are May through April.

Medicare Part D Clawback Enrollment



ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
ARIZONA MEDICARE PART D CLAWBACK PAYMENTS

	SFY16 Actual	SFY17 Allocation	SFY17 Rebase	SFY18 Request	SFY18 Inc.(Dec)
AHCCCS ACUTE	40,657,468	42,527,100	47,029,500	53,262,300	10,735,200
AHCCCS ALTCS					
General Fund	11,555,498	14,094,700	14,201,400	15,687,700	1,593,000
County Fund	17,681,929	19,471,000	19,618,300	22,614,100	3,143,100
TOTAL ALTCS	29,237,427	33,565,700	33,819,700	38,301,800	4,736,100
BHS	15,112,173	17,349,400	17,480,600	19,797,300	2,447,900
DES-DD	3,110,553	3,370,600	3,598,100	4,074,900	704,300
Grand Total	88,117,621	96,812,800	101,927,900	115,436,300	18,623,500

Notes:
1) The Acute Clawback is appropriated as part of the Traditional Medicaid Services line item.
2) The ALTCS Clawback is appropriated as part of the ALTCS Services line item.
3) County/General Fund split on FY16 Actual of 40.6% General and 59.4% County based on Appropriated split from JLBC FY16 Appropriations Report.
4) FY17 Allocation amounts are based on clawback percentages of total Traditional and ALTCS appropriations based on the AHCCCS FY17 October Revision.
5) County/General Fund split of 39.5% General and 60.5% County in the FY17 Allocation is based on the Total ALTCS Appropriation General/County split from the FY17 JLBC Appropriations Report.
6) County/General Fund split for FY18 Request is based on the ALTCS county model.
7) In FY17, the BHS Clawback moved to AHCCCS and is included in the BHS Traditional line item.

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
MEDICARE PART D CLAWBACK PMPM

	Actual 1/1/2011 to 9/30/2011	Actual 10/1/2011 to 12/31/2011	Actual 1/1/2012 to 9/30/2012	Actual 10/1/2012 to 12/31/2012	Actual 1/1/2013 to 9/30/2013	Actual 10/1/2013 to 12/31/2013	Actual 1/1/2014 to 9/30/2014	Actual 10/1/2014 to 12/31/2014	Actual 1/1/2015 to 9/30/2015	Actual 10/1/2015 to 12/31/2015	Actual 1/1/2016 to 9/30/2016	Estimate 10/1/2016 to 12/31/2016	Estimate 1/1/2017 to 9/30/2017	Estimate 10/1/2017 to 12/31/2017	Estimate 1/1/2018 to 9/30/2018
Total Fund PMPM	187.45	187.46	195.15	195.15	201.12	201.13	193.01	193.01	200.04	200.04	223.29	223.28	249.54	249.51	259.45
FMAP	73.10%	67.30%	67.30%	65.68%	65.68%	67.23%	67.23%	68.46%	68.46%	68.92%	68.92%	69.24%	69.24%	69.53%	69.53%
State Match PMPM	50.42	61.30	63.81	66.98	69.03	65.91	63.25	60.87	63.09	62.17	69.40	68.68	76.76	76.03	79.05
Clawback %	81.67%	81.67%	80.00%	80.00%	78.33%	78.33%	76.67%	76.67%	75.00%	75.00%	75.00%	75.00%	75.00%	75.00%	75.00%
Clawback PMPM	41.18	50.06	51.05	53.58	54.07	51.63	48.49	46.67	47.32	46.63	52.05	51.51	57.57	57.02	59.29
PMPM Increase			4.10%		3.06%		-4.04%		3.65%		11.62%		11.76%		3.98%

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
ARIZONA MEDICARE CLAWBACK PAYMENT FORECAST
SFY 2016 - SFY 2018

	AHCCCS Dual Members	Effective Clawback Rate	Total Clawback Payments	46.14% AHCCCS Acute (46.14%)	33.18% AHCCCS ALTCS (33.18%)	3.53% DES DD (3.53%)	17.15% DHS BHS (17.15%)
2015.5	146,837	47.32	6,948,611	3,206,089	2,305,549	245,286	1,191,687
2015.6	148,319	47.32	7,018,882	3,238,512	2,328,865	247,767	1,203,738
2015.7	148,776	47.32	7,040,608	3,248,537	2,336,074	248,533	1,207,464
2015.8	149,444	47.32	7,072,007	3,263,024	2,346,492	249,642	1,212,849
2015.9	150,304	47.32	7,112,719	3,281,809	2,360,000	251,079	1,219,831
2015.10	151,304	46.65	7,058,417	3,256,753	2,341,983	249,162	1,210,519
2015.11	151,292	46.64	7,056,198	3,255,730	2,341,246	249,084	1,210,138
2015.12	151,555	46.64	7,067,902	3,261,130	2,345,130	249,497	1,212,145
2016.1	151,770	51.95	7,884,493	3,637,904	2,616,075	278,323	1,352,191
2016.2	152,909	51.98	7,947,974	3,667,195	2,637,138	280,563	1,363,078
2016.3	153,405	52.01	7,978,884	3,681,456	2,647,394	281,655	1,368,379
2016.4	152,457	52.02	7,930,926	3,659,329	2,631,481	279,962	1,360,154
SFY16 Actual	1,808,372		88,117,621	40,657,468	29,237,427	3,110,553	15,112,173
2016.5	154,307	52.05	8,031,679	3,705,817	2,664,911	283,518	1,377,433
2016.6	154,965	52.05	8,065,907	3,721,609	2,676,268	284,727	1,383,303
2016.7	155,622	52.05	8,100,134	3,737,402	2,687,624	285,935	1,389,173
2016.8	156,280	52.05	8,134,362	3,753,195	2,698,981	287,143	1,395,043
2016.9	156,937	52.05	8,168,590	3,768,988	2,710,338	288,351	1,400,913
2016.10	157,595	51.51	8,117,716	3,745,515	2,693,458	286,555	1,392,188
2016.11	158,253	51.51	8,151,589	3,761,143	2,704,697	287,751	1,397,998
2016.12	158,910	51.51	8,185,461	3,776,771	2,715,936	288,947	1,403,807
2017.1	159,568	57.57	9,186,314	4,238,565	3,048,019	324,277	1,575,453
2017.2	160,225	57.57	9,224,172	4,256,034	3,060,580	325,613	1,581,945
2017.3	160,883	57.57	9,262,029	4,273,500	3,073,141	326,950	1,588,438
2017.4	161,541	57.57	9,299,887	4,290,967	3,085,703	328,286	1,594,931
SFY17 Rebase	1,895,085		101,927,840	47,029,506	33,819,656	3,598,053	17,480,625
2017.5	162,198	57.57	9,337,744	4,308,436	3,098,263	329,622	1,601,423
2017.6	162,856	57.57	9,375,602	4,325,902	3,110,825	330,959	1,607,916
2017.7	163,513	57.57	9,413,460	4,343,371	3,123,386	332,295	1,614,408
2017.8	164,171	57.57	9,451,317	4,360,838	3,135,947	333,631	1,620,901
2017.9	164,828	57.57	9,489,175	4,378,305	3,148,508	334,968	1,627,394
2017.10	165,486	57.02	9,436,015	4,353,777	3,130,870	333,091	1,618,277
2017.11	166,144	57.02	9,473,511	4,371,078	3,143,311	334,415	1,624,707
2017.12	166,801	57.02	9,511,007	4,388,378	3,155,752	335,739	1,631,138
2018.1	167,459	59.29	9,928,634	4,581,071	3,294,321	350,481	1,702,761
2018.2	168,116	59.29	9,967,623	4,599,062	3,307,257	351,857	1,709,447
2018.3	168,774	59.29	10,006,611	4,617,050	3,320,194	353,233	1,716,134
2018.4	169,432	59.29	10,045,600	4,635,040	3,333,130	354,610	1,722,820
SFY18 Request	1,989,778		115,436,299	53,262,308	38,301,764	4,074,901	19,797,326

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 3-3012 SLI Acute Care Clawback Payments

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	40,657.5	42,527.1	10,735.2	53,262.3
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Expenditure Categories Total:	40,657.5	42,527.1	10,735.2	53,262.3

Fund Source				
Appropriated Funds				
1000-A General Fund (Appropriated)	40,657.5	42,527.1	10,735.2	53,262.3
	40,657.5	42,527.1	10,735.2	53,262.3
Fund Source Total:	40,657.5	42,527.1	10,735.2	53,262.3

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3012 SLI Acute Care Clawback Payments

Fund: 1000-A General Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	40,657.5	42,527.1	10,735.2	53,262.3
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Appropriated Total:		40,657.5	42,527.1	10,735.2	53,262.3
Fund Total:		40,657.5	42,527.1	10,735.2	53,262.3
Program Total For Selected Funds:		40,657.5	42,527.1	10,735.2	53,262.3

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3012 SLI Acute Care Clawback Payments

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	0.0	0.0
Boards and Commissions	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	0.0	0.0
Attorney General Legal Services	0.0	0.0
External Legal Services	0.0	0.0
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	0.0	0.0
Hospital Services	0.0	0.0
Other Medical Services	0.0	0.0
Institutional Care	0.0	0.0
Education And Training	0.0	0.0
Vendor Travel	0.0	0.0
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0
Other Professional And Outside Services	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3012 SLI Acute Care Clawback Payments

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	40,657.5	42,527.1
Expenditure Category Total	40,657.5	42,527.1

Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	40,657.5	42,527.1
	40,657.5	42,527.1
Fund Source Total	40,657.5	42,527.1

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	0.0	0.0
Information Technology Services	0.0	0.0
Utilities	0.0	0.0
Non-Building or Land Rent	0.0	0.0
Building Rent Charges to State Agencies	0.0	0.0
COP Building Rent Charges to State Agencies	0.0	0.0
Rental of Land & Buildings	0.0	0.0
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	0.0	0.0
Repair & Maintenance	0.0	0.0
Software Support and Maintenance	0.0	0.0
Operating Supplies	0.0	0.0
Resale Supplies	0.0	0.0
Sales of Assets	0.0	0.0
Conference, Education & Training	0.0	0.0
Advertising	0.0	0.0
Printing & Photography	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3012 SLI Acute Care Clawback Payments

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Postage & Delivery	0.0	0.0
Miscellaneous Operating	0.0	0.0
Depreciation Expense	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	0.0	0.0
Vehicles - Non-Capital	0.0	0.0
Furniture - Non-Capital	0.0	0.0
EDP Equipment - Mainframe - Non-Capital	0.0	0.0
Telecommunication Equipment - Non Capital	0.0	0.0
Other Equipment - Non-Capital	0.0	0.0
Purchased Or Licensed Software/Website	0.0	0.0
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3012 SLI Acute Care Clawback Payments

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	0.0	0.0
Expenditure Category Total	0.0	0.0

All dollars are presented in thousands (not FTE).

DISPROPORTIONATE SHARE HOSPITAL PAYMENTS

PROGRAM DESCRIPTION/BACKGROUND:

Arizona first established a Disproportionate Share Hospital (DSH) payment program in SFY 1992. DSH is designed to aid hospitals that serve a disproportionate number of low-income patients. The Federal basis for payments is either a reflection of a hospital's number of Title XIX inpatient days or a "low-income" patient's utilization rate. States may also establish optional payment categories. In addition to the two federally mandated groups, Arizona has established two optional groups, one for certain acute care general hospitals and one for state and county hospitals.

Section 1923 of the Social Security Act specifies the minimum standards for determining which hospitals qualify for DSH; hospitals whose mean Medicaid Utilization rate exceeds the states mean Medicaid Utilization rate plus one standard deviation or hospitals whose Low Income Utilization rate is more than 25%. Beginning in FFY 1996, the Omnibus Budget Reconciliation Act of 1993 (OBRA) added the requirement that a hospital must have a Medicaid Utilization rate of at least one percent in order to be eligible for DSH.

States are allowed to establish DSH criteria, which differ from the Federal requirements, provided that these criteria are at least as generous as Federal standards. Arizona uses state-specific criteria as allowed by law to distinguish between public and private hospitals and to create additional private hospital groups. Each year, the pool of funds established for DSH is apportioned to hospitals that qualify either under the Federal criteria or under the State criteria based on relative weighting.

Beginning in FFY 1993, OBRA established rules limiting the total DSH payment that a hospital can receive. DSH payments may be no more than the cost of providing hospital services to patients who are either eligible for medical assistance under a state plan or have no health insurance for the services provided, less payments received under Title XIX (other than DSH payment adjustments). The limits went into effect in FFY 1995 for public hospitals, but it was applied to both public and private hospitals as of FFY 1996.

The Balanced Budget Act of 1997 (BBA) capped the DSH payment at specified amounts for each state for each of the FFYs 1998 through 2002. For most states, those specified amounts declined over the 5-year period. In addition, BBA allowed state's DSH allotment for FFY 2003 and subsequent years to be equal to its allotment for the previous year increased by the percentage change in the consumer price index for urban consumers (CPI-U) from the previous year.

The Benefits Improvement and Protection Act of 2000 (BIPA) provided states with a temporary reprieve from the declining allotments by raising allotments for FFY 2001 and 2002. It also clarified that the FFY 2003 allotments are to be calculated using the lower, pre-BIPA levels for FFY 2002.

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA) provided for a "Special, Temporary Increase in Allotments On A One-time Non-Cumulative Basis." Specifically, the FFY 2004 DSH allotments were calculated as 116 percent of the States' FFY 2003 DSH allotments. Thereafter, allotments will stay at the FFY 2004 level until the year in which the allotments, as calculated under BIPA, catch-up with the FFY 2004 allotments. For Arizona, the catch-up occurred with the FFY 2009 allotment, which was increased by 4.0% over the FFY 2008 allotment. The American Recovery and Reinvestment Act of 2009 provided a temporary 2.5% increase to the DSH allotments for FFY 2009 and FFY 2010. Note that in each year, the additional ARRA allotment is not available until the full regular allotment has been exhausted.

The Affordable Care Act of 2010 (ACA) mandates reductions to the DSH allotments beginning in FFY 2014 with an aggregate national reduction of $500,000,000. The ACA outlines requirements for a reduction methodology that imposes the largest percentage reduction on states with the lowest percentage of uninsured individuals and states that do not target their DSH payments on hospitals with high volume of Medicaid inpatients and/or high levels of uncompensated care. Additionally, the requirements state that the methodology must take into account the extent to which the DSH allotment for a State is included in a budget neutrality calculation for coverage expansion under a 1115 waiver as of July 31, 2009 (Arizona did have such a waiver which incorporated the DSH allotment into the with waiver budget neutrality limit).

The Protecting Access to Medicare Act (P.L. 113-93), signed on April 1, 2014, delayed the DSH reductions until FY 2017, modified cuts in future years, and extends the reduction to FY 2024. Under the new law, the FY 2017 aggregate national reduction will be $1.8 billion.

The Medicare Access and CHIP Reauthorization Act (P.L. 114-10) once again delayed the DSH reductions until FY 2018 and modified the reductions as shown in the table below.

FFY2018	($2,000,000,000)
FFY2019	($3,000,000,000)
FFY2020	($4,000,000,000)
FFY2021	($5,000,000,000)
FFY2022	($6,000,000,000)
FFY2023	($7,000,000,000)
FFY2024	($8,000,000,000)
FFY2025	($8,000,000,000)

AHCCCS is projecting that the FY 2017 federal allotments will increase in accordance with existing law which increases the allotments by the most recent years CPI-U. To date, CMS has not issued any specific information on the reduction methodology. In an effort to be conservative, AHCCCS is estimating a 16.5% decrease in the FFY 2018 projected allotment. This 16.5% represents the $2.0 billion aggregate reduction as a percentage of the projected overall FFY 2018 national total allotment.

The table below shows the actual and projected Arizona DSH allotment over the past 10 years.

Federal Fiscal Year	Base Allotment	ARRA Increase	Total Allotment	Percent Change
2008 Actual	95,369,400		95,369,400	
2009 Actual	99,565,600	2,489,100	102,054,700	7.0%
2010 Actual	99,565,600	5,040,600	104,606,200	2.5%
2011 Actual	101,258,300		101,258,300	-3.2%
2012 Actual	103,891,000		103,891,000	2.6%
2013 Actual	106,384,400		106,384,400	2.4%
2014 Actual	107,980,100		107,980,100	1.5%
2015 Actual	109,707,800		109,707,800	1.6%
2016 Prelim	110,036,900		110,036,900	0.3%
2017 Estimate	111,687,500		111,687,500	1.5%
2018 Estimate	93,236,000		93,236,000	-16.5%

METHODOLOGY:

Appropriated/Private DSH

- The SFY 2017 appropriation for DSH of $5,087,100 Total Fund ($272,200 General Fund) includes funding for the following:
  - Maricopa Integrated Health Systems (MIHS) - $4,202,300 Total Fund ($0 General Fund)
  - Private Hospitals - $884,800 Total Fund ($272,000 General Fund)
- These same total fund amounts are carried forward for SFY 2018. Due to the change in FMAP for FFY2018, the General Fund portion of the private hospital appropriation is reduced by $2,600 to $269,600.

Non-Appropriated Arizona State Hospitals (ASH)

- Laws 2016, Chapter 122, Section 18, includes a FY 2017 expenditure plan for the Arizona State Hospital of $28,474,900 Total Fund ($8,758,900 SM provided via CPE). This amount was based on the historic Federal IMD limit. AHCCCS estimates this same total fund amount will continue in FY 2018. Due to the change in FMAP for FFY2018, the state match portion of the ASH appropriation is reduced by $82,600 to $8,676,300.

Non-Appropriated Maricopa Integrated Health Systems (MIHS)

- Laws 2016, Chapter 122, Section 18, includes a FY 2017 expenditure plan for the Maricopa Integrated Health Systems of $113,818,500 Total Fund ($35,010,600 SM provided via CPE). Due to the reduction in federal DSH allotment in FFY2018, AHCCCS estimates that the maximum amount available for MIHS in FY 2018 will be $102,893,400 (SM of $30,071,200). This change will reduce the federal match available for deposit in the General Fund from $74,605,600 in FY 2017 to $68,619,900. This assumes that Maricopa will retain the $4,202,300 historically appropriated.

Pool 5 Local Funded

- The FY 2017 appropriation includes $19,896,000 TF ($6,120,000 SM provided by Arizona political subdivisions through IGTs). This category is funded through voluntary contributions by the counties. Based on the projected reduction in federal DSH allotment, AHCCCS does not believe there will be funding available for this line item in FY 2018. Because these amounts are dependent upon local funding interest and subject to change based on the final MIHS and ASH OBRA limits; AHCCCS requests continuation of the footnote which allows for the appropriation to be increased if funding available is in excess of the originally appropriated levels.

Other Notes

- DSH payments are subject to the CMS two year claiming rule, therefore, DSH may be made up to 2 years after the end of the fiscal year. For example, FFY 2016 DSH payments may be made through 9/30/18.

- DSH payments are subject to reconciliation. Original DSH payments are calculated using 2-year prior uncompensated care data and are subject to reconciliation once the final OBRA limits are fully calculated. If a hospital is over its OBRA limit, they are required to pay back any amount exceeding the OBRA. If actual data shows that a hospital was eligible, they may receive up to a $5,000 payment.

STATUTORY AUTHORITY:

A.R.S. § 36-2903.01 Subsection O and P
Section 1923 of the Social Security Act

Arizona Health Care Cost Containment System
Disproportionate Share Hospital Program
SFY 2016 - SFY 2018
Attachment A (Not Including Prior Year Adjustments)

		FY16 Actual[4]	FY17 Appropriation[5]	FY17 Rebase	FY18 Request[7]	FY18 Inc./(Dec.)
Appropriated						
	(SM)	-	-	-	-	-
MIHS	(TF)	4,202,300	4,202,300	4,202,300	4,202,300	-
	(SM)	1,921,503	6,120,000	5,575,800	-	(6,120,000)
Pool 5 Local Funded[6]	(TF)	6,092,272	19,896,000	18,126,800	-	(19,896,000)
	(SM)	2,914,233	272,200	272,200	269,600	(2,600)
Private Hospitals	(TF)	9,239,800	884,800	884,800	884,800	-
	(SM)	4,835,736	6,392,200	5,848,000	269,600	(6,122,600)
Appropriated Subtotal	(TF)	19,534,372	24,983,100	23,213,900	5,087,100	(19,896,000)
Non-Appropriated						
	(SM)	-	-	-	-	-
Pool 5 Local Funded[6]	(TF)	-	-	-	-	-
	(SM)	8,849,999	8,758,900	8,758,900	8,676,300	(82,600)
ASH	(TF)	28,474,900	28,474,900	28,474,900	28,474,900	-
	(SM)	35,374,790	35,010,600	35,010,600	30,071,200	(4,939,400)
MIHS	(TF)	113,818,500	109,616,200	109,616,200	98,691,100	(10,925,100)
	(SM)	44,224,789	43,769,500	43,769,500	38,747,500	(5,022,000)
Non-Approp Subtotal	(TF)	142,293,400	138,091,100	138,091,100	127,166,000	(10,925,100)
Total						
	(SM)	1,921,503	6,120,000	5,575,800	-	(6,120,000)
Pool 5 Local Funded	(TF)	6,092,272	19,896,000	18,126,800	-	(19,896,000)
	(SM)	8,849,999	8,758,900	8,758,900	8,676,300	(82,600)
ASH[2]	(TF)	28,474,900	28,474,900	28,474,900	28,474,900	-
	(SM)	35,374,790	35,010,600	35,010,600	30,071,200	(4,939,400)
MIHS	(TF)	118,020,800	113,818,500	113,818,500	102,893,400	(10,925,100)
	(SM)	2,914,233	272,200	272,200	269,600	(2,600)
Private Hospitals (Approp)	(TF)	9,239,800	884,800	884,800	884,800	-
	(SM)	49,060,524	50,161,700	49,617,500	39,017,100	(11,144,600)
Total[3]	(TF)	161,827,772	163,074,200	161,305,000	132,253,100	(30,821,100)

Net GF Revenue	98,068,611	94,321,600	94,321,600	88,418,500

Total Federal Expense	112,767,248	112,912,500	111,687,500	93,236,000
Federal Allotment[8]	110,036,900	111,687,500	111,687,500	93,236,000
Federal Allotment Variance[9]	(2,730,348)	(1,225,000)	-	-

Notes:

1) State match for appropriated private hospital DSH is General Fund. State Match for ASH and MIHS payments are Certified Public Expenditures. State Match for the Pool 5 private DSH is voluntary political subdivision contributions.

2) The maximum available for ASH is the lower of the actual OBRA limit or the Federal IMD limit of $28,474,900.

3) DSH is claimed at the regular Federal Fiscal Year FMAP (68.92% in FFY16; 69.24% in FFY17; 69.53% in FFY18)

4) FY16 Actual Expenditures include planned administrative adjustments and do not include prior year reconciliations, therefore, do not tie to AFIS for FY16. Additionally, the SM for ASH and MIHS is CPE and therefore does not flow through AFIS.

5) FY17 Appropriation based on Laws 2016, Chapter 117, Section 17.

6) Pool 5 Local Funded DSH amounts in FY17 are based on the difference between the total Arizona DSH allotment and all other expenditures. Assumes Arizona will maximize DSH allotment by allowing local entities to provide state match for DSH payments that have been reduced by budget reductions and/or OBRA limit reductions. This amount is subject to change based on changes to the ASH and MIHS OBRA limits.

7) FY18 Request maintains funding for Private Hospitals, MIHS $4.2M, and ASH. Remainder allocated to MIHS Non-Approp.

8) FFY16 DSH Allotment is preliminary provided by CMS. FFY17 DSH Allotment is AHCCCS estimate assuming 1.5% CPI-U. FFY18 DSH Allotment is AHCCCS estimate of Arizona impact from $2 billion reduction to national allotment.

9) Federal allotment for any given year cannot be exceeded, however, expenditures for a given State Fiscal Year can cross several DSH allotment years.

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 3-3001 SLI Disproportionate Share Payments

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	4,202.3	218.0	0.0	218.0
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	93,866.3	4,869.1	0.0	4,869.1
	Expenditure Categories Total:	98,068.6	5,087.1	0.0	5,087.1
Fund Source					
Appropriated Funds					
1000-A	General Fund (Appropriated)	0.0	272.2	(2.6)	269.6
		0.0	272.2	(2.6)	269.6
Non-Appropriated Funds					
2120-N	AHCCCS Fund (Non-Appropriated)	98,068.6	4,814.9	2.6	4,817.5
		98,068.6	4,814.9	2.6	4,817.5
	Fund Source Total:	98,068.6	5,087.1	0.0	5,087.1

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3001 SLI Disproportionate Share Payments

Fund: 1000-A General Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	11.7	0.0	11.7
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	260.5	(2.6)	257.9
Appropriated Total:		0.0	272.2	(2.6)	269.6
Fund Total:		0.0	272.2	(2.6)	269.6
Program Total For Selected Funds:		0.0	272.2	(2.6)	269.6

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3001 SLI Disproportionate Share Payments

Fund: 2120-N AHCCCS Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	4,202.3	206.3	0.0	206.3
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	93,866.3	4,608.6	2.6	4,611.2
	Non-Appropriated Total:	98,068.6	4,814.9	2.6	4,817.5
	Fund Total:	98,068.6	4,814.9	2.6	4,817.5
	Program Total For Selected Funds:	98,068.6	4,814.9	2.6	4,817.5

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3001 SLI Disproportionate Share Payments

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	0.0	0.0
Boards and Commissions	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	0.0	0.0
Attorney General Legal Services	0.0	0.0
External Legal Services	0.0	0.0
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	0.0	0.0
Hospital Services	0.0	0.0
Other Medical Services	0.0	0.0
Institutional Care	0.0	0.0
Education And Training	0.0	0.0
Vendor Travel	0.0	0.0
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0
Other Professional And Outside Services	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3001 SLI Disproportionate Share Payments

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	4,202.3	218.0
Expenditure Category Total	4,202.3	218.0
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	0.0	11.7
	0.0	11.7
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	4,202.3	206.3
	4,202.3	206.3
Fund Source Total	4,202.3	218.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	0.0	0.0
Information Technology Services	0.0	0.0
Utilities	0.0	0.0
Non-Building or Land Rent	0.0	0.0
Building Rent Charges to State Agencies	0.0	0.0
COP Building Rent Charges to State Agencies	0.0	0.0
Rental of Land & Buildings	0.0	0.0
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	0.0	0.0
Repair & Maintenance	0.0	0.0
Software Support and Maintenance	0.0	0.0
Operating Supplies	0.0	0.0
Resale Supplies	0.0	0.0
Sales of Assets	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3001 SLI Disproportionate Share Payments

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Conference, Education & Training	0.0	0.0
Advertising	0.0	0.0
Printing & Photography	0.0	0.0
Postage & Delivery	0.0	0.0
Miscellaneous Operating	0.0	0.0
Depreciation Expense	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	0.0	0.0
Vehicles - Non-Capital	0.0	0.0
Furniture - Non-Capital	0.0	0.0
EDP Equipment - Mainframe - Non-Capital	0.0	0.0
Telecommunication Equipment - Non Capital	0.0	0.0
Other Equipment - Non-Capital	0.0	0.0
Purchased Or Licensed Software/Website	0.0	0.0
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3001 SLI Disproportionate Share Payments

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	93,866.3	4,869.1
Expenditure Category Total	93,866.3	4,869.1
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	0.0	260.5
	0.0	260.5
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	93,866.3	4,608.6
	93,866.3	4,608.6
Fund Source Total	93,866.3	4,869.1

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 3-3014 SLI Disproportionate Share Payments Voluntary Match

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	38,855.1	19,896.0	(19,896.0)	0.0
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Expenditure Categories Total:	38,855.1	19,896.0	(19,896.0)	0.0
Fund Source					
Non-Appropriated Funds					
2120-N	AHCCCS Fund (Non-Appropriated)	26,141.9	13,776.0	(13,776.0)	0.0
2500-N	IGA and ISA Fund (Non-Appropriated)	12,713.2	6,120.0	(6,120.0)	0.0
		38,855.1	19,896.0	(19,896.0)	0.0
	Fund Source Total:	38,855.1	19,896.0	(19,896.0)	0.0

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3014 SLI Disproportionate Share Payments Voluntary Match

Fund: 2120-N AHCCCS Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	26,141.9	13,776.0	(13,776.0)	0.0
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Non-Appropriated Total:	26,141.9	13,776.0	(13,776.0)	0.0
	Fund Total:	26,141.9	13,776.0	(13,776.0)	0.0
	Program Total For Selected Funds:	26,141.9	13,776.0	(13,776.0)	0.0

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3014 SLI Disproportionate Share Payments Voluntary Match

Fund: 2500-N IGA and ISA Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	12,713.2	6,120.0	(6,120.0)	0.0
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Non-Appropriated Total:	12,713.2	6,120.0	(6,120.0)	0.0
	Fund Total:	12,713.2	6,120.0	(6,120.0)	0.0
	Program Total For Selected Funds:	12,713.2	6,120.0	(6,120.0)	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3014 SLI Disproportionate Share Payments Voluntary Match

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	0.0	0.0
Boards and Commissions	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	0.0	0.0
Attorney General Legal Services	0.0	0.0
External Legal Services	0.0	0.0
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	0.0	0.0
Hospital Services	0.0	0.0
Other Medical Services	0.0	0.0
Institutional Care	0.0	0.0
Education And Training	0.0	0.0
Vendor Travel	0.0	0.0
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0
Other Professional And Outside Services	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3014 SLI Disproportionate Share Payments Voluntary Match

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	38,855.1	19,896.0
Expenditure Category Total	38,855.1	19,896.0
Fund Source		
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	26,141.9	13,776.0
2500-N IGA and ISA Fund (Non-Appropriated)	12,713.2	6,120.0
	38,855.1	19,896.0
Fund Source Total	38,855.1	19,896.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	0.0	0.0
Information Technology Services	0.0	0.0
Utilities	0.0	0.0
Non-Building or Land Rent	0.0	0.0
Building Rent Charges to State Agencies	0.0	0.0
COP Building Rent Charges to State Agencies	0.0	0.0
Rental of Land & Buildings	0.0	0.0
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	0.0	0.0
Repair & Maintenance	0.0	0.0
Software Support and Maintenance	0.0	0.0
Operating Supplies	0.0	0.0
Resale Supplies	0.0	0.0
Sales of Assets	0.0	0.0
Conference, Education & Training	0.0	0.0
Advertising	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3014 SLI Disproportionate Share Payments Voluntary Match

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Printing & Photography	0.0	0.0
Postage & Delivery	0.0	0.0
Miscellaneous Operating	0.0	0.0
Depreciation Expense	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	0.0	0.0
Vehicles - Non-Capital	0.0	0.0
Furniture - Non-Capital	0.0	0.0
EDP Equipment - Mainframe - Non-Capital	0.0	0.0
Telecommunication Equipment - Non Capital	0.0	0.0
Other Equipment - Non-Capital	0.0	0.0
Purchased Or Licensed Software/Website	0.0	0.0
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3014 SLI Disproportionate Share Payments Voluntary Match

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	0.0	0.0
Expenditure Category Total	0.0	0.0

All dollars are presented in thousands (not FTE).

GRADUATE MEDICAL EDUCATION

PROGRAM DESCRIPTION/BACKGROUND:

The purpose of the Graduate Medical Education (GME) program is to provide teaching hospitals, which have graduate medical education programs, with the additional funding needed in order to compensate for the high operating costs associated with the program. One of the major contributing factors to the increases in healthcare cost in recent years has been related to the shortage of qualified medical professionals in the state, particularly in rural areas. It is imperative to have a large pool of physicians and medical professionals in order to provide Arizonans with quality healthcare services.

Laws 2006, Chapter 331, Section 8 amended ARS §36-2903.01, Subsection H.9 by adding Subsections H.9 (b), (c), (d) and (e). Subsection (b) requires, beginning July 1, 2006, AHCCCS to expand the GME program to support the direct costs associated with new or expansion programs. Prior to this expansion, GME payments were made only to the hospitals which had GME programs approved by AHCCCS on or before October 1, 1999.

Laws 2007, Chapter 263, Section 9 further amended ARS §36-2903.01, Subsection H.9 by adding Subsection (c), which requires AHCCCS to reimburse additional indirect GME costs for programs that are located in a county with less than 500,000 residents. It also added Subsection (f), which contains an optional provision that allows local, county and tribal governments to provide the non-federal monies for GME in a specific locality or at a specific hospital in order to qualify for additional matching federal monies.

GENERAL FUND APPROPRIATED GME PAYMENTS:

As a result of budget reductions made during the Great Recession, no General Fund GME expenditures have been made since FY 2009. In FY2010, AHCCCS was originally appropriated $14,470,700 General Fund for direct and indirect GME payments. However, that appropriation was eliminated prior to any payments being made.

LOCALLY FUNDED GME PAYMENTS:

A.R.S. § 36-2903.01(H)(9)(f) states that local, county and tribal governments ("local governments") may provide monies in addition to any state general fund monies appropriated for graduate medical education in order to qualify for additional matching federal monies. Section 10201(c)(6) of the Affordable Care Act (ACA) clarified that voluntary contributions by political subdivisions do not violate the political subdivision maintenance of effort provisions of the American Recovery and Reinvestment Act of 2009 or the ACA maintenance of effort provisions.

Since FY 2009, all GME payments have been made with the state match completely funded by voluntary local contributions.

In FY 2016, twelve hospitals received GME payments totaling $163,555,900 TF ($52,396,900 State Match). These payments were a combination of GME Year 2014 and GME Year 2015 payments. The state has a two year window to claim GME payments. The payment for St. Joseph's Hospital and Medical Center was for GME Year 2014; all the other payments were for GME Year 2015.

The FY17 rebase includes the GME Year 2016 spending plan plus the remaining GME Year 2015 payments, for a projected total of $296,288,000 Total Fund ($92,626,400 State Match) with 15 total hospitals that have expressed interest in participating. The final amounts will depend on how much state match the local government partners are willing to contribute. All GME payments and the associated intergovernmental agreements must be reviewed and approved by the Centers for Medicare and Medicaid Services prior to payment, which lengthens the process considerably.

CMS has indicated that the FMAP for GME payments shall be a blended FMAP associated with the GME Year, which is based on a State Fiscal Year. Since there is normally at least a one year lag in payments, the FY 2018 request is based on the blended FMAP for SFY 2017 of 69.16% (25% at the FFY 2016 FMAP of 68.92% and 75% at the FFY 2017 FMAP of 69.24%).

Voluntary GME payments were appropriated for the first time in SFY 2013. In SFY 2017, the appropriation is $162,992,600 Total Fund ($50,226,900 State Match). However, a footnote in the appropriations act allows for expenditures in excess of the appropriated amount.

For the budget submittal, the FY 2018 request is based on the GME Year 2016 spending plan amount of $265,729,700 Total Fund ($81,951,100 State Match). The GME Year 2016 spending plan is higher than previous years due to a rule change which modifies the method of allocating funds for indirect GME costs to permit payments that will cover a greater portion of the costs reported by the GME programs. Current language requires that IME be calculated in two ways and be allocated based upon the lesser of the two calculations. The revised rule maintains the two calculations and specifies that IME be allocated based upon the greater of the two calculations. The new rule also clarifies that eligible training hospitals include both sponsoring institutions and participating institutions.

See the attached table for projected expenditures by hospital, fund, and GME year.

STATUTORY AUTHORITY:
A.R.S. § 36-2903.01, Subsection H, Paragraph 9
A.R.S. § 36-2903
42 CFR 413.86
42 CFR Parts 438 and 447

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
STATE FISCAL YEAR 2018 BUDGET
VOLUNTARY GRADUATE MEDICAL EDUCATION PROGRAM

	FY2016 Actual	FY2017 Approp	FY2017 Rebase	FY2018 Request	FY2018 Increase
State and Local Match	52,396,919	50,266,900	92,626,400	81,951,100	31,684,200
Federal Funds	111,158,965	112,725,700	203,661,600	183,778,700	71,053,000
Total GME	163,555,884	162,992,600	296,288,000	265,729,800	102,737,200
Effective FMAP	67.96%	69.16%	68.74%	69.16%	

Notes:
1) The FY 2016 Actual payments include payments associated with GME years 2014 and 2015.
2) The FY 2017 Rebase includes the remainder of the 2015 GME plan and the 2016 GME plan.
3) The FY 2018 Request is based on the 2016 GME plan.
4) Actual GME amounts for FY 2017 and FY 2018 will vary depending on local funding availability and CMS approval.
5) GME is paid based on a blended FMAP for the SFY of the GME year. For example, the FY 2018 amount will be based on the blended SFY 2017 FMAP.

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
VOLUNTARY GRADUATE MEDICAL EDUCATION PROGRAM

	FY16 Actual	FY17 Rebase	FY18 Request
Abrazo Central	-	3,516,492.02	3,516,492.02
Banner Health - Good Sam	24,313,145.15	-	-
Banner Health - Boswell	-	38,793.00	-
Banner Health - Del Webb	-	7,538.36	-
Banner Health - UMC Phoenix	-	34,485,193.03	34,485,193.03
Banner Health - UMC South	-	19,496,050.76	19,496,050.76
Banner Health - UMC Tucson	-	57,163,291.02	57,163,291.02
John C. Lincoln North	506,975.07	2,594,790.40	2,594,790.40
Kingman Regional Medical Center	1,827,652.68	3,063,597.85	3,063,597.85
Maricopa Medical Center	36,051,006.25	57,571,387.88	57,571,387.88
Mayo Hospital	-	1,372,238.28	-
Mountain Vista MC	-	6,155,772.10	4,448,974.19
Phoenix Baptist	-	1,960,022.84	-
Phoenix Children's Hospital	15,078,455.13	29,192,009.51	29,192,009.51
Scottsdale Healthcare - Osborn	1,715,399.16	2,859,091.88	2,859,091.88
Scottsdale Healthcare - Shea	261,356.08	1,221,916.67	1,221,916.67
Scottsdale Healthcare - Thompson	-	2,497,119.83	2,497,119.83
Sierra Vista Regional	-	1,516,790.36	-
St. Joseph's Hospital & Medical Ctr.	23,546,504.26	58,028,440.21	35,045,240.01
Tucson Medical Center	6,316,223.68	10,134,829.63	10,134,829.63
UA Med Center - Univ. Campus	44,022,307.05	-	-
US Med Center - South Campus	9,449,656.49	-	-
Verde Valley MC	-	972,876.56	-
Yuma Regional Medical Center	467,202.99	2,439,760.04	2,439,760.04
	163,555,883.99	296,288,002.23	265,729,744.72
Federal	111,158,964.63	203,661,567.31	183,778,691.45
State	52,396,919.36	92,626,434.92	81,951,053.27
	163,555,883.99	296,288,002.23	265,729,744.72
GME Year 2014	23,546,504.26	-	-
GME Year 2015	140,009,379.73	30,558,257.51	-
GME Year 2016	-	265,729,744.72	-
GME Year 2017	-	-	265,729,744.72
	163,555,883.99	296,288,002.23	265,729,744.72

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 3-3002 SLI Graduate Medical Education

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	163,725.9	162,992.6	102,737.2	265,729.8
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Expenditure Categories Total:	163,725.9	162,992.6	102,737.2	265,729.8
Fund Source					
Non-Appropriated Funds					
2120-N	AHCCCS Fund (Non-Appropriated)	111,329.0	112,725.7	71,053.0	183,778.7
2500-N	IGA and ISA Fund (Non-Appropriated)	52,396.9	50,266.9	31,684.2	81,951.1
		163,725.9	162,992.6	102,737.2	265,729.8
	Fund Source Total:	163,725.9	162,992.6	102,737.2	265,729.8

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3002 SLI Graduate Medical Education

Fund: 2120-N AHCCCS Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	111,329.0	112,725.7	71,053.0	183,778.7
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Non-Appropriated Total:	111,329.0	112,725.7	71,053.0	183,778.7
	Fund Total:	111,329.0	112,725.7	71,053.0	183,778.7
	Program Total For Selected Funds:	111,329.0	112,725.7	71,053.0	183,778.7

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3002 SLI Graduate Medical Education

Fund: 2500-N IGA and ISA Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	52,396.9	50,266.9	31,684.2	81,951.1
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Non-Appropriated Total:	52,396.9	50,266.9	31,684.2	81,951.1
	Fund Total:	52,396.9	50,266.9	31,684.2	81,951.1
	Program Total For Selected Funds:	52,396.9	50,266.9	31,684.2	81,951.1

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3002 SLI Graduate Medical Education

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	0.0	0.0
Boards and Commissions	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	0.0	0.0
Attorney General Legal Services	0.0	0.0
External Legal Services	0.0	0.0
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	0.0	0.0
Hospital Services	0.0	0.0
Other Medical Services	0.0	0.0
Institutional Care	0.0	0.0
Education And Training	0.0	0.0
Vendor Travel	0.0	0.0
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0
Other Professional And Outside Services	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3002 SLI Graduate Medical Education

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	163,725.9	162,992.6
Expenditure Category Total	163,725.9	162,992.6
Fund Source		
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	111,329.0	112,725.7
2500-N IGA and ISA Fund (Non-Appropriated)	52,396.9	50,266.9
	163,725.9	162,992.6
Fund Source Total	163,725.9	162,992.6

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	0.0	0.0
Information Technology Services	0.0	0.0
Utilities	0.0	0.0
Non-Building or Land Rent	0.0	0.0
Building Rent Charges to State Agencies	0.0	0.0
COP Building Rent Charges to State Agencies	0.0	0.0
Rental of Land & Buildings	0.0	0.0
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	0.0	0.0
Repair & Maintenance	0.0	0.0
Software Support and Maintenance	0.0	0.0
Operating Supplies	0.0	0.0
Resale Supplies	0.0	0.0
Sales of Assets	0.0	0.0
Conference, Education & Training	0.0	0.0
Advertising	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3002 SLI Graduate Medical Education

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Printing & Photography	0.0	0.0
Postage & Delivery	0.0	0.0
Miscellaneous Operating	0.0	0.0
Depreciation Expense	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	0.0	0.0
Vehicles - Non-Capital	0.0	0.0
Furniture - Non-Capital	0.0	0.0
EDP Equipment - Mainframe - Non-Capital	0.0	0.0
Telecommunication Equipment - Non Capital	0.0	0.0
Other Equipment - Non-Capital	0.0	0.0
Purchased Or Licensed Software/Website	0.0	0.0
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3002 SLI Graduate Medical Education

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	0.0	0.0
Expenditure Category Total	0.0	0.0

All dollars are presented in thousands (not FTE).

CRITICAL ACCESS HOSPITALS

PROGRAM DESCRIPTION/BACKGROUND:

U.S. Congress enacted the Balanced Budget Act of 1997 which established the Medicare Rural Hospital Flexibility (Flex) Program in an attempt to prevent further closures of rural hospitals due to financial insolvency. In Arizona, the Rural Health Office (RHO) at the University of Arizona is the recipient of the Flex Program funding, and has worked with all eligible hospitals to educate them about the Critical Access Hospital designation by Medicare and to help them obtain the designation.

To be designated as a critical access hospital, a facility must (1) be located in a rural area; (2) be located more than 35 miles from a hospital or another health care facility; or (3) be certified by the State as being a necessary provider of health care services to residents in the area. In addition, the facility must meet other requirements such as number of beds for Medicare patient services, average annual patient length of stay, 24 hour per day provision of emergency medical services, and referral tertiary hospital.

The Critical Access Hospitals (CAHs) Program in Arizona is designed to provide supplemental payments to in-state CAHs over and above regular AHCCCS reimbursement for their Medicaid patient services. Laws 2001, Chapter 385 included an appropriation for CAHs for the first time, and in November 2001, Wickenburg Regional Hospital became the first Arizona hospital to be successfully designated as a CAH by Medicare.

As of August 2016, there are ten Arizona hospitals that have acquired CAH designations by Medicare and are receiving CAH payments from AHCCCS. They include: Wickenburg Regional Hospital, Benson Hospital, Northern Cochise Community Hospital, Page Hospital, Little Colorado Medical Center, Copper Queen Hospital, Holy Cross Hospital, Cobre Valley Community Hospital, White Mountain Regional Medical Center, and La Paz Regional Hospital. An eleventh hospital, Cochise Regional Hospital, closed in July 2015; however, they were eligible for payments in SFY 2016.

Laws 2015, Chapter 14, Section 4 amended A.R.S. § 36-2903.01 by adding subsection U which allows voluntary political subdivisions, tribal governments, and universities the option of providing state matching funds in order to qualify for additional federal funding for the CAH program. To date, no entities have come forward to provide state matching funds.

PAYMENT METHOD:

During a given State Fiscal Year, CAH payments are made in two semi-annual payments using the current Federal Fiscal Year FMAP (prior to SFY 2010 CAH payments were made quarterly).

Supplemental payments shall be made based on each CAH designated hospital's percentage of total inpatient and outpatient Title XIX reimbursement paid (relative to other CAH designated hospitals) for the time period from July 1 through June 30 of each year.

AHCCCS allocates the amount available through legislative appropriation in the following manner:

(1) Gather all adjudicated claims/encounters with dates of service from July 1 through June 30 of the prior year for each CAH designated hospital.
(2) Sum the AHCCCS payments for inpatient and outpatient services for the year to establish a hospital-specific paid amount.
(3) Total all AHCCCS payments for inpatient and outpatient services for the year to establish a total paid amount.
(4) Divide the hospital paid amount by the total paid amount to establish the hospital's utilization percentage.
(5) Divide the hospital's utilization percentage by the sum of all CAH hospital's utilization percentages for the month and multiply that figure by the monthly sum of the CAH hospital months divided by the annual sum of the CAH hospital months to establish the monthly relative utilization.
(6) Multiply the monthly relative utilization by the annual CAH dollars to establish each hospital's monthly allocation.

Funding is distributed based on the number of CAH designated hospitals in each month and their Medicaid utilization. Because there may be a different number of CAH designated hospitals each month, the hospital-specific weightings and payments may fluctuate from month to month. The calculations are computed monthly and the distributions of the CAH dollars to the CAH designated hospitals are made twice a year.

APPROPRIATION HISTORY:

From the program's inception in FY 2003 through FY 2014, the annual appropriation was $1,700,000. In FY 2015, the appropriation was increased to $10,491,900. This amount has been continued and included in the FY 2017 appropriation.

EXPENDITURE BY HOSPITAL HISTORY:

Hospital Name	SFY 2007	SFY 2008	SFY 2009	SFY 2010	SFY 2011	SFY 2012	SFY 2013	SFY 2014	SFY 2015	SFY 2016
Wickenburg Regional Hospital	69,799	45,264	75,210	57,683	50,099	40,856	41,260	42,972	287,907	275,611
Benson Hospital	86,496	80,455	85,257	73,806	79,612	70,207	67,361	56,240	436,363	450,234
Northern Cochise Community	107,398	82,402	114,501	88,271	90,437	89,390	77,894	86,644	484,786	461,062
Cochise Regional Hospital	218,464	173,797	178,576	191,053	191,053	149,856	107,754	89,930	430,515	553,589
Page Hospital	233,668	204,620	159,656	187,659	207,851	192,344	185,867	179,892	1,108,965	1,058,373
Sage Memorial Hospital	164,566	126,480	104,424	114,332						
Little Colorado Medical Center	340,866	318,367	236,509	263,216	276,649	276,835	279,923	264,264	1,718,660	1,633,205
Copper Queen Hospital	96,944	88,405	137,563	106,323	115,876	146,919	193,712	115,530	842,438	835,802
Holy Cross Hospital	208,858	326,536	296,659	303,043	332,572	312,562	335,194	389,935	2,327,397	2,429,978
Cobre Valley Community Hospital	172,941	253,674	243,086	259,044	283,479	327,912	353,535	365,059	2,050,000	1,831,541
White Mountain Regional Medical Center			68,559	55,569	72,372	67,375	57,501	51,145	315,963	278,194
Florence Community Healthcare						25,744				
La Paz Regional Hospital								58,391	488,905	684,311
Total	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000	10,491,899	10,491,900

Notes:

1) Winslow Memorial Hospital changed its name to Little Colorado Medical Center on 8/7/07.
2) Southeast Arizona Medical Center changed its name to Cochise Regional Hospital in 2014.
3) Sage Memorial Hospital gave up CAH designation after FY10 in order to qualify as an IHS Public Law 93-638 facility and be eligible to receive the IHS all-inclusive rate for medical services provided.
4) Critical Access Hospital payments are made twice per year in equal installments.

STATUTORY AUTHORITY:

42 CFR 485, Subpart F
A.R.S. § 36-2903.01(U) – Laws 2015, Chapter 14, Section 4
Arizona Section 1115 Research and Demonstration Waivers (CNOM #8) (December 15, 2014 Amendment)

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
STATE FISCAL YEAR 2018 BUDGET
CRITICAL ACCESS HOSPITAL PROGRAM

	FY2016 Actual	FY2017 Appropriation	FY2017 Rebase	FY2018 Request	FY2018 Increase/(Decrease)
General Funds	3,260,900	3,227,300	3,227,300	3,196,900	(30,400)
Federal Funds	7,231,000	7,264,600	7,264,600	7,295,000	30,400
Total Funds	10,491,900	10,491,900	10,491,900	10,491,900	-
FMAP	68.92%	69.24%	69.24%	69.53%	

Notes:
1) Critical Access Hospital payments are made twice per year.
2) FY2017 FMAP of 69.24% is assumed to increased to 69.53% in FY2018.
3) FY2016 actual may not tie to AFIS actual due to timing of fund source adjustments.

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 3-3003 Critical Access Hospitals

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	10,491.9	10,491.9	0.0	10,491.9
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Expenditure Categories Total:	10,491.9	10,491.9	0.0	10,491.9
Fund Source					
Appropriated Funds					
1000-A	General Fund (Appropriated)	3,260.9	3,227.3	(30.4)	3,196.9
		3,260.9	3,227.3	(30.4)	3,196.9
Non-Appropriated Funds					
2120-N	AHCCCS Fund (Non-Appropriated)	7,231.0	7,264.6	30.4	7,295.0
		7,231.0	7,264.6	30.4	7,295.0
	Fund Source Total:	10,491.9	10,491.9	0.0	10,491.9

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3003 Critical Access Hospitals

Fund: 1000-A General Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	3,260.9	3,227.3	(30.4)	3,196.9
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Appropriated Total:		3,260.9	3,227.3	(30.4)	3,196.9
Fund Total:		3,260.9	3,227.3	(30.4)	3,196.9
Program Total For Selected Funds:		3,260.9	3,227.3	(30.4)	3,196.9

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3003 Critical Access Hospitals

Fund: 2120-N AHCCCS Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Non-Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	7,231.0	7,264.6	30.4	7,295.0
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Non-Appropriated Total:		7,231.0	7,264.6	30.4	7,295.0
Fund Total:		7,231.0	7,264.6	30.4	7,295.0
Program Total For Selected Funds:		7,231.0	7,264.6	30.4	7,295.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3003 Critical Access Hospitals

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	0.0	0.0
Boards and Commissions	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	0.0	0.0
Attorney General Legal Services	0.0	0.0
External Legal Services	0.0	0.0
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	0.0	0.0
Hospital Services	0.0	0.0
Other Medical Services	0.0	0.0
Institutional Care	0.0	0.0
Education And Training	0.0	0.0
Vendor Travel	0.0	0.0
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0
Other Professional And Outside Services	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3003 Critical Access Hospitals

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	10,491.9	10,491.9
Expenditure Category Total	10,491.9	10,491.9
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	3,260.9	3,227.3
	3,260.9	3,227.3
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	7,231.0	7,264.6
	7,231.0	7,264.6
Fund Source Total	10,491.9	10,491.9

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	0.0	0.0
Information Technology Services	0.0	0.0
Utilities	0.0	0.0
Non-Building or Land Rent	0.0	0.0
Building Rent Charges to State Agencies	0.0	0.0
COP Building Rent Charges to State Agencies	0.0	0.0
Rental of Land & Buildings	0.0	0.0
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	0.0	0.0
Repair & Maintenance	0.0	0.0
Software Support and Maintenance	0.0	0.0
Operating Supplies	0.0	0.0
Resale Supplies	0.0	0.0
Sales of Assets	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3003 Critical Access Hospitals

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Conference, Education & Training	0.0	0.0
Advertising	0.0	0.0
Printing & Photography	0.0	0.0
Postage & Delivery	0.0	0.0
Miscellaneous Operating	0.0	0.0
Depreciation Expense	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	0.0	0.0
Vehicles - Non-Capital	0.0	0.0
Furniture - Non-Capital	0.0	0.0
EDP Equipment - Mainframe - Non-Capital	0.0	0.0
Telecommunication Equipment - Non Capital	0.0	0.0
Other Equipment - Non-Capital	0.0	0.0
Purchased Or Licensed Software/Website	0.0	0.0
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0
Expenditure Category Total	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3003 Critical Access Hospitals

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	0.0	0.0
Expenditure Category Total	0.0	0.0

All dollars are presented in thousands (not FTE).

RURAL HOSPITAL REIMBURSEMENT

PROGRAM DESCRIPTION/BACKGROUND:

Rural hospitals are a critical element of the AHCCCS provider network. In many areas of the state there is only one hospital available. As the AHCCCS population has expanded, Medicaid has become a primary payer in some of these areas. Due to smaller patient populations compared to urban hospitals along with competition for physicians, nurses, and other medical personnel, rural hospitals are required to spread costs over a smaller revenue base.

Pursuant to Laws 2001, Chapter 344, Section 109, AHCCCS and the Arizona Hospital Association conducted an inpatient hospital reimbursement study. One of the major findings from that study was that AHCCCS "payments overall cover 94% of hospitals' costs for serving AHCCCS members." However, there were some significant variances in the payments by peer groups, and AHCCCS reimbursed just 57% of the costs for hospitals with fewer than 75 beds. The workgroup concluded that "small rural hospitals face unique fiscal challenges that need to be addressed either through the AHCCCS tier rates, outside the rates but funded through AHCCCS, or outside AHCCCS altogether."

A.R.S. §36-2905.02 authorizes AHCCCS to distribute supplemental payments for inpatient hospital services provided by qualifying rural hospitals based on utilization or adjusted tier rates. To qualify for this supplemental payment, the facility must be either (1) an acute care hospital that is not an Indian Health Services (IHS) hospital or a tribally owned and operated facility with 100 or fewer beds and located in a county with a population of less than 500,000; or (2) licensed as a critical access hospital.

This supplemental payment would be in addition to the payments made by AHCCCS or the health plans and would not be tied to the requirements for Critical Access Hospital (CAH) designation. The Centers for Medicare and Medicaid Services (CMS) did not approve the proposed methodology of making supplemental hospital payments directly to the rural hospitals, therefore, the payments are made via capitation to the AHCCCS Health Plans which then reimburse the hospitals. This one-time payment is made towards the end of the fiscal year, therefore the federal fiscal year FMAP rate is used to calculate the requested amount of General Fund.

STATUTORY AUTHORITY:

A.R.S. § 36-2905.02

APPROPRIATION:

Since inception in SFY 2006, the Rural Hospital Reimbursement total fund appropriation has been $12,158,100.

ACTUAL PAYMENTS TO RURAL HOSPITALS:

Hospital	FY 09	FY 10	FY 11	FY12	FY13	FY14	FY15	FY16
Arizona Regional - Apache Junction				$314,730	$263,696			
Banner Goldfield						$151,039	$149,135	$183,879
Banner Ironwood				$507,278	$1,030,983	$1,034,012	$1,153,452	$1,048,949
Benson Hospital	$68,265	$41,446	$40,293	$34,122	$33,187	$39,957	$44,550	$31,711
Carondelet Holy Cross Hospital	$510,516	$463,114	$412,572	$430,066	$600,438	$642,692	$508,722	$462,631
Cobre Valley Community Hospital	$402,500	$471,290	$405,787	$519,808	$652,241	$785,577	$728,215	$574,973
Copper Queen Community Hospital	$56,104	$48,009	$52,910	$72,445	$53,462	$51,178	$51,575	$44,047
Hualapai Mountain Medicare Center			$326,097					
Florence Community/Hospital at Anthem				$44,759	$14,571	$157,390	$98,494	$108,122
La Paz Regional Medical Center	$155,765	$136,846	$120,001	$114,157	$112,361	$94,953	$93,612	$118,343
Mt. Graham Regional Medical Center	$919,753	$877,182	$974,672	$873,737	$738,565	$598,766	$675,011	$635,126
Navapache/Summit Regional Medical Center	$1,806,194	$1,671,471	$1,561,724	$1,353,941	$1,346,560	$1,698,067	$1,448,795	$1,643,319
Northern Cochise Community	$49,292	$64,296	$105,409	$61,539	$39,189	$60,428	$61,655	$48,649
Page Hospital	$287,375	$262,838	$243,871	$219,323	$292,992	$306,840	$279,519	$233,119
Banner Payson Regional Medical Center	$1,357,063	$1,465,856	$1,481,298	$1,406,441	$1,126,795	$798,687	$888,213	$773,347
Sage Memorial Hospital	$158,128	$94,829						
Canyon Vista Medical Center	$1,671,330	$1,570,088	$1,501,424	$1,211,851	$1,093,349	$1,036,010	$1,271,256	$1,385,935
Cochise Regional Hospital	$74,327	$127,273	$140,476	$94,868	$76,346	$62,732	$36,604	$38,214
Valley View Medical Center	$1,098,081	$1,223,218	$1,238,810	$1,124,204	$1,104,582	$970,529	$866,364	$620,551
Verde Valley Medical Center	$2,436,986	$2,374,312	$2,205,086	$1,756,260	$1,405,018	$1,435,474	$1,638,441	$1,769,752
White Mountain Regional Medical Center	$105,703	$76,179	$63,986	$66,664	$44,840	$46,745	$33,041	$26,348
Wickenburg Regional Health Center	$23,533	$27,954	$42,065	$21,309	$17,445	$12,303	$14,496	$22,707
Little Colorado Medical Center	$603,713	$671,917	$643,087	$615,622	$675,986	$704,022	$756,462	$693,410
Yuma Regional Medical Center East	$373,471	$489,985	$598,532	$1,314,978	$1,435,494	$1,470,700	$1,360,488	$1,694,970
Total	**$12,158,100**	**$12,158,100**	**$12,158,100**	**$12,158,100**	**$12,158,100**	**$12,158,100**	**$12,158,100**	**$12,158,100**

Notes:
1) Winslow Memorial Hospital changed its name to Little Colorado Medical Center in August 2007
2) Southeast Arizona Medical Center changed its name to Cochise Regional Hospital in 2014.
3) Sierra Vista Regional Health Center changed its name to Canyon Vista Medical Center in April 2015

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
STATE FISCAL YEAR 2018 BUDGET
RURAL HOSPITAL REIMBURSEMENT PROGRAM

	FY2016 Actual	FY2017 Appropriation	FY2017 Rebase	FY2018 Request	FY2018 Increase/ (Decrease)
General Funds	3,778,737	3,739,800	3,739,800	3,704,600	(35,200)
Federal Funds	8,379,363	8,418,300	8,418,300	8,453,500	35,200
Total Funds	12,158,100	12,158,100	12,158,100	12,158,100	-
FMAP	68.92%	69.24%	69.24%	69.53%	

Notes:
1) Rural Hospital payments are made once per year.
2) FY2017 FMAP of 69.24% is assumed to increase to 69.53% in FY2018.
3) FY2016 actual may not tie to AFIS actual due to timing of fund source adjustments.

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 3-3011 SLI Rural Hospital Reimbursement

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	11,496.7	12,158.1	0.0	12,158.1
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Expenditure Categories Total:	11,496.7	12,158.1	0.0	12,158.1
Fund Source					
Appropriated Funds					
1000-A	General Fund (Appropriated)	3,117.3	3,739.8	(35.2)	3,704.6
		3,117.3	3,739.8	(35.2)	3,704.6
Non-Appropriated Funds					
2120-N	AHCCCS Fund (Non-Appropriated)	8,379.4	8,418.3	35.2	8,453.5
		8,379.4	8,418.3	35.2	8,453.5
	Fund Source Total:	11,496.7	12,158.1	0.0	12,158.1

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3011 SLI Rural Hospital Reimbursement

Fund: 1000-A General Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	3,117.3	3,739.8	(35.2)	3,704.6
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Appropriated Total:		3,117.3	3,739.8	(35.2)	3,704.6
Fund Total:		3,117.3	3,739.8	(35.2)	3,704.6
Program Total For Selected Funds:		3,117.3	3,739.8	(35.2)	3,704.6

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3011 SLI Rural Hospital Reimbursement

Fund: 2120-N AHCCCS Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Non-Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	8,379.4	8,418.3	35.2	8,453.5
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Non-Appropriated Total:		8,379.4	8,418.3	35.2	8,453.5
Fund Total:		8,379.4	8,418.3	35.2	8,453.5
Program Total For Selected Funds:		8,379.4	8,418.3	35.2	8,453.5

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3011 SLI Rural Hospital Reimbursement

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	0.0	0.0
Boards and Commissions	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	0.0	0.0
Attorney General Legal Services	0.0	0.0
External Legal Services	0.0	0.0
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	0.0	0.0
Hospital Services	0.0	0.0
Other Medical Services	0.0	0.0
Institutional Care	0.0	0.0
Education And Training	0.0	0.0
Vendor Travel	0.0	0.0
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0
Other Professional And Outside Services	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3011 SLI Rural Hospital Reimbursement

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	11,496.7	12,158.1
Expenditure Category Total	11,496.7	12,158.1
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	3,117.3	3,739.8
	3,117.3	3,739.8
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	8,379.4	8,418.3
	8,379.4	8,418.3
Fund Source Total	11,496.7	12,158.1

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	0.0	0.0
Information Technology Services	0.0	0.0
Utilities	0.0	0.0
Non-Building or Land Rent	0.0	0.0
Building Rent Charges to State Agencies	0.0	0.0
COP Building Rent Charges to State Agencies	0.0	0.0
Rental of Land & Buildings	0.0	0.0
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	0.0	0.0
Repair & Maintenance	0.0	0.0
Software Support and Maintenance	0.0	0.0
Operating Supplies	0.0	0.0
Resale Supplies	0.0	0.0
Sales of Assets	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3011 SLI Rural Hospital Reimbursement

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Conference, Education & Training	0.0	0.0
Advertising	0.0	0.0
Printing & Photography	0.0	0.0
Postage & Delivery	0.0	0.0
Miscellaneous Operating	0.0	0.0
Depreciation Expense	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	0.0	0.0
Vehicles - Non-Capital	0.0	0.0
Furniture - Non-Capital	0.0	0.0
EDP Equipment - Mainframe - Non-Capital	0.0	0.0
Telecommunication Equipment - Non Capital	0.0	0.0
Other Equipment - Non-Capital	0.0	0.0
Purchased Or Licensed Software/Website	0.0	0.0
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

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All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3011 SLI Rural Hospital Reimbursement

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	0.0	0.0
Expenditure Category Total	0.0	0.0

All dollars are presented in thousands (not FTE).

SAFETY NET CARE POOL

PROGRAM DESCRIPTION/BACKGROUND:

Laws 2011, Chapter 234, Section 2 granted AHCCCS the authority to pursue a hospital funding pool using monies from political subdivisions to draw down federal matching dollars. The Safety Net Care Pool (SNCP) was open to all Arizona hospitals, including rural hospitals, safety net hospitals and hospitals receiving Disproportionate Share Hospital (DSH) payments. The nonfederal match must be provided by a political subdivision. This program gave local governments, like counties, cities or special healthcare districts, the ability to directly support hospital systems in their communities. The funding is distributed to participating hospitals to help defray the costs of uncompensated care provided to AHCCCS members and the uninsured.

On April 6, 2012, The Centers for Medicare and Medicaid Services (CMS) approved the original SNCP waiver (hereafter referred to as SNCP 1) that provided Arizona with the authority to claim $332 million Total Fund per year for nine quarters. Originally, there were three participating hospitals/health networks associated with SNCP 1: Maricopa Integrated Health Systems, Phoenix Children's Hospital and the University of Arizona Health Network. Southeast Arizona Medical Center, White Mountain Regional Medical Center, Copper Queen Hospital, Cobre Valley Regional Medical Center, La Paz Regional Hospital, Benson Hospital, and Northern Cochise Hospital were later added to the SNCP 1 participants.

On April 17, 2013, CMS approved Arizona's 1115 Waiver amendment request that allowed AHCCCS to match provider assessment monies collected by the City of Phoenix for the purposes of a City of Phoenix Hospital SNCP pool (hereafter referred to as COP). This amendment provides Arizona with the authority to claim up to $385 million Total Fund per year for a period of 5 quarters. The participating providers in the COP SNCP are: Banner Estrella Medical Center, Banner Good Samaritan Medical Center, John C Lincoln-Deer Valley Hospital, John C Lincoln North Mountain Hospital, Maryvale Hospital, Paradise Valley Hospital, Phoenix Baptist Hospital, Phoenix Children's Hospital (note that with the approval of the City of Phoenix SNCP, Phoenix Children's Hospital's participation in the SNCP 1 pool was reduced, which made it possible for the other participants listed above to join), St. Joseph's Hospital, and St. Luke's Medical Center.

As a condition of approval of the SNCP 1, CMS required a portion of the funding provided by the political subdivisions to go toward some expanded coverage option. The SNCP 1 proposal used state match to reopen the KidsCare program which had been frozen since January 2010. This program, known as KidsCare II expired on January 31, 2014. The COP proposal expanded KidsCare II to cover additional children and also included a coverage option for parents whose children aged out of SOBRA and were not eligible for the childless adults program due to the existing freeze.

Laws 2013, 1st Special Session, Chapter 10, Section 15 authorizes SNCP for PCH (freestanding children's hospitals) through December 31, 2017.

On December 26, 2013, CMS approved Arizona's 1115 Waiver amendment request that allows AHCCCS to continue SNCP funding for Phoenix Children's Hospital through December 31, 2014, with a maximum annual amount of $137,000,000. On December 25, 2014, CMS approved Arizona's 1115 Waiver amendment request that allows AHCCCS to continue SNCP funding for Phoenix Children's Hospital through December 31, 2015, with a maximum annual amount of $137,000,000. The current Waiver authorized SNCP funding for Phoenix Children's Hospital through December 31, 2016, with a maximum annual amount of $110,000,000.

AHCCCS and Phoenix Children's Hospital are planning to request additional SNCP funding for PCH for future years as part of the overall AHCCCS waiver update. This would continue SNCP payments into SFY 2021, but with a phase-down of the funding each year as shown in the table below.

SFY16	$	122,000,000
SFY17	$	96,750,000
SFY18	$	75,000,000
SFY19	$	55,000,000
SFY20	$	31,250,000
SFY21	$	6,250,000

ACTUAL EXPERIENCE

Through FY 2016, a total of $1,281,388,100 has been paid out to Arizona hospitals through the SNCP program. The attached tables show these payments by hospital and state fiscal year.

PROJECTED PAYMENTS

The SNCP payment amounts by hospital will not be finalized until the hospitals submit cost data which will be run through the SCNP payment protocols as outlined in the Waiver – Attachment I. Like DSH payments, SNCP payments are subject to OBRA limits and subject to reconciliation with final hospital cost data. However, if the amount paid for SNCP exceeds the OBRA limit for the year, the hospital will be required to return the money. AHCCCS will then return the state match to the partner and the federal match to the federal government.

SNCP payments are matched at the FMAP in effect during the dates the services are provided, not the date the payment is made.
The estimated amounts for FY 2017 and FY 2018 are based on the requested phase-down model and include $96,750,000 in FY 2017 and $75,000,000 in FY 2018. Current language in the feed bill allows AHCCCS to increase the appropriation for these voluntary supplemental hospital payments if the funding from political subdivisions is available. AHCCCS requests that this language be continued for SNCP in FY 2018 to provide maximum flexibility in the event more funding becomes available and CMS approves additional expenditures.

	FY2016 Actual	FY2017 Approp	FY2017 Estimate	FY2018 Request	FY2018 Increase/ (Decrease)
Political Subdivision	41,396,821	42,141,200	30,181,200	23,130,000	(19,011,200)
Federal Funds	77,187,829	94,858,800	66,568,800	51,870,000	(42,988,800)
Total Funds	118,584,650	137,000,000	96,750,000	75,000,000	(62,000,000)
Effective FMAP	65.09%	69.24%	68.80%	69.16%	

STATUTORY AUTHORITY:
Laws 2011, Chapter 234, Section 2
Laws 2013, 1st Special Session, Chapter 10, Section 15
Arizona Section 1115 Medicaid Demonstration Waiver, Special Terms and Conditions #25 – Attachments E (6/18/15 Version)

ARIZONA HEALTH CARE COST COST CONTAINMENT SYSTEM
SAFETY NET CARE POOL ACTUAL PAYMENTS
BY HOSPITAL

Hospital	Waiver Demonstration Year	Date Paid	State Fiscal Year	Total Fund	Federal Funds	Political Subdivision Match	FMAP
Banner Estrella Med Ctr	DY 2	6/7/2013	SFY 2013	16,832,000	11,055,258	5,776,742	65.68%
Banner Estrella Med Ctr	DY 2	7/12/2013	SFY 2014	5,632,271	3,699,276	1,932,995	65.68%
Banner Estrella Med Ctr	DY 2	9/30/2013	SFY 2014	1,235,886	811,730	424,156	65.68%
Banner Estrella Med Ctr	DY 2	4/21/2014	SFY 2014	4,405,423	2,893,482	1,511,941	65.68%
Banner Estrella Med Ctr	DY 3	12/20/2013	SFY 2014	8,191,287	5,507,002	2,684,285	67.23%
				36,296,867	23,966,747	12,330,120	
Banner Good Sam	DY 2	6/7/2013	SFY 2013	28,780,000	18,902,704	9,877,296	65.68%
Banner Good Sam	DY 2	7/12/2013	SFY 2014	18,140,223	11,914,498	6,225,725	65.68%
Banner Good Sam	DY 2	9/30/2013	SFY 2014	2,581,345	1,695,427	885,918	65.68%
Banner Good Sam	DY 2	4/21/2014	SFY 2014	9,201,430	6,043,499	3,157,931	65.68%
Banner Good Sam	DY 3	12/20/2013	SFY 2014	17,108,813	11,502,255	5,606,558	67.23%
				75,811,811	50,058,384	25,753,427	
Benson Hospital	DY 3	12/26/2013	SFY 2014	394,909	265,497	129,412	67.23%
John C Lincoln - Deer Valley	DY 2	6/7/2013	SFY 2013	5,600,000	3,678,080	1,921,920	65.68%
John C Lincoln - Deer Valley	DY 2	7/12/2013	SFY 2014	6,281,670	4,125,801	2,155,869	65.68%
John C Lincoln - Deer Valley	DY 2	9/30/2013	SFY 2014	653,677	429,335	224,342	65.68%
John C Lincoln - Deer Valley	DY 2	4/21/2014	SFY 2014	2,330,090	1,530,403	799,687	65.68%
John C Lincoln - Deer Valley	DY 3	12/20/2013	SFY 2014	4,332,487	2,912,731	1,419,756	67.23%
				19,197,925	12,676,351	6,521,574	
John C Lincoln - North Mtn	DY 2	6/7/2013	SFY 2013	11,004,000	7,227,427	3,776,573	65.68%
John C Lincoln - North Mtn	DY 2	7/12/2013	SFY 2014	18,600,870	12,217,051	6,383,819	65.68%
John C Lincoln - North Mtn	DY 2	9/30/2013	SFY 2014	1,628,730	1,069,750	558,980	65.68%
John C Lincoln - North Mtn	DY 2	4/21/2014	SFY 2014	5,805,751	3,813,217	1,992,534	65.68%
John C Lincoln - North Mtn	DY 3	12/20/2013	SFY 2014	10,795,008	7,257,484	3,537,524	67.23%
				47,834,359	31,584,929	16,249,429	
La Paz Regional Hospital	DY 3	12/26/2013	SFY 2014	988,174	664,350	323,825	67.23%
Little Colorado Medical Center	DY 2	9/29/2014	SFY 2015	644,825	423,521	221,304	65.68%
Maricopa Integrate Health Systems	DY 1	12/12/2012	SFY 2013	37,760,815	25,413,029	12,347,787	67.30%
Maricopa Integrate Health Systems	DY 1	6/28/2012	SFY 2012	50,000,000	33,650,000	16,350,000	67.30%
Maricopa Integrate Health Systems	DY 2	12/13/2012	SFY 2013	25,000,000	16,420,000	8,580,000	65.68%
Maricopa Integrate Health Systems	DY 2	3/20/2013	SFY 2013	25,000,000	16,420,000	8,580,000	65.68%
Maricopa Integrate Health Systems	DY 2	6/17/2013	SFY 2013	25,000,000	16,420,000	8,580,000	65.68%
Maricopa Integrate Health Systems	DY 2	9/30/2013	SFY 2013	32,671,200	21,458,444	11,212,756	65.68%
Maricopa Integrate Health Systems	DY 3	12/20/2013	SFY 2014	26,917,800	18,096,837	8,820,963	67.23%
				222,349,815	147,878,309	74,471,505	
Maryvale Hospital	DY 2	6/7/2013	SFY 2013	4,394,000	2,885,979	1,508,021	65.68%
Maryvale Hospital	DY 2	7/12/2013	SFY 2014	2,075,073	1,362,908	712,165	65.68%
Maryvale Hospital	DY 2	9/30/2013	SFY 2014	355,900	233,755	122,145	65.68%
Maryvale Hospital	DY 2	4/21/2014	SFY 2014	1,268,637	833,241	435,396	65.68%
Maryvale Hospital	DY 3	12/20/2013	SFY 2014	2,358,858	1,585,860	772,998	67.23%
				10,452,468	6,901,743	3,550,725	
Northern Cochise Hospital	DY 3	12/26/2013	SFY 2014	105,644	71,025	34,620	67.23%
Paradise Valley Hospital	DY 2	6/7/2013	SFY 2013	3,788,000	2,487,958	1,300,042	65.68%
Paradise Valley Hospital	DY 2	7/12/2013	SFY 2014	3,002,731	1,972,194	1,030,537	65.68%
Paradise Valley Hospital	DY 2	9/30/2013	SFY 2014	373,596	245,378	128,218	65.68%
Paradise Valley Hospital	DY 2	4/21/2014	SFY 2014	1,331,717	874,671	457,045	65.68%
Paradise Valley Hospital	DY 3	12/20/2013	SFY 2014	2,476,146	1,664,713	811,433	67.23%
				10,972,190	7,244,915	3,727,275	
Phoenix Baptist Hospital	DY 2	6/7/2013	SFY 2013	4,013,000	2,635,738	1,377,262	65.68%
Phoenix Baptist Hospital	DY 2	7/12/2013	SFY 2014	4,240,077	2,784,883	1,455,194	65.68%
Phoenix Baptist Hospital	DY 2	9/30/2013	SFY 2014	454,048	298,219	155,829	65.68%
Phoenix Baptist Hospital	DY 2	4/21/2014	SFY 2014	1,618,494	1,063,027	555,467	65.68%
Phoenix Baptist Hospital	DY 3	12/20/2013	SFY 2014	3,009,371	2,023,200	986,171	67.23%

ARIZONA HEALTH CARE COST COST CONTAINMENT SYSTEM
SAFETY NET CARE POOL ACTUAL PAYMENTS
BY HOSPITAL

Hospital	Waiver Demonstration Year	Date Paid	State Fiscal Year	Total Fund	Federal Funds	Political Subdivision Match	FMAP
				13,334,990	8,805,067	4,529,923	
Phoenix Children's Hospital	DY 1	6/28/2012	SFY 2012	50,000,000	33,650,000	16,350,000	67.30%
Phoenix Children's Hospital	DY 1	12/20/2012	SFY 2013	42,000,000	28,266,000	13,734,000	67.30%
Phoenix Children's Hospital	DY 1	9/29/2014	SFY 2015	9,484,103	6,382,801	3,101,302	67.30%
Phoenix Children's Hospital	DY 2	9/30/2013	SFY 2013	40,790,466	26,791,178	13,999,288	65.68%
Phoenix Children's Hospital	DY 2	6/7/2013	SFY 2013	36,202,000	23,777,474	12,424,526	65.68%
Phoenix Children's Hospital	DY 2	7/12/2013	SFY 2014	28,059,531	18,429,500	9,630,031	65.68%
Phoenix Children's Hospital	DY 2	9/30/2013	SFY 2014	3,535,387	2,322,042	1,213,345	65.68%
Phoenix Children's Hospital	DY 2	4/21/2014	SFY 2014	12,602,199	8,277,124	4,325,075	65.68%
Phoenix Children's Hospital	DY 3	8/13/2014	SFY 2014	11,586,079	7,789,321	3,796,758	67.23%
Phoenix Children's Hospital	DY 3	12/20/2013	SFY 2014	23,432,082	15,753,388	7,678,693	67.23%
Phoenix Children's Hospital	DY 3	12/30/2014	SFY 2015	49,206,591	33,081,591	16,125,000	67.23%
Phoenix Children's Hospital	DY 3	12/30/2014	SFY 2015	37,307,710	25,081,973	12,225,736	67.23%
Phoenix Children's Hospital	DY 4	12/30/2014	SFY 2015	17,041,852	11,666,852	5,375,000	68.46%
Phoenix Children's Hospital	DY 4	12/30/2014	SFY 2015	13,341,264	9,133,429	4,207,835	68.46%
Phoenix Children's Hospital	DY 4	6/29/2015	SFY 2015	48,108,101	32,934,806	15,173,295	68.46%
Phoenix Children's Hospital	DY 4	1/8/2016	SFY 2016	40,580,396	27,781,339	12,799,057	68.46%
Phoenix Children's Hospital	DY 5	1/8/2016	SFY 2016	22,924,710	15,799,710	7,125,000	68.92%
Phoenix Children's Hospital	DY 5	4/1/2016	SFY 2016	17,696,268	12,196,268	5,500,000	68.92%
Phoenix Children's Hospital	DY 5	4/1/2016	SFY 2016	7,306,728	5,035,797	2,270,931	68.92%
Phoenix Children's Hospital	DY 2	4/1/2016	SFY 2016	(6,616,932)	(4,346,001)	(2,270,931)	65.68%
Phoenix Children's Hospital	DY 5	6/10/2016	SFY 2016	8,840,940	6,093,176	2,747,764	68.92%
Phoenix Children's Hospital	DY 5	6/10/2016	SFY 2016	42,551,480	29,326,480	13,225,000	68.92%
				555,980,955	375,224,250	180,756,705	
St. Joseph's Hospital	DY 2	6/7/2013	SFY 2013	31,950,000	20,984,760	10,965,240	65.68%
St. Joseph's Hospital	DY 2	7/12/2013	SFY 2014	24,505,831	16,095,430	8,410,401	65.68%
St. Joseph's Hospital	DY 2	9/30/2013	SFY 2014	3,105,952	2,039,989	1,065,963	65.68%
St. Joseph's Hospital	DY 2	4/21/2014	SFY 2014	11,071,439	7,271,721	3,799,718	65.68%
St. Joseph's Hospital	DY 3	12/20/2013	SFY 2014	20,585,841	13,839,861	6,745,980	67.23%
				91,219,063	60,231,761	30,987,302	
St. Luke Hospital	DY 2	6/7/2013	SFY 2013	2,284,000	1,500,131	783,869	65.68%
St. Luke Hospital	DY 2	7/12/2013	SFY 2014	2,607,641	1,712,699	894,942	65.68%
St. Luke Hospital	DY 2	9/30/2013	SFY 2014	269,117	176,756	92,361	65.68%
St. Luke Hospital	DY 2	4/21/2014	SFY 2014	959,290	630,062	329,228	65.68%
St. Luke Hospital	DY 3	12/20/2013	SFY 2014	1,783,669	1,199,161	584,508	67.23%
				7,903,717	5,218,808	2,684,909	
UAMC-South Campus	DY 2	10/11/2013	SFY 2014	30,374,844	19,950,198	10,424,647	65.68%
UAMC-South Campus	DY 3	6/30/2014	SFY 2014	6,117,196	4,112,591	2,004,605	67.23%
				36,492,040	24,062,788	12,429,252	
UAMC-University Campus	DY 2	10/11/2013	SFY 2014	40,068,497	26,316,989	13,751,508	65.68%
UAMC-University Campus	DY 3	6/30/2014	SFY 2014	9,832,049	6,610,087	3,221,963	67.23%
				49,900,546	32,927,075	16,973,471	
University Medical Center	DY 1	6/28/2012	SFY 2012	50,000,000	33,650,000	16,350,000	67.30%
University Medical Center	DY 1	12/20/2012	SFY 2013	37,391,202	25,164,279	12,226,923	67.30%
University Medical Center	DY 2	3/29/2013	SFY 2013	25,000,000	16,420,000	8,580,000	65.68%
University Medical Center	DY 2	9/4/2015	SFY 2016	(14,698,940)	(14,698,940)	-	
University Medical Center	DY 3	6/30/2014	SFY 2014	3,815,493	2,565,156	1,250,337	67.23%
				101,507,754	63,100,494	38,407,260	
GRAND TOTAL				1,281,388,051	851,306,015	430,082,037	

ARIZONA HEALTH CARE COST COST CONTAINMENT SYSTEM
SAFETY NET CARE POOL ACTUAL PAYMENTS
BY STATE FISCAL YEAR

Hospital	Waiver Demonstration Year	Date Paid	State Fiscal Year	Total Fund	Federal Funds	Political Subdivision Match	FMAP
Maricopa Integrate Health Systems	DY 1	6/28/2012	SFY 2012	50,000,000	33,650,000	16,350,000	67.30%
Phoenix Children's Hospital	DY 1	6/28/2012	SFY 2012	50,000,000	33,650,000	16,350,000	67.30%
University Medical Center	DY 1	6/28/2012	SFY 2012	50,000,000	33,650,000	16,350,000	67.30%
SFY 2012 Subtotal				150,000,000	100,950,000	49,050,000	
Banner Estrella Med Ctr	DY 2	6/7/2013	SFY 2013	16,832,000	11,055,258	5,776,742	65.68%
Banner Good Sam	DY 2	6/7/2013	SFY 2013	28,780,000	18,902,704	9,877,296	65.68%
John C Lincoln - Deer Valley	DY 2	6/7/2013	SFY 2013	5,600,000	3,678,080	1,921,920	65.68%
John C Lincoln - North Mtn	DY 2	6/7/2013	SFY 2013	11,004,000	7,227,427	3,776,573	65.68%
Maricopa County Hospital	DY 1	12/12/2012	SFY 2013	37,760,815	25,413,029	12,347,787	67.30%
Maricopa Integrate Health Systems	DY 2	12/13/2012	SFY 2013	25,000,000	16,420,000	8,580,000	65.68%
Maricopa Integrate Health Systems	DY 2	3/20/2013	SFY 2013	25,000,000	16,420,000	8,580,000	65.68%
Maricopa Integrate Health Systems	DY 2	6/17/2013	SFY 2013	25,000,000	16,420,000	8,580,000	65.68%
Maricopa Integrate Health Systems	DY 2	9/30/2013	SFY 2013	32,671,200	21,458,444	11,212,756	65.68%
Maryvale Hospital	DY 2	6/7/2013	SFY 2013	4,394,000	2,885,979	1,508,021	65.68%
Paradise Valley Hospital	DY 2	6/7/2013	SFY 2013	3,788,000	2,487,958	1,300,042	65.68%
Phoenix Baptist Hospital	DY 2	6/7/2013	SFY 2013	4,013,000	2,635,738	1,377,262	65.68%
Phoenix Children's Hospital	DY 1	12/20/2012	SFY 2013	42,000,000	28,266,000	13,734,000	67.30%
Phoenix Children's Hospital	DY 2	9/30/2013	SFY 2013	40,790,466	26,791,178	13,999,288	65.68%
Phoenix Children's Hospital	DY 2	6/7/2013	SFY 2013	36,202,000	23,777,474	12,424,526	65.68%
St. Joseph's Hospital	DY 2	6/7/2013	SFY 2013	31,950,000	20,984,760	10,965,240	65.68%
St. Luke Hospital	DY 2	6/7/2013	SFY 2013	2,284,000	1,500,131	783,869	65.68%
University Medical Center	DY 1	12/20/2012	SFY 2013	37,391,202	25,164,279	12,226,923	67.30%
University Medical Center	DY 2	3/29/2013	SFY 2013	25,000,000	16,420,000	8,580,000	65.68%
SFY 2013 Subtotal				435,460,683	287,908,439	147,552,244	
Banner Estrella Med Ctr	DY 2	7/12/2013	SFY 2014	5,632,271	3,699,276	1,932,995	65.68%
Banner Estrella Med Ctr	DY 2	9/30/2013	SFY 2014	1,235,886	811,730	424,156	65.68%
Banner Estrella Med Ctr	DY 2	4/21/2014	SFY 2014	4,405,423	2,893,482	1,511,941	65.68%
Banner Estrella Med Ctr	DY 3	12/20/2013	SFY 2014	8,191,287	5,507,002	2,684,285	67.23%
Banner Good Sam	DY 2	7/12/2013	SFY 2014	18,140,223	11,914,498	6,225,725	65.68%
Banner Good Sam	DY 2	9/30/2013	SFY 2014	2,581,345	1,695,427	885,918	65.68%
Banner Good Sam	DY 2	4/21/2014	SFY 2014	9,201,430	6,043,499	3,157,931	65.68%
Banner Good Sam	DY 3	12/20/2013	SFY 2014	17,108,813	11,502,255	5,606,558	67.23%
Benson Hospital	DY 3	12/26/2013	SFY 2014	394,909	265,497	129,412	67.23%
John C Lincoln - Deer Valley	DY 2	7/12/2013	SFY 2014	6,281,670	4,125,801	2,155,869	65.68%
John C Lincoln - Deer Valley	DY 2	9/30/2013	SFY 2014	653,677	429,335	224,342	65.68%
John C Lincoln - Deer Valley	DY 2	4/21/2014	SFY 2014	2,330,090	1,530,403	799,687	65.68%
John C Lincoln - Deer Valley	DY 3	12/20/2013	SFY 2014	4,332,487	2,912,731	1,419,756	67.23%
John C Lincoln - North Mtn	DY 2	7/12/2013	SFY 2014	18,600,870	12,217,051	6,383,819	65.68%
John C Lincoln - North Mtn	DY 2	9/30/2013	SFY 2014	1,628,730	1,069,750	558,980	65.68%
John C Lincoln - North Mtn	DY 2	4/21/2014	SFY 2014	5,805,751	3,813,217	1,992,534	65.68%
John C Lincoln - North Mtn	DY 3	12/20/2013	SFY 2014	10,795,008	7,257,484	3,537,524	67.23%
La Paz Regional Hospital	DY 3	12/26/2013	SFY 2014	988,174	664,350	323,825	67.23%
Maricopa Integrate Health Systems	DY 3	12/20/2013	SFY 2014	26,917,800	18,096,837	8,820,963	67.23%
Maryvale Hospital	DY 2	7/12/2013	SFY 2014	2,075,073	1,362,908	712,165	65.68%
Maryvale Hospital	DY 2	9/30/2013	SFY 2014	355,900	233,755	122,145	65.68%
Maryvale Hospital	DY 2	4/21/2014	SFY 2014	1,268,637	833,241	435,396	65.68%
Maryvale Hospital	DY 3	12/20/2013	SFY 2014	2,358,858	1,585,860	772,998	67.23%
Northern Cochise Hospital	DY 3	12/26/2013	SFY 2014	105,644	71,025	34,620	67.23%
Paradise Valley Hospital	DY 2	7/12/2013	SFY 2014	3,002,731	1,972,194	1,030,537	65.68%
Paradise Valley Hospital	DY 2	9/30/2013	SFY 2014	373,596	245,378	128,218	65.68%
Paradise Valley Hospital	DY 2	4/21/2014	SFY 2014	1,331,717	874,671	457,045	65.68%
Paradise Valley Hospital	DY 3	12/20/2013	SFY 2014	2,476,146	1,664,713	811,433	67.23%
Phoenix Baptist Hospital	DY 2	7/12/2013	SFY 2014	4,240,077	2,784,883	1,455,194	65.68%
Phoenix Baptist Hospital	DY 2	9/30/2013	SFY 2014	454,048	298,219	155,829	65.68%
Phoenix Baptist Hospital	DY 2	4/21/2014	SFY 2014	1,618,494	1,063,027	555,467	65.68%

ARIZONA HEALTH CARE COST COST CONTAINMENT SYSTEM
SAFETY NET CARE POOL ACTUAL PAYMENTS
BY STATE FISCAL YEAR

Hospital	Waiver Demonstration Year	Date Paid	State Fiscal Year	Total Fund	Federal Funds	Political Subdivision Match	FMAP
Phoenix Baptist Hospital	DY 3	12/20/2013	SFY 2014	3,009,371	2,023,200	986,171	67.23%
Phoenix Children's Hospital	DY 2	7/12/2013	SFY 2014	28,059,531	18,429,500	9,630,031	65.68%
Phoenix Children's Hospital	DY 2	9/30/2013	SFY 2014	3,535,387	2,322,042	1,213,345	65.68%
Phoenix Children's Hospital	DY 2	4/21/2014	SFY 2014	12,602,199	8,277,124	4,325,075	65.68%
Phoenix Children's Hospital	DY 3	12/20/2013	SFY 2014	23,432,082	15,753,388	7,678,693	67.23%
St. Joseph's Hospital	DY 2	7/12/2013	SFY 2014	24,505,831	16,095,430	8,410,401	65.68%
St. Joseph's Hospital	DY 2	9/30/2013	SFY 2014	3,105,952	2,039,989	1,065,963	65.68%
St. Joseph's Hospital	DY 2	4/21/2014	SFY 2014	11,071,439	7,271,721	3,799,718	65.68%
St. Joseph's Hospital	DY 3	12/20/2013	SFY 2014	20,585,841	13,839,861	6,745,980	67.23%
St. Luke Hospital	DY 2	7/12/2013	SFY 2014	2,607,641	1,712,699	894,942	65.68%
St. Luke Hospital	DY 2	9/30/2013	SFY 2014	269,117	176,756	92,361	65.68%
St. Luke Hospital	DY 2	4/21/2014	SFY 2014	959,290	630,062	329,228	65.68%
St. Luke Hospital	DY 3	12/20/2013	SFY 2014	1,783,669	1,199,161	584,508	67.23%
UAMC-South Campus	DY 2	10/11/2013	SFY 2014	30,374,844	19,950,198	10,424,647	65.68%
UAMC-South Campus	DY 3	6/30/2014	SFY 2014	6,117,196	4,112,591	2,004,605	67.23%
UAMC-University Campus	DY 2	10/11/2013	SFY 2014	40,068,497	26,316,989	13,751,508	65.68%
UAMC-University Campus	DY 3	6/30/2014	SFY 2014	9,832,049	6,610,087	3,221,963	67.23%
University Medical Center	DY 3	6/30/2014	SFY 2014	3,815,493	2,565,156	1,250,337	67.23%
Phoenix Children's Hospital	DY 3	8/13/2014	SFY 2014	11,586,079	7,789,321	3,796,758	67.23%
SFY 2014 Subtotal				402,208,274	266,554,773	135,653,500	
Little Colorado Medical Center	DY 2	9/29/2014	SFY 2015	644,825	423,521	221,304	65.68%
Phoenix Children's Hospital	DY 1	9/29/2014	SFY 2015	9,484,103	6,382,801	3,101,302	67.30%
Phoenix Children's Hospital	DY 3	12/30/2014	SFY 2015	49,206,591	33,081,591	16,125,000	67.23%
Phoenix Children's Hospital	DY 3	12/30/2014	SFY 2015	37,307,710	25,081,973	12,225,736	67.23%
Phoenix Children's Hospital	DY 4	12/30/2014	SFY 2015	17,041,852	11,666,852	5,375,000	68.46%
Phoenix Children's Hospital	DY 4	12/30/2014	SFY 2015	13,341,264	9,133,429	4,207,835	68.46%
Phoenix Children's Hospital	DY 4	6/29/2015	SFY 2015	48,108,101	32,934,806	15,173,295	68.46%
SFY 2015 Subtotal				175,134,445	118,704,974	56,429,472	
University Medical Center	DY 2	9/4/2015	SFY 2016	(14,698,940)	(14,698,940)	-	
Phoenix Children's Hospital	DY 4	1/8/2016	SFY 2016	40,580,396	27,781,339	12,799,057	68.46%
Phoenix Children's Hospital	DY 5	1/8/2016	SFY 2016	22,924,710	15,799,710	7,125,000	68.92%
Phoenix Children's Hospital	DY 5	4/1/2016	SFY 2016	17,696,268	12,196,268	5,500,000	68.92%
Phoenix Children's Hospital	DY 5	4/1/2016	SFY 2016	7,306,728	5,035,797	2,270,931	68.92%
Phoenix Children's Hospital	DY 2	4/1/2016	SFY 2016	(6,616,932)	(4,346,001)	(2,270,931)	65.68%
Phoenix Children's Hospital	DY 5	6/10/2016	SFY 2016	8,840,940	6,093,176	2,747,764	68.92%
Phoenix Children's Hospital	DY 5	6/10/2016	SFY 2016	42,551,480	29,326,480	13,225,000	68.92%
				118,584,650	77,187,829	41,396,821	
GRAND TOTAL				1,281,388,051	851,306,015	430,082,037	

*Note: The FY14 total above does not tie to the final AFIS amount due to $12,283,319 in Federal funding associated with a limited time waiver that allowed for federal match against the Trauma and Emergency Services fund, which was paid against the SNCP appropriation.

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 3-3013 SLI Safety Net Care Pool (SNCP)

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	118,584.6	137,000.0	(62,000.0)	75,000.0
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Expenditure Categories Total:	118,584.6	137,000.0	(62,000.0)	75,000.0

Fund Source				
Non-Appropriated Funds				
2120-N AHCCCS Fund (Non-Appropriated)	77,187.8	94,858.8	(42,988.8)	51,870.0
2500-N IGA and ISA Fund (Non-Appropriated)	41,396.8	42,141.2	(19,011.2)	23,130.0
	118,584.6	137,000.0	(62,000.0)	75,000.0
Fund Source Total:	118,584.6	137,000.0	(62,000.0)	75,000.0

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3013 SLI Safety Net Care Pool (SNCP)

Fund: 2120-N AHCCCS Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	77,187.8	94,858.8	(42,988.8)	51,870.0
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Non-Appropriated Total:	77,187.8	94,858.8	(42,988.8)	51,870.0
	Fund Total:	77,187.8	94,858.8	(42,988.8)	51,870.0
	Program Total For Selected Funds:	77,187.8	94,858.8	(42,988.8)	51,870.0

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3013 SLI Safety Net Care Pool (SNCP)

Fund: 2500-N IGA and ISA Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	41,396.8	42,141.2	(19,011.2)	23,130.0
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Non-Appropriated Total:	41,396.8	42,141.2	(19,011.2)	23,130.0
	Fund Total:	41,396.8	42,141.2	(19,011.2)	23,130.0
	Program Total For Selected Funds:	41,396.8	42,141.2	(19,011.2)	23,130.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3013 SLI Safety Net Care Pool (SNCP)

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	0.0	0.0
Boards and Commissions	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	0.0	0.0
Attorney General Legal Services	0.0	0.0
External Legal Services	0.0	0.0
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	0.0	0.0
Hospital Services	0.0	0.0
Other Medical Services	0.0	0.0
Institutional Care	0.0	0.0
Education And Training	0.0	0.0
Vendor Travel	0.0	0.0
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0
Other Professional And Outside Services	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3013 SLI Safety Net Care Pool (SNCP)

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	118,584.6	137,000.0
Expenditure Category Total	118,584.6	137,000.0
Fund Source		
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	77,187.8	94,858.8
2500-N IGA and ISA Fund (Non-Appropriated)	41,396.8	42,141.2
	118,584.6	137,000.0
Fund Source Total	118,584.6	137,000.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	0.0	0.0
Information Technology Services	0.0	0.0
Utilities	0.0	0.0
Non-Building or Land Rent	0.0	0.0
Building Rent Charges to State Agencies	0.0	0.0
COP Building Rent Charges to State Agencies	0.0	0.0
Rental of Land & Buildings	0.0	0.0
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	0.0	0.0
Repair & Maintenance	0.0	0.0
Software Support and Maintenance	0.0	0.0
Operating Supplies	0.0	0.0
Resale Supplies	0.0	0.0
Sales of Assets	0.0	0.0
Conference, Education & Training	0.0	0.0
Advertising	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3013 SLI Safety Net Care Pool (SNCP)

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Printing & Photography	0.0	0.0
Postage & Delivery	0.0	0.0
Miscellaneous Operating	0.0	0.0
Depreciation Expense	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	0.0	0.0
Vehicles - Non-Capital	0.0	0.0
Furniture - Non-Capital	0.0	0.0
EDP Equipment - Mainframe - Non-Capital	0.0	0.0
Telecommunication Equipment - Non Capital	0.0	0.0
Other Equipment - Non-Capital	0.0	0.0
Purchased Or Licensed Software/Website	0.0	0.0
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0
Expenditure Category Total	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3013 SLI Safety Net Care Pool (SNCP)

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	0.0	0.0
Expenditure Category Total	0.0	0.0

All dollars are presented in thousands (not FTE).

DELIVERY SYSTEM REFORM INCENTIVE PAYMENT (DSRIP)

PROGRAM DESCRIPTION/BACKGROUND:

Overview

AHCCCS is engaged in a number of initiatives to modernize and transform the health care delivery system in Arizona. Together, these projects are critical components of the agency's strategy to reach the following goals:

- Bending the cost curve while improving member's health outcomes.
- Pursuing continuous quality improvement.
- Reducing fragmentation in health care delivery to develop an integrated system of healthcare.
- Maintaining core organizational capacity, infrastructure, and workforce.

In July 2016, AHCCCS submitted a Delivery System Reform Incentive Payment (DSRIP) application to the Centers for Medicare and Medicaid Services (CMS) to request funding for focused, time-limited projects aimed at building necessary infrastructure to improve multi-agency, multi-provider care delivery for the following populations[1 2 3]:

- Children with behavioral health needs, including children with or at risk for Autism Spectrum Disorder (ASD), and children engaged in the child welfare system.
- Adults with behavioral health needs.
- Individuals transitioning from incarceration who are AHCCCS-eligible.

These projects will improve care coordination and case management for AHCCCS members by providing infrastructure investments and incentives for providers to collaborate in the development of shared clinical and administrative protocols. They will enable patient care management across provider systems and networks, specifically integrating and linking the provision of physical health and behavioral health services.

[1] AHCCCCS Delivery System Reform Incentive Payment (DSRIP) Portal: https://www.azahcccs.gov/AHCCCS/Initiatives/DSRIP/
[2] AHCCCS Delivery System Transformation Concept Paper (July 2016), https://www.azahcccs.gov/AHCCCS/Downloads/Initiatives/DSRIP/DSRIPConceptPaperFinal071516.pdf
[3] There is a separate non-DSRIP component of these efforts targeting American Indian Health Plan members that will be funded entirely with federal monies.

Examples

One integration project is to facilitate the integration of primary care and community behavioral health services at a primary care site. This project would require providers to i) utilize a commonly accepted behavioral health integration practice self-assessment instrument; (ii) conduct a root cause analysis to determine why certain practice patients are frequent ED and/or inpatient service utilizers and identifying the barriers to reducing the frequency of ED and inpatient use, including those that may be practice-based; and (iii) enhance EHR capabilities between physical health providers and behavioral health providers to support coordination, foster efficient clinical practice and reduce administrative duplication.

Another project example is to improve the care for children engaged in the child welfare system. This project would require, for treatment at a primary care site, i) ensuring that all practice pediatricians, family physicians, advanced-practice clinicians, and case managers who treat children engaged in the child welfare system complete a training program in Trauma-informed Care and in Child and Family Team Practice that offers continuing education credits, unless having done so in the past three years; (ii) developing and implementing policies that allow for patients, in particular teens, to participate in shared decision making using the skills and techniques developed through Trauma-Informed Care training; and (iii) completing a comprehensive after-visit summary that is shared with the foster parents/guardians and the child welfare case worker, which can assist in guiding the foster parents/guardians and case worker in following-up on referrals and recommendations. If the treatment is provided at a community behavioral health site, the providers must (i) conduct a comprehensive behavioral health assessment within the timeframe established by AHCCCS for patients referred by the RBHA, a primary care provider, or when a case worker, patient or a patient's parent/guardian requests an appointment, and (ii) actively outreach to any known past and current medical and behavioral health providers to obtain and share records for the purposes of better care management.

These reforms require providers to make fundamental changes in practice and operational patterns, make investments in infrastructure to support data analytics and sharing and build partnerships with other providers including social services providers.

Other states that have implemented DSRIP include California, Kansas, Massachusetts, New Jersey, New Mexico, New York, Oregon, and Texas.

Funding

CMS will provide federal Medicaid Title XIX funds to support Delivery System Reform Incentive Payments (DSRIP) and state matching funds will be provided by Intergovernmental Transfers (IGTs) and Designated State Health Programs (DSHPs).

IGTs are transfers of public funds from counties or universities that are used to leverage federal Medicaid matching funds. DSHPs are a financing mechanism allowed by CMS for select waiver initiatives, including DSRIP, wherein Arizona identifies state-only spending on qualifying health care programs, claims a certified public expenditure (CPE), and receives federal funds based on total computable expenditures. There are no changes required to the state-only expenditures and utilizing those programs as a DSHP source does not affect the level of spending for those programs. Both funding from IGTs and DSHPs are deposited into the DSRIP Fund, which was created in FY 2017 and continuously appropriated for this purpose.[4]

Table A below identifies estimated annual DSRIP Fund expenditures from these state match fund sources.

Table A. DSRIP State Match Fund Sources – SFY 2018 Estimate

SFY 2018 DSHP Program	Total Computable	CPE Federal Share	Source
Smoking Cessation	16,900,000	11,738,300	Tobacco Tax
Prevention Services	19,600,000	13,613,700	Tobacco Tax
Trauma Services	25,000,000	17,364,400	Tribal Gaming
DD/HCBS Funding	16,100,000	11,182,700	General Fund
Individuals with SMI	50,000,000	34,728,700	General & County Funds
	$127,600,000	$88,627,800	
IGT Funding		$13,988,900	
Total Available State Match		$102,616,700	

Expenditures from the DSRIP Fund are matched with additional federal Medicaid dollars to support DSRIP payments to providers (see Table B below). AHCCCS has requested CMS approval of a five year plan for time-limited, one-time strategic investments for each of the focus areas identified above. The expenditures are eligible to receive the regular FMAP and will be separately tracked by AHCCCS and reported to CMS. These additional funding

[4] Laws 2016, Chapter 122 (HB2704)

amounts do not have a State General Fund impact, do not affect existing payments for services, and will not become a part of ongoing programmatic expenditures.

The payments approved by CMS for FFY 2017 through FFY 2021 will occur in SFY 2017 through SFY 2022 (see Table C below).

Table B. DSRIP Payments to Providers – Federal Fiscal Year

Programs	FFY 2017 DY 1	FFY 2018 DY 2	FFY 2019 DY 3	FFY 2020 DY 4	FFY 2021 DY 5	Totals
Transitioning from Incarceration	22,000,000	22,000,000	22,000,000	18,000,000	16,000,000	100,000,000
Adult BH Integration	156,990,000	156,990,000	156,990,000	116,000,000	92,000,000	678,970,000
Pediatric BH Integration	156,990,000	156,990,000	156,990,000	116,000,000	92,000,000	678,970,000
	$335,980,000	$335,980,000	$335,980,000	$250,000,000	$200,000,000	$1,457,940,000
FMAP	69.24%	69.53%	69.53%	69.53%	69.53%	
Fund Sources						
DSRIP DSHP	88,350,200	88,720,300	88,720,300	76,175,000	60,940,000	402,905,800
DSRIP IGT	14,997,200	13,652,800	13,652,800	-	-	42,302,800
State Match	$103,347,400	$102,373,100	$102,373,100	$76,175,000	$60,940,000	$445,208,600
Federal Funds	$232,632,600	$233,606,900	$233,606,900	$173,825,000	$139,060,000	$1,012,731,400
Total	$335,980,000	$335,980,000	$335,980,000	$250,000,000	$200,000,000	$1,457,940,000

Note: AHCCCS projects the FMAP will increase from 69.24% in FFY 2017 to 69.53% in FFY 2018 based on the estimate in Federal Funds Information for States (FFIS) Issue Brief 16-14 (March 25, 2016). Future year FMAPs are also shown as 69.53% for illustrative purposes.

Table C. DSRIP Payments to Providers – State Fiscal Year

Fund Sources	SFY 2017	SFY 2018	SFY 2019	SFY 2020	SFY 2021	SFY 2022	Total
DSRIP DSHP	66,262,600	88,627,800	88,720,300	79,311,300	64,748,700	15,235,100	402,905,800
DSRIP IGT	11,247,900	13,988,900	13,652,800	3,413,200	-	-	42,302,800
State Match	$77,510,500	$102,616,700	$102,373,100	$82,724,500	$64,748,700	$15,235,100	$445,208,600
Federal Funds	$174,474,500	$233,363,300	$233,606,900	$188,770,500	$147,751,300	$34,764,900	$1,012,731,400
Total	$251,985,000	$335,980,000	$335,980,000	$271,495,000	$212,500,000	$50,000,000	$1,457,940,000
	69.24%	69.46%	69.53%	69.53%	69.53%	69.53%	

Statutory Reference:

Laws 2016, Chapter 122 (HB2704)

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
STATE FISCAL YEAR 2018 BUDGET
DELIVERY SYSTEM REFORM INCENTIVE PAYMENTS

	FY2016 Actual	FY2017 Approp	FY2017 Estimate	FY2018 Request	FY2018 Increase/ (Decrease)
DSHP	-	-	66,262,600	88,627,700	88,627,700
IGT Political Subdivision	-	-	11,455,600	14,263,800	14,263,800
Federal Funds	-	-	$174,941,800	$233,988,500	233,988,500
Total Funds	-	-	252,660,000	336,880,000	248,252,300
Effective FMAP			69.24%	69.46%	

Notes:
1. DSRIP Fund is non-appropriated and includes federal funds deposited as CPEs for DSHP and IGT funds.
2. Proposal is based on July 2016 submission to CMS to be effective October 1, 2016.

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 3-3015 Delivery System Reform Incentive Payments

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	335,980.0	335,980.0
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Expenditure Categories Total:	0.0	0.0	335,980.0	335,980.0
Fund Source					
Non-Appropriated Funds					
2120-N	AHCCCS Fund (Non-Appropriated)	0.0	0.0	233,363.3	233,363.3
2130-N	Delivery System Reform Incentive Payment Fund(	0.0	0.0	102,616.7	102,616.7
		0.0	0.0	335,980.0	335,980.0
	Fund Source Total:	0.0	0.0	335,980.0	335,980.0

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3015 Delivery System Reform Incentive Payments

Fund: 2120-N AHCCCS Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	233,363.3	233,363.3
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Non-Appropriated Total:	0.0	0.0	233,363.3	233,363.3
	Fund Total:	0.0	0.0	233,363.3	233,363.3
	Program Total For Selected Funds:	0.0	0.0	233,363.3	233,363.3

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3015 Delivery System Reform Incentive Payments

Fund: 2130-N Delivery System Reform Incentive Payment Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Non-Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	102,616.7	102,616.7
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Non-Appropriated Total:		0.0	0.0	102,616.7	102,616.7
Fund Total:		0.0	0.0	102,616.7	102,616.7
Program Total For Selected Funds:		0.0	0.0	102,616.7	102,616.7

All dollars are presented in thousands (not FTE).

ACUTE CARE PASS-THROUGHS

TRADITIONAL AND NEWLY ELIGIBLE ADULTS

The Traditional Acute Care and Newly Eligible Adults pass-through cost center includes a variety of programs that flow through the AHCCCS financial system, but are not part of the AHCCCS appropriated budget.

TRAUMA CENTERS – PASS-THROUGH

The Trauma and Emergency Services Fund was established pursuant to A.R.S. § 36-2903.07. Monies are received from the Arizona Benefits Fund consisting of tribal gaming revenues paid to the State as a result of Proposition 202. The Trauma and Emergency Services fund receives 28% of the remaining funds after portions are taken out for the Department of Gaming administrative and regulatory expenses and problem gambling. AHCCCS receives the funds and they are then passed through to hospitals to be used to reimburse Arizona hospitals for un-recovered trauma center readiness costs and un-recovered emergency services costs. The projected amounts for FY 2017 and FY 2018 are based on the FY 2016 actuals.

DEPARTMENT OF CORRECTIONS/COUNTIES – PASS-THROUGH

Through intergovernmental agreements, AHCCCS processes claims for Title XIX and non-Title XIX Arizona Department of Corrections Inmates, and Arizona County Inmates. The state dollars are received by AHCCCS through the IGA/ISA fund (2500) and are paid directly to providers. This arrangement is in support of the Governor's Efficiency Review initiative. AHCCCS estimates expenditures for these programs based on past trend and input from Department of Corrections.

OTHER ACUTE CARE PASS-THROUGHS

Other Acute care pass-through items include:

1) The transfer of Medically Needy Account monies to DHS. No change anticipated.
2) The distribution of Third Party recoveries to the Federal government, health plans, the Third Party Liability contractor, and other fees. The amounts for FY 2016 and FY 2017 were developed by the AHCCCS TPL unit. No change anticipated.
3) The transfer of funds to DHS for the ASIIS Immunization Registry. AHCCCS estimates that the FY 2016 level will remain constant in FY 2017.
4) The transfer of ARRA Health Information Technology grants to eligible hospitals and providers. No change anticipated.

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
FY2015-FY2017
PROGRAMMATIC PASS-THROUGH LINES

ACUTE - 3010		FY16 Actual	FY17 Approp/Est	FY18 Request	FY18 DP
Behavioral Health	2500	349,349,831	-	-	-
	1306	44,002,300	-	-	-
	1303	3,352,200	-	-	-
	2999	-	-	-	-
	2120	823,830,808	-	-	-
	TF	1,220,535,139	-	-	-
Behavioral Health BFFS	2500	69,116,582	-	-	-
DOC/Counties/JDOC	2500	6,696,833	7,220,400	7,220,400	-
Trauma Centers	2494	23,027,421	23,027,421	23,027,421	-
MNA Transfers Out	1306	700,000	700,000	700,000	-
DHS ASIIS	2000	85,046	85,046	85,046	-
Tobacco Cessation	2120	-	450,000	450,000	-
Tobacco Cessation	2500	-	-	-	-
HIT EHR Incentive Payments	2120	20,751,019	55,790,100	55,790,100	-
Acute TPL	3791	628,533	711,000	711,000	-
Total Acute - 3010					
	2500	425,163,246	7,220,400	7,220,400	-
	1306	44,702,300	700,000	700,000	-
	1303	3,352,200	-	-	-
	2494	23,027,421	23,027,421	23,027,421	-
	3791	628,533	711,000	711,000	-
	2000	85,046	85,046	85,046	-
	2120	844,581,827	56,240,100	56,240,100	-
	TF	1,341,540,573	87,983,967	87,983,967	-

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 3-3010 Programmatic Pass Through Funding

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	1,433.7	1,647.1	0.0	1,647.1
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	1,285,333.6	77,727.9	0.0	77,727.9
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	54,773.3	8,608.9	0.0	8,608.9
	Expenditure Categories Total:	1,341,540.6	87,983.9	0.0	87,983.9
Fund Source					
Non-Appropriated Funds					
1303-N	Proposition 204 Protection Account (TPTF) (Non-A	3,352.2	0.0	0.0	0.0
1306-N	Tobacco Tax and Health Care Fund MNA (Non-App	44,702.3	700.0	0.0	700.0
2000-N	Federal Grant (Non-Appropriated)	85.1	85.0	0.0	85.0
2120-N	AHCCCS Fund (Non-Appropriated)	844,581.8	55,790.1	0.0	55,790.1
2494-N	Prop 202 - Trauma and Emergency Services (Non-	23,027.4	23,027.4	0.0	23,027.4
2500-N	IGA and ISA Fund (Non-Appropriated)	425,163.2	7,670.4	0.0	7,670.4
3791-N	AHCCCS - 3rd Party Collection (Non-Appropriated)	628.6	711.0	0.0	711.0
		1,341,540.6	87,983.9	0.0	87,983.9
	Fund Source Total:	1,341,540.6	87,983.9	0.0	87,983.9

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3010 Programmatic Pass Through Funding

Fund: 1303-N Proposition 204 Protection Account (TPTF) Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	3,352.2	0.0	0.0	0.0
	Non-Appropriated Total:	3,352.2	0.0	0.0	0.0
	Fund Total:	3,352.2	0.0	0.0	0.0
	Program Total For Selected Funds:	3,352.2	0.0	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3010 Programmatic Pass Through Funding

Fund: 1306-N Tobacco Tax and Health Care Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	44,702.3	700.0	0.0	700.0
	Non-Appropriated Total:	44,702.3	700.0	0.0	700.0
Fund Total:		44,702.3	700.0	0.0	700.0
Program Total For Selected Funds:		44,702.3	700.0	0.0	700.0

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3010 Programmatic Pass Through Funding

Fund: 2000-N Federal Grant Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	85.1	85.0	0.0	85.0
	Non-Appropriated Total:	85.1	85.0	0.0	85.0
	Fund Total:	85.1	85.0	0.0	85.0
	Program Total For Selected Funds:	85.1	85.0	0.0	85.0

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3010 Programmatic Pass Through Funding

Fund: 2120-N AHCCCS Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	844,555.7	55,790.1	0.0	55,790.1
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	26.1	0.0	0.0	0.0
	Non-Appropriated Total:	844,581.8	55,790.1	0.0	55,790.1
	Fund Total:	844,581.8	55,790.1	0.0	55,790.1
	Program Total For Selected Funds:	844,581.8	55,790.1	0.0	55,790.1

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3010 Programmatic Pass Through Funding

Fund: 2494-N Trauma and Emergency Services Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	23,027.4	23,027.4	0.0	23,027.4
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Non-Appropriated Total:	23,027.4	23,027.4	0.0	23,027.4
	Fund Total:	23,027.4	23,027.4	0.0	23,027.4
	Program Total For Selected Funds:	23,027.4	23,027.4	0.0	23,027.4

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3010 Programmatic Pass Through Funding

Fund: 2500-N IGA and ISA Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	425,163.2	7,670.4	0.0	7,670.4
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Non-Appropriated Total:	425,163.2	7,670.4	0.0	7,670.4
Fund Total:		425,163.2	7,670.4	0.0	7,670.4
Program Total For Selected Funds:		425,163.2	7,670.4	0.0	7,670.4

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3010 Programmatic Pass Through Funding

Fund: 3791-N AHCCCS - 3rd Party Collection Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	1,433.7	1,647.1	0.0	1,647.1
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	(7,412.7)	(8,760.0)	0.0	(8,760.0)
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	6,607.6	7,823.9	0.0	7,823.9
	Non-Appropriated Total:	628.6	711.0	0.0	711.0
	Fund Total:	628.6	711.0	0.0	711.0
	Program Total For Selected Funds:	628.6	711.0	0.0	711.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3010 Programmatic Pass Through Funding

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	0.0	0.0
Boards and Commissions	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
Professional and Outside Services	0.0	0.0
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	1,433.7	1,647.1
Attorney General Legal Services	0.0	0.0
External Legal Services	0.0	0.0
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	0.0	0.0
Hospital Services	0.0	0.0
Other Medical Services	0.0	0.0
Institutional Care	0.0	0.0
Education And Training	0.0	0.0
Vendor Travel	0.0	0.0
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0
Other Professional And Outside Services	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3010 Programmatic Pass Through Funding

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
Expenditure Category Total	1,433.7	1,647.1
Fund Source		
Non-Appropriated		
3791-N AHCCCS - 3rd Party Collection (Non-Appropriated)	1,433.7	1,647.1
	1,433.7	1,647.1
Fund Source Total	1,433.7	1,647.1

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	1,285,333.6	77,727.9
Expenditure Category Total	1,285,333.6	77,727.9
Fund Source		
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	844,555.7	55,790.1
2494-N Prop 202 - Trauma and Emergency Services (Non-Appropria	23,027.4	23,027.4
2500-N IGA and ISA Fund (Non-Appropriated)	425,163.2	7,670.4
3791-N AHCCCS - 3rd Party Collection (Non-Appropriated)	(7,412.7)	(8,760.0)
	1,285,333.6	77,727.9
Fund Source Total	1,285,333.6	77,727.9

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	0.0	0.0
Information Technology Services	0.0	0.0
Utilities	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3010 Programmatic Pass Through Funding

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Non-Building or Land Rent	0.0	0.0
Building Rent Charges to State Agencies	0.0	0.0
COP Building Rent Charges to State Agencies	0.0	0.0
Rental of Land & Buildings	0.0	0.0
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	0.0	0.0
Repair & Maintenance	0.0	0.0
Software Support and Maintenance	0.0	0.0
Operating Supplies	0.0	0.0
Resale Supplies	0.0	0.0
Sales of Assets	0.0	0.0
Conference, Education & Training	0.0	0.0
Advertising	0.0	0.0
Printing & Photography	0.0	0.0
Postage & Delivery	0.0	0.0
Miscellaneous Operating	0.0	0.0
Depreciation Expense	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	0.0	0.0
Vehicles - Non-Capital	0.0	0.0
Furniture - Non-Capital	0.0	0.0
EDP Equipment - Mainframe - Non-Capital	0.0	0.0
Telecommunication Equipment - Non Capital	0.0	0.0
Other Equipment - Non-Capital	0.0	0.0
Purchased Or Licensed Software/Website	0.0	0.0
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 3-3010 Programmatic Pass Through Funding

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	54,773.3	8,608.9
Expenditure Category Total	54,773.3	8,608.9
Fund Source		
Non-Appropriated		
1303-N Proposition 204 Protection Account (TPTF) (Non-Appropriate	3,352.2	0.0
1306-N Tobacco Tax and Health Care Fund MNA (Non-Appropriated)	44,702.3	700.0
2000-N Federal Grant (Non-Appropriated)	85.1	85.0
2120-N AHCCCS Fund (Non-Appropriated)	26.1	0.0
3791-N AHCCCS - 3rd Party Collection (Non-Appropriated)	6,607.6	7,823.9
	54,773.3	8,608.9
Fund Source Total	54,773.3	8,608.9

All dollars are presented in thousands (not FTE).

Program Summary of Expenditures and Budget Request

Agency: HCA Arizona Health Care Cost Containment System
Program: 4 Proposition 204

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Summary					
4-4001	SLI AHCCCS Administration	11,199.9	6,807.0	5,953.6	12,760.6
4-4002	DES Administration	38,269.5	38,358.7	6,000.0	44,358.7
4-4003	SLI Behavioral Health Administration	0.0	5,832.0	(5,832.0)	0.0
4-4006	Programmatic Pass-Through Funding	589,048.4	1,279.6	0.0	1,279.6
4-4007	Proposition 204 - Capitation	2,063,523.5	2,227,103.4	140,082.9	2,367,186.3
4-4008	Proposition 204 - Reinsurance	16,537.6	46,676.3	(593.6)	46,082.7
4-4009	Proposition 204 - Fee-for-Service	347,928.3	430,062.1	2,045.1	432,107.2
4-4010	Proposition 204 - Medicare	45,967.3	73,846.3	7,493.2	81,339.5
	Program Summary Total:	3,112,474.5	2,829,965.4	155,149.2	2,985,114.6
Expenditure Categories					
0000	FTE Positions	0.0	0.0	1.4	1.4
6000	Personal Services	4,936.0	6,695.1	78.0	6,773.1
6100	Employee Related Expenses	1,932.0	2,642.8	30.0	2,672.8
6200	Professional and Outside Services	1,096.9	1,385.3	0.0	1,385.3
6500	Travel In-State	1.5	3.6	0.0	3.6
6600	Travel Out of State	4.9	6.5	0.0	6.5
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	3,063,006.1	2,778,967.7	149,027.6	2,927,995.3
7000	Other Operating Expenses	21,591.6	19,550.8	653.6	20,204.4
8000	Equipment	311.4	23.7	(633.4)	(609.7)
8100	Capital Outlay	0.0	0.0	(6.6)	(6.6)
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	19,594.1	20,689.9	6,000.0	26,689.9
	Expenditure Categories Total:	3,112,474.5	2,829,965.4	155,149.2	2,985,114.6
Fund Source					
Appropriated Funds					
1000-A	General Fund (Appropriated)	16,691.9	21,232.7	60.8	21,293.5
1310-A	Tobacco Products Tax Fund (Appropriated)	18,162.2	18,747.2	0.0	18,747.2
2478-A	Budget Neutrality Compliance Fund (Appropriated)	2,612.2	3,563.3	0.0	3,563.3
		37,466.3	43,543.2	60.8	43,604.0
Non-Appropriated Funds					
1303-N	Proposition 204 Protection Account (TPTF) (Non-A	38,140.7	37,521.0	(22,105.5)	15,415.5
2120-N	AHCCCS Fund (Non-Appropriated)	2,601,277.8	2,401,554.0	159,892.6	2,561,446.6

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All dollars are presented in thousands (not FTE).

Program Summary of Expenditures and Budget Request

Agency: HCA Arizona Health Care Cost Containment System
Program: 4 Proposition 204

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
2468-N	Arizona Tobacco Litigation Settlement Fund (Non-	98,906.9	100,000.0	(21,000.0)	79,000.0
2500-N	IGA and ISA Fund (Non-Appropriated)	112,485.2	1,279.6	0.0	1,279.6
2576-N	Hospital Assessment (Non-Appropriated)	224,197.6	246,067.6	38,301.3	284,368.9
3791-N	AHCCCS - 3rd Party Collection (Non-Appropriated)	0.0	0.0	0.0	0.0
		3,075,008.2	2,786,422.2	155,088.4	2,941,510.6
	Fund Source Total:	3,112,474.5	2,829,965.4	155,149.2	2,985,114.6

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 4 Proposition 204

Fund: 1000-A General Fund (Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
4-4001 SLI AHCCCS Administration	2,866.5	2,296.0	1,838.6	4,134.6
4-4002 DES Administration	14,147.1	17,158.9	0.0	17,158.9
4-4003 SLI Behavioral Health Administration	0.0	1,777.8	(1,777.8)	0.0
4-4007 Proposition 204 - Capitation	(321.7)	0.0	0.0	0.0
Total	16,691.9	21,232.7	60.8	21,293.5
Appropriated Funding				
Expenditure Categories				
FTE Positions	0.0	0.0	0.7	0.7
Personal Services	1,192.3	2,293.2	39.0	2,332.2
Employee Related Expenses	468.1	893.5	15.0	908.5
Professional and Outside Services	309.4	354.1	0.0	354.1
Travel In-State	0.7	1.5	0.0	1.5
Travel Out of State	2.2	2.3	0.0	2.3
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	(321.2)	0.0	0.0	0.0
Other Operating Expenses	6,739.4	7,792.4	4.3	7,796.7
Equipment	150.4	9.9	2.5	12.4
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	8,150.6	9,885.8	0.0	9,885.8
Expenditure Categories Total:	16,691.9	21,232.7	60.8	21,293.5
Fund 1000-A Total:	16,691.9	21,232.7	60.8	21,293.5
Program 4 Total:	16,691.9	21,232.7	60.8	21,293.5

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 4 Proposition 204

Fund: 1303-N Proposition 204 Protection Account (TPTF) (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
4-4007 Proposition 204 - Capitation	38,140.7	37,521.0	(22,105.5)	15,415.5
Total	38,140.7	37,521.0	(22,105.5)	15,415.5
Non-Appropriated Funding				
Expenditure Categories				
FTE Positions	0.0	0.0	0.0	0.0
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	38,140.7	37,521.0	(22,105.5)	15,415.5
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	38,140.7	37,521.0	(22,105.5)	15,415.5
Fund 1303-N Total:	38,140.7	37,521.0	(22,105.5)	15,415.5
Program 4 Total:	38,140.7	37,521.0	(22,105.5)	15,415.5

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 4 Proposition 204

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Fund: 1310-A Tobacco Products Tax Fund (Appropriated)				
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
4-4007 Proposition 204 - Capitation	18,162.2	18,747.2	0.0	18,747.2
Total	18,162.2	18,747.2	0.0	18,747.2
Appropriated Funding				
Expenditure Categories				
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	18,162.2	18,747.2	0.0	18,747.2
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	18,162.2	18,747.2	0.0	18,747.2
Fund 1310-A Total:	18,162.2	18,747.2	0.0	18,747.2
Program 4 Total:	18,162.2	18,747.2	0.0	18,747.2

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 4 Proposition 204

Fund: 2120-N AHCCCS Fund (Non-Appropriated)

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures					
COST CENTER/PROGRAM BUDGET UNIT					
4-4001	SLI AHCCCS Administration	8,333.4	4,511.0	4,115.0	8,626.0
4-4002	DES Administration	21,510.2	17,636.5	6,000.0	23,636.5
4-4003	SLI Behavioral Health Administration	0.0	4,054.2	(4,054.2)	0.0
4-4006	Programmatic Pass-Through Funding	476,563.2	0.0	0.0	0.0
4-4007	Proposition 204 - Capitation	1,690,350.7	1,883,312.7	144,125.8	2,027,438.5
4-4008	Proposition 204 - Reinsurance	15,895.3	40,115.2	440.6	40,555.8
4-4009	Proposition 204 - Fee-for-Service	344,259.8	400,779.4	3,912.2	404,691.6
4-4010	Proposition 204 - Medicare	44,365.2	51,145.0	5,353.2	56,498.2
	Total	2,601,277.8	2,401,554.0	159,892.6	2,561,446.6
Non-Appropriated Funding					
Expenditure Categories					
	FTE Positions	0.0	0.0	0.7	0.7
	Personal Services	3,743.7	4,401.9	39.0	4,440.9
	Employee Related Expenses	1,463.9	1,749.3	15.0	1,764.3
	Professional and Outside Services	787.5	1,031.2	0.0	1,031.2
	Travel In-State	0.8	2.1	0.0	2.1
	Travel Out of State	2.7	4.2	0.0	4.2
	Food (Library for Universities)	0.0	0.0	0.0	0.0
	Aid to Organizations and Individuals	2,571,434.7	2,375,352.3	153,831.8	2,529,184.1
	Other Operating Expenses	14,852.2	11,758.4	649.3	12,407.7
	Equipment	161.0	13.8	(635.9)	(622.1)
	Capital Outlay	0.0	0.0	(6.6)	(6.6)
	Debt Service	0.0	0.0	0.0	0.0
	Cost Allocation	0.0	0.0	0.0	0.0
	Transfers	8,831.3	7,240.8	6,000.0	13,240.8
Expenditure Categories Total:		2,601,277.8	2,401,554.0	159,892.6	2,561,446.6
Fund 2120-N Total:		2,601,277.8	2,401,554.0	159,892.6	2,561,446.6
Program 4 Total:		2,601,277.8	2,401,554.0	159,892.6	2,561,446.6

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 4 Proposition 204

Fund: 2468-N Arizona Tobacco Litigation Settlement Fund (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
4-4007 Proposition 204 - Capitation	98,906.9	100,000.0	(21,000.0)	79,000.0
Total	98,906.9	100,000.0	(21,000.0)	79,000.0
Non-Appropriated Funding				
Expenditure Categories				
FTE Positions	0.0	0.0	0.0	0.0
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	98,906.9	100,000.0	(21,000.0)	79,000.0
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	98,906.9	100,000.0	(21,000.0)	79,000.0
Fund 2468-N Total:	98,906.9	100,000.0	(21,000.0)	79,000.0
Program 4 Total:	98,906.9	100,000.0	(21,000.0)	79,000.0

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 4 Proposition 204

Fund: 2478-A Budget Neutrality Compliance Fund (Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
4-4002 DES Administration	2,612.2	3,563.3	0.0	3,563.3
Total	2,612.2	3,563.3	0.0	3,563.3
Appropriated Funding				
Expenditure Categories				
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	2,612.2	3,563.3	0.0	3,563.3
Expenditure Categories Total:	2,612.2	3,563.3	0.0	3,563.3
Fund 2478-A Total:	2,612.2	3,563.3	0.0	3,563.3
Program 4 Total:	2,612.2	3,563.3	0.0	3,563.3

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 4 Proposition 204

Fund: 2500-N IGA and ISA Fund (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
4-4006 Programmatic Pass-Through Funding	112,485.2	1,279.6	0.0	1,279.6
Total	112,485.2	1,279.6	0.0	1,279.6
Non-Appropriated Funding				
Expenditure Categories				
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	112,485.2	1,279.6	0.0	1,279.6
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	112,485.2	1,279.6	0.0	1,279.6
Fund 2500-N Total:	112,485.2	1,279.6	0.0	1,279.6
Program 4 Total:	112,485.2	1,279.6	0.0	1,279.6

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 4 Proposition 204

Fund: 2576-N Hospital Assessment (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
4-4007 Proposition 204 - Capitation	218,284.7	187,522.5	39,062.6	226,585.1
4-4008 Proposition 204 - Reinsurance	642.3	6,561.1	(1,034.2)	5,526.9
4-4009 Proposition 204 - Fee-for-Service	3,668.5	29,282.7	(1,867.1)	27,415.6
4-4010 Proposition 204 - Medicare	1,602.1	22,701.3	2,140.0	24,841.3
Total	224,197.6	246,067.6	38,301.3	284,368.9
Non-Appropriated Funding				
Expenditure Categories				
FTE Positions	0.0	0.0	0.0	0.0
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	224,197.6	246,067.6	38,301.3	284,368.9
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	224,197.6	246,067.6	38,301.3	284,368.9
Fund 2576-N Total:	224,197.6	246,067.6	38,301.3	284,368.9
Program 4 Total:	224,197.6	246,067.6	38,301.3	284,368.9

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 4 Proposition 204

Fund: 3791-N AHCCCS - 3rd Party Collection (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
4-4006 Programmatic Pass-Through Funding	0.0	0.0	0.0	0.0
Total	0.0	0.0	0.0	0.0
Non-Appropriated Funding				
Expenditure Categories				
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	0.0	0.0	0.0	0.0
Fund 3791-N Total:	0.0	0.0	0.0	0.0
Program 4 Total:	0.0	0.0	0.0	0.0

All dollars are presented in thousands (not FTE).

PROP 204 AHCCCS ADMINISTRATION

BUDGET JUSTIFICATION

Proposition 204 expanded AHCCCS coverage up to 100% FPL. This Special Line Item contains funding for AHCCCS administration costs of the Proposition 204 program.

The FY 2017 appropriation is $6,807,000 ($2,296,000 General Fund).

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 4-4001 SLI AHCCCS Administration

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	128.1	128.1	1.4	129.5
6000	Personal Services	4,936.0	3,610.8	3,162.3	6,773.1
6100	Employee Related Expenses	1,932.0	1,424.9	1,247.9	2,672.8
6200	Professional and Outside Services	1,096.9	742.7	642.6	1,385.3
6500	Travel In-State	1.5	1.9	1.7	3.6
6600	Travel Out of State	4.9	3.5	3.0	6.5
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	1.0	0.0	0.0	0.0
7000	Other Operating Expenses	2,916.2	1,010.4	880.2	1,890.6
8000	Equipment	311.4	12.8	15.9	28.7
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Expenditure Categories Total:	11,199.9	6,807.0	5,953.6	12,760.6
Fund Source					
Appropriated Funds					
1000-A	General Fund (Appropriated)	2,866.5	2,296.0	1,838.6	4,134.6
		2,866.5	2,296.0	1,838.6	4,134.6
Non-Appropriated Funds					
2120-N	AHCCCS Fund (Non-Appropriated)	8,333.4	4,511.0	4,115.0	8,626.0
		8,333.4	4,511.0	4,115.0	8,626.0
	Fund Source Total:	11,199.9	6,807.0	5,953.6	12,760.6

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4001 SLI AHCCCS Administration

Fund: 1000-A General Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Appropriated					
0000	FTE	54.7	54.7	0.7	55.4
6000	Personal Services	1,192.3	1,292.4	1,039.8	2,332.2
6100	Employee Related Expenses	468.1	503.6	404.9	908.5
6200	Professional and Outside Services	309.4	199.6	154.5	354.1
6500	Travel In-State	0.7	0.8	0.7	1.5
6600	Travel Out of State	2.2	1.3	1.0	2.3
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.5	0.0	0.0	0.0
7000	Other Operating Expenses	742.9	292.7	230.9	523.6
8000	Equipment	150.4	5.6	6.8	12.4
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Appropriated Total:	2,866.5	2,296.0	1,838.6	4,134.6
Fund Total:		2,866.5	2,296.0	1,838.6	4,134.6
Program Total For Selected Funds:		2,866.5	2,296.0	1,838.6	4,134.6

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4001 SLI AHCCCS Administration

Fund: 2120-N AHCCCS Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Non-Appropriated					
0000	FTE	73.4	73.4	0.7	74.1
6000	Personal Services	3,743.7	2,318.4	2,122.5	4,440.9
6100	Employee Related Expenses	1,463.9	921.3	843.0	1,764.3
6200	Professional and Outside Services	787.5	543.1	488.1	1,031.2
6500	Travel In-State	0.8	1.1	1.0	2.1
6600	Travel Out of State	2.7	2.2	2.0	4.2
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.5	0.0	0.0	0.0
7000	Other Operating Expenses	2,173.3	717.7	649.3	1,367.0
8000	Equipment	161.0	7.2	9.1	16.3
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Non-Appropriated Total:	8,333.4	4,511.0	4,115.0	8,626.0
Fund Total:		8,333.4	4,511.0	4,115.0	8,626.0
Program Total For Selected Funds:		8,333.4	4,511.0	4,115.0	8,626.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4001 SLI AHCCCS Administration

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	128.0	128.0
Expenditure Category Total	**128.0**	**128.0**
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	54.7	54.7
	54.7	**54.7**
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	73.4	73.4
	73.4	**73.4**
Fund Source Total	**128.1**	**128.1**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	4,936.0	3,610.8
Boards and Commissions	0.0	0.0
Expenditure Category Total	**4,936.0**	**3,610.8**
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	1,192.3	1,292.4
	1,192.3	**1,292.4**
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	3,743.7	2,318.4
	3,743.7	**2,318.4**
Fund Source Total	**4,936.0**	**3,610.8**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	1,932.0	1,424.9
Expenditure Category Total	**1,932.0**	**1,424.9**
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	468.1	503.6
	468.1	**503.6**
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	1,463.9	921.3
	1,463.9	**921.3**
Fund Source Total	**1,932.0**	**1,424.9**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	115.5	78.2
Attorney General Legal Services	0.0	0.0
External Legal Services	99.4	67.3

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4001 SLI AHCCCS Administration

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	98.8	66.9
Hospital Services	0.0	0.0
Other Medical Services	146.3	99.1
Institutional Care	0.0	0.0
Education And Training	41.9	28.3
Vendor Travel	0.3	0.2
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0
Other Professional And Outside Services	594.7	402.7
Expenditure Category Total	**1,096.9**	**742.7**
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	309.4	199.6
	309.4	**199.6**
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	787.5	543.1
	787.5	**543.1**
Fund Source Total	**1,096.9**	**742.7**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	1.5	1.9
Expenditure Category Total	**1.5**	**1.9**
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	0.7	0.8
	0.7	**0.8**
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	0.8	1.1
	0.8	**1.1**
Fund Source Total	**1.5**	**1.9**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	4.9	3.5

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4001 SLI AHCCCS Administration

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Expenditure Category Total	4.9	3.5
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	2.2	1.3
	2.2	1.3
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	2.7	2.2
	2.7	2.2
Fund Source Total	4.9	3.5

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	1.0	0.0
Expenditure Category Total	1.0	0.0
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	0.5	0.0
	0.5	0.0
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	0.5	0.0
	0.5	0.0
Fund Source Total	1.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	17.4	6.1
Information Technology Services	1,934.3	670.1
Utilities	60.0	20.8
Non-Building or Land Rent	12.8	4.4
Building Rent Charges to State Agencies	0.0	0.0
COP Building Rent Charges to State Agencies	9.1	3.2
Rental of Land & Buildings	10.6	3.6
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	0.0	0.0
Repair & Maintenance	601.1	208.3
Software Support and Maintenance	0.0	0.0
Operating Supplies	40.8	14.1
Resale Supplies	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4001 SLI AHCCCS Administration

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Sales of Assets	0.0	0.0
Conference, Education & Training	9.2	3.2
Advertising	0.2	0.1
Printing & Photography	87.8	30.4
Postage & Delivery	99.0	34.3
Miscellaneous Operating	33.9	11.8
Depreciation Expense	0.0	0.0
Expenditure Category Total	**2,916.2**	**1,010.4**
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	742.9	292.7
	742.9	**292.7**
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	2,173.3	717.7
	2,173.3	**717.7**
Fund Source Total	**2,916.2**	**1,010.4**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	39.4	9.9
Vehicles - Non-Capital	0.0	0.0
Furniture - Non-Capital	26.0	0.3
EDP Equipment - Mainframe - Non-Capital	83.4	0.9
Telecommunication Equipment - Non Capital	1.8	0.0
Other Equipment - Non-Capital	1.2	0.0
Purchased Or Licensed Software/Website	159.6	1.7
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	**311.4**	**12.8**
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	150.4	5.6
	150.4	**5.6**
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	161.0	7.2
	161.0	**7.2**
Fund Source Total	**311.4**	**12.8**

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4001 SLI AHCCCS Administration

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	0.0	0.0
Expenditure Category Total	0.0	0.0

Employee Retirement Coverage

Retirement System	FTE	Personal Services	Fund#
State Retirement System	54.7	1,292.4	1000-A
State Retirement System	73.3	2,318.4	2120-N

All dollars are presented in thousands (not FTE).

PROPOSITION 204 BEHAVIORAL HEALTH ADMINISTRATION

BUDGET JUSTIFICATION

Proposition 204 expanded AHCCCS coverage up to 100% FPL. This appropriation contains funding for Proposition 204 Behavioral Health Administration.

The FY 2017 appropriation is $5,832,000 ($1,777,800 General Fund).

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 4-4003 SLI Behavioral Health Administration

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	3,084.3	(3,084.3)	0.0
6100	Employee Related Expenses	0.0	1,217.9	(1,217.9)	0.0
6200	Professional and Outside Services	0.0	642.6	(642.6)	0.0
6500	Travel In-State	0.0	1.7	(1.7)	0.0
6600	Travel Out of State	0.0	3.0	(3.0)	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000	Other Operating Expenses	0.0	871.6	(226.6)	645.0
8000	Equipment	0.0	10.9	(649.3)	(638.4)
8100	Capital Outlay	0.0	0.0	(6.6)	(6.6)
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Expenditure Categories Total:	0.0	5,832.0	(5,832.0)	0.0
Fund Source					
Appropriated Funds					
1000-A	General Fund (Appropriated)	0.0	1,777.8	(1,777.8)	0.0
		0.0	1,777.8	(1,777.8)	0.0
Non-Appropriated Funds					
2120-N	AHCCCS Fund (Non-Appropriated)	0.0	4,054.2	(4,054.2)	0.0
		0.0	4,054.2	(4,054.2)	0.0
	Fund Source Total:	0.0	5,832.0	(5,832.0)	0.0

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4003 SLI Behavioral Health Administration

Fund: 1000-A General Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	1,000.8	(1,000.8)	0.0
6100	Employee Related Expenses	0.0	389.9	(389.9)	0.0
6200	Professional and Outside Services	0.0	154.5	(154.5)	0.0
6500	Travel In-State	0.0	0.7	(0.7)	0.0
6600	Travel Out of State	0.0	1.0	(1.0)	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000	Other Operating Expenses	0.0	226.6	(226.6)	0.0
8000	Equipment	0.0	4.3	(4.3)	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Appropriated Total:	0.0	1,777.8	(1,777.8)	0.0
Fund Total:		0.0	1,777.8	(1,777.8)	0.0
Program Total For Selected Funds:		0.0	1,777.8	(1,777.8)	0.0

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4003 SLI Behavioral Health Administration

Fund: 2120-N AHCCCS Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Non-Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	2,083.5	(2,083.5)	0.0
6100	Employee Related Expenses	0.0	828.0	(828.0)	0.0
6200	Professional and Outside Services	0.0	488.1	(488.1)	0.0
6500	Travel In-State	0.0	1.0	(1.0)	0.0
6600	Travel Out of State	0.0	2.0	(2.0)	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000	Other Operating Expenses	0.0	645.0	0.0	645.0
8000	Equipment	0.0	6.6	(645.0)	(638.4)
8100	Capital Outlay	0.0	0.0	(6.6)	(6.6)
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Non-Appropriated Total:		0.0	4,054.2	(4,054.2)	0.0
Fund Total:		0.0	4,054.2	(4,054.2)	0.0
Program Total For Selected Funds:		0.0	4,054.2	(4,054.2)	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4003 SLI Behavioral Health Administration

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	0.0	3,084.3
Boards and Commissions	0.0	0.0
Expenditure Category Total	**0.0**	**3,084.3**
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	0.0	1,000.8
	0.0	**1,000.8**
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	0.0	2,083.5
	0.0	**2,083.5**
Fund Source Total	**0.0**	**3,084.3**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	0.0	1,217.9
Expenditure Category Total	**0.0**	**1,217.9**
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	0.0	389.9
	0.0	**389.9**
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	0.0	828.0
	0.0	**828.0**
Fund Source Total	**0.0**	**1,217.9**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	0.0	67.7
Attorney General Legal Services	0.0	0.0
External Legal Services	0.0	58.3
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	0.0	57.9
Hospital Services	0.0	0.0
Other Medical Services	0.0	85.7
Institutional Care	0.0	0.0
Education And Training	0.0	24.5

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4003 SLI Behavioral Health Administration

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
Vendor Travel	0.0	0.1
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0
Other Professional And Outside Services	0.0	348.4
Expenditure Category Total	**0.0**	**642.6**
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	0.0	154.5
	0.0	**154.5**
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	0.0	488.1
	0.0	**488.1**
Fund Source Total	**0.0**	**642.6**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	0.0	1.7
Expenditure Category Total	**0.0**	**1.7**
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	0.0	0.7
	0.0	**0.7**
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	0.0	1.0
	0.0	**1.0**
Fund Source Total	**0.0**	**1.7**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	0.0	3.0
Expenditure Category Total	**0.0**	**3.0**
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	0.0	1.0
	0.0	**1.0**
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	0.0	2.0
	0.0	**2.0**
Fund Source Total	**0.0**	**3.0**

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4003 SLI Behavioral Health Administration

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	0.0	5.2
Information Technology Services	0.0	578.1
Utilities	0.0	17.9
Non-Building or Land Rent	0.0	3.8
Building Rent Charges to State Agencies	0.0	0.0
COP Building Rent Charges to State Agencies	0.0	2.7
Rental of Land & Buildings	0.0	3.2
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	0.0	0.0
Repair & Maintenance	0.0	179.7
Software Support and Maintenance	0.0	0.0
Operating Supplies	0.0	12.2
Resale Supplies	0.0	0.0
Sales of Assets	0.0	0.0
Conference, Education & Training	0.0	2.8
Advertising	0.0	0.1
Printing & Photography	0.0	26.2
Postage & Delivery	0.0	29.6
Miscellaneous Operating	0.0	10.1
Depreciation Expense	0.0	0.0
Expenditure Category Total	**0.0**	**871.6**
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	0.0	226.6
	0.0	**226.6**
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	0.0	645.0
	0.0	**645.0**
Fund Source Total	**0.0**	**871.6**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4003 SLI Behavioral Health Administration

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	0.0	8.4
Vehicles - Non-Capital	0.0	0.0
Furniture - Non-Capital	0.0	0.2
EDP Equipment - Mainframe - Non-Capital	0.0	0.8
Telecommunication Equipment - Non Capital	0.0	0.0
Other Equipment - Non-Capital	0.0	0.0
Purchased Or Licensed Software/Website	0.0	1.5
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	**0.0**	**10.9**
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	0.0	4.3
	0.0	**4.3**
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	0.0	6.6
	0.0	**6.6**
Fund Source Total	**0.0**	**10.9**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	0.0	0.0

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All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4003 SLI Behavioral Health Administration

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Expenditure Category Total	0.0	0.0

All dollars are presented in thousands (not FTE).

DES PROPOSITION 204 AHCCCS ADMINISTRATION

BUDGET JUSTIFICATION

Proposition 204 expanded AHCCCS coverage up to 100% FPL. This appropriation contains funding for pass-through administration costs, in DES, of the Proposition 204 program. This funding primarily represents eligibility services provided by DES.

The FY 2017 appropriation is $38,358,700 ($17,158,900 General Fund).

AHCCCS DES Eligibility FY 2018 Budget Request

		FY 2016 Expenditure Actuals			FY 2017 Expenditure Plan		
OSPB Account		Title XIX	General Fund	Total	Title XIX	General Fund	Total
Personal Services							
6000	Personal Services	22,933.1	10,612.9	33,546.0	26,143.8	12,098.7	38,242.4
	Total Personal Services	22,933.1	10,612.9	33,546.0	26,143.8	12,098.7	38,242.4
Employee-related							
6100	Employee Related Expenses	10,452.6	4,749.1	15,201.7	11,915.9	5,414.0	17,329.9
	Total Employee-related	10,452.6	4,749.1	15,201.7	11,915.9	5,414.0	17,329.9
Professional & Outside Services							
6219	Other External Financial Services	2,849.9	316.7	3,166.6	3,134.9	348.3	3,483.2
6222	External Legal Services	0.1	0.1	0.1	0.1	0.1	0.1
6241		1.6	0.4	2.0	1.6	0.4	2.0
6299	Other Professional & Outside Services	9,577.1	3,785.9	13,363.0	11,013.6	4,353.8	15,367.5
	Total Professional & Outside	12,428.6	4,103.1	16,531.7	14,150.2	4,702.6	18,852.8
Travel In-State							
6500	Travel In-State	396.5	190.2	586.7	416.3	199.7	616.0
	Total Travel In-State	396.5	190.2	586.7	416.3	199.7	616.0
Travel Out of State							
6600	Travel Out of State	72.1	71.2	143.3	75.7	74.8	150.5
	Total Travel Out of State	72.1	71.2	143.3	75.7	74.8	150.5
Aid							
6800	Aid to Organizations and Individuals	0.1	0.1	0.2	0.1	0.1	0.2
	Total Aid	0.1	0.1	0.2	0.1	0.1	0.2
Other Operating Expenditures							
7150	Information Technology Services	313.9	38.2	352.2	329.6	40.1	369.8
7200	Non-Building or Land Rent	0.0	0.0	0.0	0.0	0.0	0.0
7230	Interest Payments	0.2	0.2	0.5	0.2	0.2	0.5
7250	Repair & Maintenance	26.4	9.9	36.3	26.7	10.0	36.6
7300	Operating Supplies	0.7	0.7	1.5	0.7	0.7	1.5
7450	Conference, Education & Training	0.0	0.0	0.1	0.0	0.0	0.1
7470	Printing & Photography	43.4	14.5	57.9	43.9	14.6	58.5
7480		9.5	3.2	12.6	9.6	3.2	12.7
7500	Miscellaneous Operating	3,311.3	2,217.8	5,529.1	3,808.0	2,550.5	6,358.5
7900		2,164.4	1,215.1	3,379.5	2,489.1	1,397.4	3,886.5
	Total Other Operating Expenditures	5,870.0	3,499.7	9,369.7	6,707.8	4,016.9	10,724.7
Equipment							
84XX	Capital Equipment Purchases	51.5	0.0	51.5	52.0	0.0	52.0
8510	Vehicles - Non-Capital	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
8520	Furniture - Non-Capital	367.2	173.7	540.8	370.8	175.4	546.2
8530	EDP Equipment - Mainframe - Non-Capital	382.3	157.2	539.6	386.2	158.8	545.0
8560	Telecommunication Equipment - Non-Capital	12.9	6.9	19.8	13.0	6.9	19.9
8570	Other Equipment - Non-Capital	184.9	180.1	365.0	231.2	225.1	456.3
8580	Non-Capitalized Software	198.8	93.6	292.4	248.6	117.0	365.6
	Total Equipment	1,197.7	611.4	1,809.1	1,301.8	683.2	1,985.0
Transfers Out							
9000	Transfer Out	-	-	-	-	-	-
9100	Operating Transfer Out	-	-	-	-	-	-
	Total Transfers Out	-	-	-	-	-	-
Total AHCCCS DES Eligibility FY 2018 Budget Request		53,350.6	23,837.8	77,188.4	60,711.5	27,190.1	87,901.6

AHCCCS DES Eligibility FY 2018 Budget Request

FY 2016 Expenditure Actuals			
OSPB Account	Title XIX	General Fund	Total
Personal Services	$ 22,933.1	$ 10,612.9	$ 33,546.0
Employee-related	$ 10,452.6	$ 4,749.1	$ 15,201.7
Professional & Outside Services	$ 12,428.6	$ 4,103.1	$ 16,531.7
Travel In-State	$ 396.5	$ 190.2	$ 586.7
Travel Out of State	$ 72.1	$ 71.2	$ 143.3
Aid	$ 0.1	$ 0.1	$ 0.2
Other Operating Expenditures	$ 5,870.0	$ 3,499.7	$ 9,369.7
Equipment	$ 1,197.7	$ 611.4	$ 1,809.1
Transfers Out	$ -	$ -	$ -
Total AHCCCS Eligibility	$ 53,350.6	$ 23,837.8	$ 77,188.4

FY 2017 Expenditure Plan			
OSPB Account	Title XIX	General Fund	Total
Personal Services	$ 26,143.8	$ 12,098.7	$ 38,242.4
Employee-related	$ 11,915.9	$ 5,414.0	$ 17,329.9
Professional & Outside Services	$ 14,150.2	$ 4,702.6	$ 18,852.8
Travel In-State	$ 416.3	$ 199.7	$ 616.0
Travel Out of State	$ 75.7	$ 74.8	$ 150.5
Aid	$ 0.1	$ 0.1	$ 0.2
Other Operating Expenditures	$ 6,707.8	$ 4,016.9	$ 10,724.7
Equipment	$ 1,301.8	$ 683.2	$ 1,985.0
Transfers Out	$ -	$ -	$ -
Total AHCCCS Eligibility	$ 60,711.5	$ 27,190.1	$ 87,901.6

AHCCCS DEA Prop 204 FY 2018 Budget Request

FY 2016 Expenditure Actuals			
OSPB Account	Title XIX	General Fund	Total
Personal Services	$ 4,617.3	$ 2,133.9	$ 6,751.2
Employee-related	$ 2,137.0	$ 967.5	$ 3,104.5
Professional & Outside Services	$ 369.6	$ 222.0	$ 591.6
Travel In-State	$ 87.9	$ 41.0	$ 128.9
Travel Out of State	$ 14.6	$ 14.5	$ 29.1
Aid	$ 0.0	$ 0.0	$ 0.0
Other Operating Expenditures	$ 1,154.7	$ 683.4	$ 1,838.1
Equipment	$ 182.4	$ 98.5	$ 280.9
Transfers Out	$ -	$ -	$ -
Total AHCCCS Prop 204	$ 8,563.6	$ 4,160.8	$ 12,724.4

FY 2017 Expenditure Plan			
OSPB Account	Title XIX	General Fund	Total
Personal Services	$ 5,263.7	$ 2,432.6	$ 7,696.3
Employee-related	$ 2,436.2	$ 1,103.0	$ 3,539.2
Professional & Outside Services	$ 554.4	$ 333.0	$ 887.4
Travel In-State	$ 92.3	$ 43.1	$ 135.3
Travel Out of State	$ 15.4	$ 15.2	$ 30.6
Aid	$ 0.0	$ 0.0	$ 0.0
Other Operating Expenditures	$ 1,303.5	$ 770.3	$ 2,073.8
Equipment	$ 212.4	$ 114.5	$ 326.9
Transfers Out	$ -	$ -	$ -
Total AHCCCS Prop 204	$ 9,877.9	$ 4,811.7	$ 14,689.6

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 4-4002 DES Administration

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	300.1	300.1	0.0	300.1
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000	Other Operating Expenses	18,675.4	17,668.8	0.0	17,668.8
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	19,594.1	20,689.9	6,000.0	26,689.9
	Expenditure Categories Total:	38,269.5	38,358.7	6,000.0	44,358.7
Fund Source					
Appropriated Funds					
1000-A	General Fund (Appropriated)	14,147.1	17,158.9	0.0	17,158.9
2478-A	Budget Neutrality Compliance Fund (Appropriated)	2,612.2	3,563.3	0.0	3,563.3
		16,759.3	20,722.2	0.0	20,722.2
Non-Appropriated Funds					
2120-N	AHCCCS Fund (Non-Appropriated)	21,510.2	17,636.5	6,000.0	23,636.5
		21,510.2	17,636.5	6,000.0	23,636.5
	Fund Source Total:	38,269.5	38,358.7	6,000.0	44,358.7

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4002 DES Administration

Fund: 1000-A General Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Appropriated					
0000	FTE	121.5	121.5	0.0	121.5
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000	Other Operating Expenses	5,996.5	7,273.1	0.0	7,273.1
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	8,150.6	9,885.8	0.0	9,885.8
	Appropriated Total:	14,147.1	17,158.9	0.0	17,158.9
Fund Total:		14,147.1	17,158.9	0.0	17,158.9
Program Total For Selected Funds:		14,147.1	17,158.9	0.0	17,158.9

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4002 DES Administration

Fund: 2120-N AHCCCS Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Non-Appropriated					
0000	FTE	178.6	178.6	0.0	178.6
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000	Other Operating Expenses	12,678.9	10,395.7	0.0	10,395.7
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	8,831.3	7,240.8	6,000.0	13,240.8
	Non-Appropriated Total:	21,510.2	17,636.5	6,000.0	23,636.5
	Fund Total:	21,510.2	17,636.5	6,000.0	23,636.5
	Program Total For Selected Funds:	21,510.2	17,636.5	6,000.0	23,636.5

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4002 DES Administration

Fund: 2478-A Budget Neutrality Compliance Fund

Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	2,612.2	3,563.3	0.0	3,563.3
	Appropriated Total:	2,612.2	3,563.3	0.0	3,563.3
	Fund Total:	2,612.2	3,563.3	0.0	3,563.3
	Program Total For Selected Funds:	2,612.2	3,563.3	0.0	3,563.3

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4002 DES Administration

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	300.1	300.1
Expenditure Category Total	**300.1**	**300.1**
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	121.5	121.5
	121.5	**121.5**
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	178.6	178.6
	178.6	**178.6**
Fund Source Total	**300.1**	**300.1**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	0.0	0.0
Boards and Commissions	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	0.0	0.0
Attorney General Legal Services	0.0	0.0
External Legal Services	0.0	0.0
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	0.0	0.0
Hospital Services	0.0	0.0
Other Medical Services	0.0	0.0
Institutional Care	0.0	0.0
Education And Training	0.0	0.0
Vendor Travel	0.0	0.0
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4002 DES Administration

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
Other Professional And Outside Services	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	0.0	0.0
Information Technology Services	7,169.8	6,603.2
Utilities	0.0	0.0
Non-Building or Land Rent	0.0	0.0
Building Rent Charges to State Agencies	0.0	0.0
COP Building Rent Charges to State Agencies	0.0	0.0
Rental of Land & Buildings	0.0	0.0
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	0.0	0.0
Repair & Maintenance	10,479.2	9,820.7
Software Support and Maintenance	0.0	0.0
Operating Supplies	0.0	0.0
Resale Supplies	0.0	0.0
Sales of Assets	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4002 DES Administration

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Conference, Education & Training	0.0	0.0
Advertising	0.0	0.0
Printing & Photography	0.0	0.0
Postage & Delivery	0.0	0.0
Miscellaneous Operating	1,026.4	1,244.9
Depreciation Expense	0.0	0.0
Expenditure Category Total	**18,675.4**	**17,668.8**
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	5,996.5	7,273.1
	5,996.5	**7,273.1**
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	12,678.9	10,395.7
	12,678.9	**10,395.7**
Fund Source Total	**18,675.4**	**17,668.8**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	0.0	0.0
Vehicles - Non-Capital	0.0	0.0
Furniture - Non-Capital	0.0	0.0
EDP Equipment - Mainframe - Non-Capital	0.0	0.0
Telecommunication Equipment - Non Capital	0.0	0.0
Other Equipment - Non-Capital	0.0	0.0
Purchased Or Licensed Software/Website	0.0	0.0
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4002 DES Administration

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	19,594.1	20,689.9
Expenditure Category Total	19,594.1	20,689.9
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	8,150.6	9,885.8
2478-A Budget Neutrality Compliance Fund (Appropriated)	2,612.2	3,563.3
	10,762.8	13,449.1
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	8,831.3	7,240.8
	8,831.3	7,240.8
Fund Source Total	19,594.1	20,689.9

All dollars are presented in thousands (not FTE).

PROPOSITION 204 CAPITATION

PROGRAM DESCRIPTION/BACKGROUND

On November 7, 2000, Arizona voters approved Proposition 204, which expanded eligibility for the AHCCCS program to include individuals whose annual incomes are at or below 100% of the Federal Poverty Level (FPL). Proposition 204 specified that monies received by the State from the tobacco litigation settlement be used to fund the program. It also stipulated that the tobacco litigation settlement monies be supplemented, as necessary, if not sufficient. In 2012 the Arizona Legislature determined that tobacco litigation monies would only be supplemented by General Fund dollars if they determined that funds were available. This decision was upheld by the courts (pursuant to *Fogliano, et al v. State of Arizona and Betlach).*

On January 18, 2001, AHCCCS received approval from the Centers for Medicare and Medicaid Services (CMS) to expand eligibility to individuals with income at or below 100% FPL and individuals who have incurred medical bills sufficient to reduce their income to 40% FPL or less under Arizona's Medicaid waiver. This allows the State to receive approximately two-thirds of the cost of these expanded populations in Federal matching monies. As a condition for the waiver, Arizona is subject to "Federal Budget Neutrality," which essentially limits the amount of Federal Medicaid funding the State can receive over a waiver period. There have been two budget neutrality periods since April 1, 2001. The first was for the period April 1, 2001 through September 30, 2011. The second period commenced on October 1, 2011 and will end September 30, 2016.

There are four funding sources for the State Share of the program: Arizona Tobacco Litigation Settlement (ATLS) Fund, Proposition 204 Protection Account, Emergency Health Services Account (Proposition 204 Protection Account and Emergency Health Services Account are part of the Tobacco Products Tax Fund), and State General Fund. With the exception of the General Fund, all of these fund sources are dependent upon tobacco sales for revenue.

Capitation is a calculated monthly payment to health plan contractors for their provision of covered medical services to each member. Each member belongs to an eligibility group based on income, disability, resources, age and sex. The capitation rates for all eligibility groups are determined with the objective of covering the expected utilization and costs of medical services while ensuring the financial viability of health plans, which provide those medical services. The capitation rates are calculated annually to reflect changes to utilization of services and medical cost inflation. The rates are effective beginning October of one year through September of the following year.

The followings represent the eligibility or risk groups for the Proposition 204 population:

1931/TANF <1 year male & female
1931/TANF 1-13 years male & female
1931/TANF 14-44 years female
1931/TANF 14-44 years male
1931/TANF 45+ years male & female

SSI with Medicare
SSI without Medicare

AHCCCS Care – This population was frozen effective July 8, 2011. The freeze ended when ACA took effect on January 1, 2014.

CRS (Children's Rehabilitative Services)

In addition, the following supplemental capitation payments are made to health plans:

Title XIX Supplemental Birth Payment

STATUTORY AUTHORITY

A.R.S. §36-2901.01 (Laws 2001, Chapter 344)
A.R.S Title 36, Chapter 29, Article 1

METHODOLOGY:

(Budget Driver/Source of Info.)

A combination of linear regression, annualized growth rates, and ARIMA were utilized to project member months for each rate category (1931/TANF, SSI, MED, AHCCCS Care, Births). The resulting member months were then multiplied by capitation rate estimates to project future capitation payments.

Prior period member months for TANF, SSI with Medicare and SSI without Medicare were calculated based on a ratio of date-of-payment prior period member months to date-of-payment regular member months for each risk pool. Prior period member months were then forecast for each risk pool by multiplying these ratios by projected member months.

ASSUMPTIONS:

Capitation Rates

Overall Acute Capitation rates for CYE 2017 are increasing by 3.12% over the blended rates for CYE 2016. CYE 2017 capitation rates were developed as a rate update from the previously submitted CYE 2016 capitation rates.

Due to a program change (high acuity pediatric adjustor) that will be implemented effective January 1, 2017, there are two sets of capitation rates for CYE 2017. One set for the time frame from October 1, 2016 through December 31, 2016 and another from January 1, 2017 through September 30, 2017. The rate development process was the same for both sets of rates except the latter set includes the impact of the high acuity pediatric adjustor.

Primary drivers of the CYE 2017 rates include medical trend, an FQHC experience adjustment, and a revision to criteria regarding member use of certain Hepatitis C drugs:

- The medical trend analysis used historical yearly encounter data for the time period October 1, 2012 through September 30, 2015 with adjustments for completion factors, historical programmatic changes, and historical provider fee-for-service rate schedule changes. More recent data, through March 31, 2016, was used for experience adjustments. Medical trend includes both utilization and unit cost trends and accounts for 0.52 percentage points of the total acute rate increase. The biggest drivers of trend growth for CYE 2017 were pharmacy and emergency room expenses.

- Effective April 1, 2015, Acute Capitation rates were increased to include reimbursement for Federally Qualified Health Center/Rural Health Clinic (FQHC/RHC) services. Prior to this, FQHC/RHC services were reimbursed by a combination of fee-for-service claims payments and quarterly supplemental payments, along with an annual reconciliation to the Prospective Payment System rates; during CYE 16, actual utilization exceeded initial expectations, necessitating additional capitation rate adjustments. These experience adjustments contribute 0.81% to the overall capitation rate increase.

- Effective October 1, 2016, amendments relaxing clinical criteria governing the use of certain Hepatitis C drugs, in combination with existing trends, will likely result in a significant increase in utilization. This prospective increase contributes 1.19% to the overall rate increase.

- Effective January 1, 2017, AHCCCS will address the costs associated with high-acuity pediatric cases by using an adjustment factor of 1.945 in place of the current adjustor of 1.60 in the following instances: for inpatient stays, where an APR-DRG assignment of level 3 or 4 Severity of Illness is indicated. This change accounts for 0.11 percentage points of the total acute rate increase.

- Various Fee For Service (FFS) rates will be revised based on access-to-care requirements and legislative mandates on October 1, 2016, contributing 0.26% to the total capitation rate increase.

- In pursuit of improved member health outcomes and care experience, AHCCCS has proposed differential Value-Based Purchasing (VBP) rates for FFS providers that have agreed to participate in the VBP initiative. The proposed differentials contribute 0.13% to the total capitation rate increase.

- Other miscellaneous adjustments, including state or court mandated benefit changes, and reinsurance offsets, account for 0.10 percentage points of the total acute rate increase.

In CYE 2018, AHCCCS expects that increases to utilization and medical inflation will require an increase to capitation rates in order for them to remain actuarially sound. AHCCCS estimates a CYE 2018 rate increase of 3.0% for all risk pools.

Acute Prospective Capitation Rate Increases:

Age Group	1/1/16-9/30/16 Rates	10/1/16-12/31/16 Rates	1/1/17-9/30/17 Rates	10/1/17-9/30/18 Rates	
				Rate	Chg %
TA/SO < 1	$488.38	$468.91	$472.50	$486.67	3.0
TA/SO 1 - 13	$111.33	$111.81	$112.23	$115.59	3.0
TA/SO 14 - 44 F	$247.31	$253.06	$253.26	$260.86	3.0
TA/SO 14 - 44 M	$155.10	$151.73	$152.42	$156.99	3.0
TA/SO 45+	$423.39	$429.12	$429.11	$441.99	3.0
SSI w/Medicare	$165.32	$135.04	$134.96	$139.01	3.0
SSI w/o Medicare	$863.93	$924.56	$926.68	$954.48	3.0
Expansion State Adults	$437.49	$466.02	$465.90	$480.00	3.0
Births	$6,104.30	$6,185.53	$6,185.53	$6,371.09	3.0

Acute Prior Period Capitation Rate Increases:

Age Group	10/1/15-9/30/16 Rates	10/1/16-12/31/16 Rates	1/1/17-9/30/17 Rates	10/1/17-9/30/18 Rates	
				Rate	Chg %
TA/SO < 1	$1,006.39	$1,010.42	$1,010.42	$1,040.73	3.0
TA/SO 1 - 13	$53.37	$53.99	$53.99	$55.61	3.0
TA/SO 14 - 44 F	$193.65	$195.08	$195.08	$200.94	3.0
TA/SO 14 - 44 M	$145.09	$144.58	$144.58	$148.92	3.0
TA/SO 45+	$327.71	$326.47	$326.47	$336.26	3.0
SSI w/Medicare	$68.08	$68.18	$68.18	$70.23	3.0
SSI w/o Medicare	$575.73	$574.77	$574.77	$592.01	3.0
Expansion State Adults	$668.93	$666.80	$666.80	$686.81	3.0

Note: The increases for CYE 2017 are based on statewide weighted rates at all reinsurance deductible levels and use constant member month weighting based on projected CYE 2017 member months for KidsCare, Traditional Medicaid Services, and Proposition 204.

Member Growth

Children previously categorized as TANF/1931 because they had eligible parents or caretaker relatives are moving into the SOBRA Children category. This change is to align with CMS guidance that eligibility should be determined for each individual, and not just for the family. As a result, it is anticipated that ultimately all TANF/1931 children will convert to SOBRA Children. It is expected that the remaining Prop. 204 TANF/1931 capitated enrollees under age 19 will be converted to SOBRA Children Traditional Capitation by October 2016.

TANF/1931 - From June 2015 to June 2016, TANF/1931 member months increased by 33.5%, compared to a decline of 12.3% for the corresponding period in the previous year. It is expected that this population will assume baseline population growth of 2% starting in October 2016.

Both the SSI with Medicare and SSI without Medicare population were significantly impacted by the CRS and SMI integration, as well as by shifts from the SSI Traditional program due to changes in income determination. MAGI implementation, along with the fact that the last COLA increase was less than the FBR increase, may have caused a shift to SSI Traditional programs from SSI Prop. 204. The implementation of HEAplus, which has more electronic data sources for income, is an additional factor that may explain this transfer of SSI members.

Member months for Traditional SSI with Medicare, Traditional SSI without Medicare, Prop. 204 SSI with Medicare, and Prop. 204 SSI without Medicare were combined and forecast in aggregate using a 48 month regression with corrections to account for CRS and SMI integration. This aggregate forecast was then split by the percentage that each component represented of the total as of June 2016 (40.83% Traditional SSI with Medicare, 35.97% Traditional SSI without Medicare, 22.00% Prop. 204 SSI with Medicare, 1.20% Prop. 204 SSI without Medicare). The June over June growth rates for Prop. 204 SSI with Medicare are -25.8% for FY 2016; 2.5% for FY 2017; and 2.4% for FY 2018. The corresponding rates for Prop. 204 SSI without Medicare are -56.5% for FY 2016; 2.5% for FY 2017; and 2.4% for FY 2018.

When an enrollment freeze for Expansion State Adults was implemented July 8, 2011, this population decreased considerably. Laws 2013, First Special Session, Chapter 10 restored this population effective January 1, 2014, with State Match funding provided by the Hospital Assessment Fund. The population continued to decline through December 2013, reaching a low of 59,700 member months. The original growth assumptions for the restoration assumed that 90% of the pre-freeze population would return to the program by September 2014, however, that target was already exceeded by June 2014. The FY 2014 June over June growth for this population was 200.2%. Some growth in this population carried over into FY 2015 with a June over June growth rate of 24.9%, but growth appears to have leveled off since January 2015. The growth rate from June 2015 to June 2016 was 8.9%

The AHCCCS forecast assumes 2% annual population growth for FY 2018 and FY 2018. Projected Expansion State Adults member months for June 2017 and June 2018 are 279,618 and 285,211 respectively.

It is assumed that the added Expansion State Adults population as well as the TANF "woodwork" population will have births associated with them. These births were projected by using historical ratios of birth per one thousand for each population (Average of FFY 2010 through FFY 2015) and distributing them according to seasonal factors based on the same time period.

Below is a chart indicating year-to-year forecast growth rate data (total member months for year compared to total member months for previous year). The growth rates shown in the table do not correspond to the growth rates cited above which are from June of the comparison year to June of the following year. SFY 2011-16 figures are actuals. These figures include the effects of CRS and behavioral health integration described elsewhere, as well as shifts from TANF to SOBRA and shifts from SSI.

SFY	TANF	SSI W	SSI W/O	EXP. STATE ADULTS	Total Member Months	Births
2011-12	(3.3%)	11.4%	265.6%	(28.3%)	(16.8%)	(34.9%)
2012-13	(4.2%)	4.0%	(30.6%)	(46.5%)	(25.3%)	(41.9%)
2013-14	(1.4%)	5.5%	(34.5%)	37.5%	12.6%	(8.0%)
2014-15	9.4%	8.1%	(10.0%)	122.4%	58.0%	113.3%
2015-16	(0.8%)	6.5%	(11.5%)	9.7%	6.6%	58.2%
2016-17	13.4%	(13.3%)	(32.5%)	5.3%	5.9%	(20.4%)
2017-18	2.0%	2.5%	2.5%	5.2%	4.0%	1.0%

GMH/SA and SMI Integration Impact

This request reflects the realignment of funding for integrated capitation payments between Acute and Behavioral Health line items. In FY 2016, when the physical health and behavioral health portions of capitation were separately appropriated to ADHS and AHCCCS, respectively, integrated capitation payments were manually split between the agencies. In FY 2017, funding for all integrated payments has been appropriated to AHCCCS and will be paid from single appropriations. Payments to Regional Behavioral Health Authorities (RBHAs) for Seriously Mentally Ill (SMI) Integrated care will be made from the Behavioral Health appropriations and payments to Acute Managed Care Organizations (MCOs) for General Mental Health and Substance Abuse (GMH/SA) dual eligibles will be made from the Acute appropriations.

The net impact of the shift of SMI Integrated physical health expenditures to the Prop 204 Behavioral Health line and GMH/SA duals behavioral health expenditures to the Prop 204 Acute line is a decrease of $124,080,600 Total Fund, including $22,105,500 Proposition 204 Protection Account Fund.

Prior Period Methodology:

As in prior years, AHCCCS continues to forecast Prior Period Member-Months (PPC) by computing a 3-month moving average ratio of PPC to corresponding prospective member-months for every given risk pool. In prior year estimates, the time lag inherent to PPC member-month counts required that the forecast ratio be computed using data from as much as 18 months prior. For the FY 2017 and 2018 PPC forecast, AHCCCS used a completion factor methodology to produce actual PPC estimates for more recent months, and then used those completed months in the calculation of the forecast ratio. PPC forecast amounts for each risk pool were computed by multiplying the 3-month moving average ratio (April to June 2016) by the corresponding prospective member-month forecast. This PPC forecast methodology was used for all programs and risk pools.

ACA HEALTH INSURER FEE

The ACA includes an $8.0 billion fee on the health insurance industry beginning in 2014. This health insurer fee (HIF) increases to $14.3 billion by 2018 and is then indexed to the rate of premium growth thereafter as shown in the table below. The previous 2017 fee amount does not shift to 2018; the applicable amount for fee year 2018 remains at $14.3 billion (see Treas. Reg. § 57.4(a)(3)).

Fee Year	Applicable Amount
2014	$ 8,000,000,000
2015	$11,300,000,000
2016	$11,300,000,000
2017 (Moratorium)	$13,900,000,000
2018	$14,300,000,000
2019 and thereafter	The applicable amount in the preceding fee year increased by the rate of premium growth (within the meaning of section 36B(b)(3)(A)(ii).

The fee is considered an excise tax and is nondeductible for income tax purposes. CMS mandates actuarially sound Medicaid managed care capitation rates that allow participating insurers to cover projected expenses. Therefore this fee impacts Medicaid managed care expenditures.

The CMS currently approved payment methodology for this fee is a mass adjustment to capitation payments. It is anticipated that, most if not all, health plans will get tax filing extensions. As a result, AHCCCS makes one payment in the fall that includes an estimate for the tax liability. If there is a material difference in the final tax filings an additional adjustment is made.

The FMAP applied is the FMAP in effect for the month of the capitation adjustment. The payments made in FY 2017 (for the Calendar Year 2016 fee) will adjust capitation for October 2015 and use the FMAP in effect on that date. There will be no payment in FY 2018 because the Consolidated Appropriations Act of 2016, Title II, § 201, Moratorium on Annual Fee on Health Insurance Providers, suspends collection of the health insurance provider fee for the 2017 calendar year. Thus, health insurers are not required to pay these fees for calendar year 2017.

In total funds, the Medicaid system paid $90.4 million in FY 2016 for the 2015 Fee Year. In FY 2017, the fee is projected to increase to $103.1 million due to caseload increases which will increase revenue for Medicaid health plans and, thus, increase the amount required in reimbursement.

The allocation by program for FY 2017 (Acute, CRS, EDP, DD, and BHS, etc.) is based on the corresponding percentage of total FY 2016 actual HIF payments.

Based on projected amounts and allocation methodology, the FY 2017 impact of this fee for Proposition 204 is $33,093,500 Total Fund ($5,834,800 General Fund).

No health insurer provider fees will be paid in FY 2018 generating a one-time cost savings of $40,707,800 ($6,201,500 General Fund). This fee will be back in effect for FY 2019 and generate a cost increase of $41,879,300 ($6,605,800 General Fund).

Regular FMAP

It is assumed that the FMAP will increase from 69.24% in FFY 2017 to 69.53% in FFY 2018 based on the Federal Funds Information for States (FFIS) Issue Brief 16-24 (March 25, 2016).

FFY	FMAP
Oct. 2015 – Sept. 2016	68.92%
Oct. 2016 – Sept. 2017	69.24%
Oct. 2017 – Sept. 2018	69.53%

Impact of Expansion State FMAP

As an early expansion state (since Arizona had previously expanded eligibility up to 100% FPL), Arizona would not be eligible for the 100% "Newly Eligible" federal match offered to most states for adults who were made eligible by Proposition 204. However, the ACA does offer early expansion states an enhanced FMAP for Childless Adults known as the Expansion State FMAP.

For Arizona, this Expansion State FMAP started at 83.62% in Calendar Year 2004 representing the Regular MAP (67.23%) plus 50% of the difference between the Regular FMAP and the Newly Eligible FMAP (100%). Each Calendar Year, this adjustment is incremented by 10 percentage points of the difference between these two FMAP rates. For example, the Expansion State FMAP for Calendar Year 2015 was calculated by adding 60% of the difference between the Regular FMAP of 68.46% and the Newly Eligible FMAP of 100% to the Regular FMAP, while in Calendar Year 2016, 70% of the difference between the Regular FMAP of 68.92% and the Newly Eligible FMAP of 100% was added to the Regular FMAP. In Calendar Year 2017, while the adjustment percentage increases to 80%, the Newly Eligible FMAP decreases from 100% to 95% in January 2017, resulting in a net decrease in the calculated Expansion State FMAP.

For each Calendar Year after 2017, the Newly Eligible FMAP is decremented by 1 percentage point, until 2020 when it has a final reduction of 3 percentage points to a floor of 90%. By Calendar Year 2019, both the Expansion State FMAP and the Newly Eligible FMAP will be equal since the percentage adjustment to the Regular FMAP is then 100% of the difference between them. In Calendar Year 2019 both rates will by 93% and in Calendar Year 2020 both rates will be 90%.

Period	Exp. FMAP
Jan. 2016 – Dec. 2016	90.68%
Jan. 2017 – Dec. 2017	89.85%
Jan. 2018 – Dec. 2018	91.55%

Prior Period Coverage (PPC) Reconciliation:

AHCCCS performs a reconciliation process which compares total PPC medical cost experience to the reimbursement associated with the prior period retro portion of the capitation rates for all rate categories. Section 1 of the FY 2013 Health and Welfare BRB requires AHCCCS to deposit reconciliation recoupments or penalties against program contractors or health plans into the General Fund or the fund from which the appropriation was made and prohibits these recoupments or penalties from being credited against future payments. As a result, only additional payments are included in the AHCCCS budget request. For SFY 2017 and SFY 2018, no additional payments are expected to be paid as a result of reconciliations.

Acute Program Tiered Prospective Reconciliation:

The AHCCCS Acute Care CRS RFP (RFP No. YH14-0001) tiered prospective reconciliation replaced the various acute care reconciliations with a Tiered Prospective reconciliation effective October 1, 2013 based on prospective, fully adjudicated medical expense encounters, and self-reported subcapitated expenses, net of reinsurance. For each contract year, the amount due from or due to the Contractor as the result of this reconciliation will be based on aggregated profits and losses across all of the tiered reconciliation risk groups. Individual risk groups will not be reconciled separately. The expenses will be reconciled against prospective capitation including Delivery Supplement payments and will be net of the administrative and premium tax components. No additional payments to Contractors as a result of Acute Program Tiered Prospective Reconciliation are anticipated in SFY 2017 or SFY 2018.

Fund Sourcing

Beginning in FY 2015, State Match for the Proposition 204 populations include funding from the traditional tobacco funds that have supported Proposition 204 including the Arizona Tobacco Litigation Settlement Fund, the Proposition 204 Protection Account and the Emergency Health Services account of the Tobacco Products Tax Fund, and the remaining state match will be funded with the Hospital Assessment Fund.

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
PROPOSITION 204 MEDICAID SERVICES
PROPOSITION 204 CAPITATION

	FY17 Allocation	FY18 Request	FY18 Inc/(Dec)
Hospital Assessment	187,522,500	225,094,900	37,572,400
Tobacco MSA	100,000,000	79,000,000	(21,000,000)
Tobacco 204 Prot.	37,521,000	15,415,500	(22,105,500)
Tobacco EHS	18,747,200	18,747,200	-
Subtotal State Match	343,790,700	338,257,600	(5,533,100)
Federal Title XIX	1,883,312,700	2,020,993,900	137,681,200
Subtotal Federal Funding	1,883,312,700	2,020,993,900	137,681,200
Grand Total	2,227,103,400	2,359,251,500	132,148,100

Note: Transfers $21,269,600 to Prop 204 Behavioral Health appropriation.

Prop. 204 Capitation Expenditure Forecast Summary

(Thousands)	SFY 2016 7/16 ACTUALS			SFY 2017 7/16 REBASE			SFY 2018 7/16 REQUEST		
Capitation:	Total	Fed	State	Total	Fed	State	Total	Fed	State
TANF	391,693.9	269,658.7	122,035.2	451,308.6	312,130.9	139,177.7	472,401.5	328,128.2	144,273.3
SSI	93,092.8	64,032.9	29,059.9	70,476.6	48,736.3	21,740.3	71,293.1	49,520.1	21,773.0
Integrated Physical Health	102,096.2	70,305.4	31,790.8	-	-	-	-	-	-
Expansion State Adults	1,479,875.2	1,318,196.0	161,679.2	1,647,378.8	1,486,818.6	160,560.2	1,798,299.8	1,631,360.1	166,939.7
Births	22,905.4	15,765.3	7,140.1	16,660.2	11,520.5	5,139.7	17,257.1	11,985.5	5,271.6
Medicare Primary Care Adj.	2,841.7	2,182.4	659.3	-	-	-	-	-	-
ACA Health Insurance Fee	29,031.8	23,176.7	5,855.1	33,093.5	27,258.7	5,834.8	-	-	-
Administrative Adjustments	-	-	-	-	-	-	-	-	-
Total Capitation	2,121,537.0	1,763,317.4	358,219.6	2,218,917.7	1,886,465.0	332,452.7	2,359,251.5	2,020,993.9	338,257.6

(1) Capitated expeditures for SFY16 are based on Date of Service and do not match AFIS which is based on Date of Payment.
(2) Reconciliations resulting in a net recoupment are not shown above.

AHCCCS PROPOSITION 204 ACUTE CARE PROGRAM EXPENDITURE (ALL) - TOTAL FUND

FY 16 ACTUALS Category	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
CAPITATION:													
TANF <1	6,100	4,600	2,600	2,900	2,900	1,500	1,800	2,500	2,400	2,000	1,500	700	31,500
TANF 1-13	174,300	140,400	122,900	108,500	84,000	68,400	52,200	40,600	34,900	29,800	22,700	19,800	898,500
TANF 14-44, F	12,199,800	10,532,200	9,402,100	17,136,100	16,724,300	17,580,700	18,134,600	17,937,100	18,199,700	18,373,300	18,323,200	18,409,400	192,952,500
TANF 14-44, M	3,422,700	2,964,900	2,698,300	4,991,000	4,921,800	5,032,400	5,092,400	5,045,800	5,080,800	5,094,500	5,081,100	5,081,500	54,507,200
TANF 45+	8,404,700	7,469,100	6,962,000	12,929,000	12,975,500	13,360,200	13,671,800	13,634,400	13,670,200	13,479,800	13,360,500	13,387,000	143,304,200
TANF TOTAL	24,207,600	21,111,200	19,187,900	35,167,500	34,708,500	36,043,200	36,952,800	36,660,400	36,988,000	36,979,400	36,789,000	36,898,400	391,693,900
SSI W/ MED	6,216,000	6,249,400	6,293,000	5,596,300	5,597,400	5,643,700	5,666,000	5,676,700	5,545,500	5,390,500	5,117,700	4,972,900	67,965,100
SSI W/O MED	3,017,900	2,907,700	2,829,800	2,178,400	2,088,200	2,086,200	1,987,900	1,853,700	1,677,300	1,561,800	1,510,200	1,428,600	25,127,700
EXP. STATE ADULTS	116,940,900	117,382,400	117,779,900	121,569,000	121,605,400	124,567,800	125,226,900	125,600,700	126,548,400	127,608,100	127,521,200	127,524,500	1,479,875,200
TITLE XIX BIRTHS	651,100	784,900	681,500	1,123,000	903,300	1,550,300	1,477,200	1,318,500	1,306,300	1,208,700	1,312,400	642,100	12,959,300
EXP. ST. ADULT BIRTHS	608,500	900,500	967,500	970,400	817,900	836,200	927,900	695,900	836,300	866,800	866,800	651,400	9,946,100
MED. PRIMARY CARE ADJ.	-	-	-	-	-	2,841,670	-	-	-	-	-	-	2,841,670
EXP. ST. ADULT RECON	-	-	-	-	-	-	-	-	-	-	-	-	-
PPC RECON	-	-	-	-	-	-	-	-	-	-	-	-	-
FP MIX ADJ	-	-	-	-	-	-	-	-	-	-	-	-	-
ACA HEALTH INSURANCE FEE	-	-	-	-	-	29,031,771	-	-	-	-	-	-	29,031,771
TOTAL	151,642,000	149,336,100	147,739,600	166,604,600	165,720,700	202,600,842	172,238,700	171,805,900	172,901,800	173,615,300	173,117,300	172,117,900	2,019,440,742

AHCCCS PROPOSITION 204 ACUTE CARE PROGRAM EXPENDITURE (ALL) - TOTAL FUND

FY 17 REBASE Category	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
CAPITATION:													
TANF <1	500	200	-	-	-	-	-	-	-	-	-	-	700
TANF 1-13	13,200	6,600	-	-	-	-	-	-	-	-	-	-	19,800
TANF 14-44, F	18,425,100	18,440,900	18,456,600	18,912,400	18,943,600	18,974,900	19,020,900	19,052,300	19,083,800	19,115,300	19,146,900	19,178,500	226,751,200
TANF 14-44, M	5,082,500	5,083,400	5,084,300	4,984,500	4,992,700	5,001,000	5,031,300	5,039,600	5,047,900	5,056,300	5,064,600	5,073,000	60,541,100
TANF 45+	13,409,200	13,431,300	13,453,500	13,654,200	13,676,700	13,699,300	13,721,800	13,744,500	13,767,200	13,789,900	13,812,700	13,835,500	163,995,800
TANF TOTAL	36,930,500	36,962,400	36,994,400	37,551,100	37,613,000	37,675,200	37,774,000	37,836,400	37,898,900	37,961,500	38,024,200	38,087,000	451,308,600
SSI W/ MED	4,983,200	4,993,400	5,003,700	4,101,400	4,109,800	4,118,200	4,124,100	4,132,500	4,140,900	4,149,300	4,157,800	4,166,200	52,180,500
SSI W/O MED	1,431,500	1,434,500	1,437,500	1,539,700	1,542,900	1,546,100	1,552,700	1,555,900	1,559,100	1,562,200	1,565,400	1,568,600	18,296,100
EXP. STATE ADULTS	128,096,500	128,668,500	129,240,500	137,748,500	138,355,500	138,962,500	139,534,100	140,140,900	140,747,700	141,354,500	141,961,400	142,568,200	1,647,378,800
TITLE XIX BIRTHS	728,300	753,100	761,900	685,800	551,500	649,900	721,300	675,500	680,300	682,300	674,100	673,700	8,237,700
EXP. ST. ADULT BIRTHS	789,500	770,500	803,000	735,800	683,300	717,900	698,900	649,400	705,000	601,100	650,600	617,500	8,422,500
MED. PRIMARY CARE ADJ.	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP. ST. ADULT RECON	-	-	-	-	-	-	-	-	-	-	-	-	-
PPC RECON	-	-	-	-	-	-	-	-	-	-	-	-	-
FP MIX ADJ	-	-	-	-	-	-	-	-	-	-	-	-	-
ACA HEALTH INSURANCE FEE	-	-	-	-	-	33,093,500	-	-	-	-	-	-	33,093,500
TOTAL	172,959,500	173,582,400	174,241,000	182,362,300	182,856,000	216,763,300	184,405,100	184,990,600	185,731,900	186,310,900	187,033,500	187,681,200	2,218,917,700

FY 18 REQUEST Category	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
CAPITATION:													
TANF <1	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 1-13	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 14-44, F	19,210,203	19,241,930	19,273,709	19,884,620	19,917,461	19,950,356	19,983,306	20,016,310	20,049,368	20,082,481	20,115,649	20,148,872	237,874,265
TANF 14-44, M	5,081,365	5,089,758	5,098,164	5,259,849	5,268,536	5,277,237	5,285,953	5,294,683	5,303,428	5,312,187	5,320,960	5,329,748	62,921,870
TANF 45+	13,858,343	13,881,232	13,904,158	14,345,047	14,368,739	14,392,470	14,416,240	14,440,050	14,463,899	14,487,787	14,511,715	14,535,682	171,605,361
TANF TOTAL	38,149,911	38,212,919	38,276,031	39,489,515	39,554,735	39,620,063	39,685,499	39,751,043	39,816,695	39,882,456	39,948,325	40,014,303	472,401,495
SSI W/ MED	4,174,572	4,182,980	4,191,388	4,325,835	4,334,495	4,343,155	4,351,815	4,360,475	4,369,135	4,377,795	4,386,455	4,395,115	51,793,213
SSI W/O MED	1,571,722	1,574,888	1,578,053	1,628,648	1,631,908	1,635,169	1,638,429	1,641,690	1,644,950	1,648,211	1,651,471	1,654,731	19,499,870
EXP. STATE ADULTS	143,174,992	143,781,807	144,388,621	149,383,110	150,008,287	150,633,464	151,258,642	151,883,819	152,508,996	153,134,173	153,759,350	154,384,528	1,798,299,789
TITLE XIX BIRTHS	764,052	790,086	799,293	720,505	579,443	682,776	757,766	709,635	714,713	716,820	708,230	707,756	8,651,076
EXP. ST. ADULT BIRTHS	748,367	730,427	761,166	773,051	717,912	754,183	734,236	682,264	740,646	631,499	683,548	648,707	8,606,004
MED. PRIMARY CARE ADJ.	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP. ST. ADULT RECON	-	-	-	-	-	-	-	-	-	-	-	-	-
PPC RECON	-	-	-	-	-	-	-	-	-	-	-	-	-
FP MIX ADJ	-	-	-	-	-	-	-	-	-	-	-	-	-
ACA HEALTH INSURANCE FEE	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	188,583,616	189,273,106	189,994,551	196,320,663	196,826,780	197,668,810	198,426,387	199,028,925	199,795,135	200,390,953	201,137,379	201,805,140	2,359,251,447

AHCCCS PROPOSITION 204 ACUTE CARE PROGRAM EXPENDITURE (ALL) - FEDERAL FUND

FY 16 ACTUALS Category	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
CAPITATION:													
TANF <1	4,200	3,100	1,800	2,000	2,000	1,000	1,200	1,700	1,700	1,400	1,000	500	21,600
TANF 1-13	119,400	96,100	84,100	74,800	57,900	47,200	36,000	27,900	24,000	20,500	15,700	13,700	617,300
TANF 14-44, F	8,352,000	7,210,300	6,436,700	11,810,200	11,526,400	12,116,600	12,498,400	12,362,300	12,543,200	12,662,900	12,628,300	12,687,800	132,835,100
TANF 14-44, M	2,343,200	2,029,700	1,847,200	3,439,800	3,392,100	3,468,300	3,509,700	3,477,600	3,501,700	3,511,100	3,501,900	3,502,200	37,524,500
TANF 45+	5,753,900	5,113,400	4,766,100	8,910,600	8,942,700	9,207,900	9,422,600	9,396,800	9,421,500	9,290,300	9,208,100	9,226,300	98,660,200
TANF TOTAL	16,572,700	14,452,600	13,135,900	24,237,400	23,921,100	24,841,000	25,467,900	25,266,300	25,492,100	25,486,200	25,355,000	25,430,500	269,658,700
SSI W/ MED	4,255,400	4,278,300	4,308,200	3,857,000	3,857,800	3,889,600	3,905,000	3,912,400	3,821,900	3,715,200	3,527,100	3,427,300	46,755,200
SSI W/O MED	2,066,000	1,990,600	1,937,300	1,501,300	1,439,200	1,437,800	1,370,100	1,277,600	1,156,000	1,076,400	1,040,800	984,600	17,277,700
EXP. STATE ADULTS	102,182,900	102,568,700	102,916,100	106,227,000	106,258,800	108,847,400	113,555,800	113,894,700	114,754,000	115,715,100	115,636,200	115,639,300	1,318,196,000
TITLE XIX BIRTHS	445,700	537,300	466,600	774,000	622,600	1,068,500	1,018,100	908,700	900,300	833,000	904,500	442,500	8,921,800
EXP. ST. ADULT BIRTHS	416,600	616,500	662,400	668,800	563,700	576,300	639,500	479,600	576,400	597,400	597,400	448,900	6,843,500
MED. PRIMARY CARE ADJ.	-	-	-	-	-	2,182,362	-	-	-	-	-	-	2,182,362
EXP. ST. ADULT RECON	-	-	-	-	-	-	-	-	-	-	-	-	-
PPC RECON	-	-	-	-	-	-	-	-	-	-	-	-	-
FP MIX ADJ	-	-	-	-	-	-	-	-	-	-	-	-	-
ACA HEALTH INSURANCE FEE	-	-	-	-	-	23,176,681	-	-	-	-	-	-	23,176,681
TOTAL	125,939,300	124,444,000	123,426,500	137,265,500	136,663,200	166,019,643	145,956,400	145,739,300	146,700,700	147,423,300	147,061,000	146,373,100	1,693,011,943

AHCCCS PROPOSITION 204 ACUTE CARE PROGRAM EXPENDITURE (ALL) - FEDERAL FUND

FY 17 REBASE Category	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
CAPITATION:													
TANF <1	300	200	-	-	-	-	-	-	-	-	-	-	500
TANF 1-13	9,000	4,500	-	-	-	-	-	-	-	-	-	-	13,500
TANF 14-44, F	12,698,600	12,709,500	12,720,300	13,094,900	13,116,600	13,138,200	13,170,100	13,191,900	13,213,600	13,235,500	13,257,300	13,279,200	156,825,700
TANF 14-44, M	3,502,800	3,503,400	3,504,100	3,451,200	3,457,000	3,462,600	3,483,700	3,489,400	3,495,200	3,501,000	3,506,700	3,512,600	41,869,700
TANF 45+	9,241,600	9,256,800	9,272,200	9,454,200	9,469,700	9,485,400	9,500,900	9,516,700	9,532,400	9,548,100	9,563,900	9,579,600	113,421,500
TANF TOTAL	25,452,300	25,474,400	25,496,600	26,000,300	26,043,300	26,086,200	26,154,700	26,198,000	26,241,200	26,284,600	26,327,900	26,371,400	312,130,900
SSI W/ MED	3,434,400	3,441,500	3,448,500	2,839,800	2,845,600	2,851,500	2,855,500	2,861,400	2,867,200	2,873,000	2,878,800	2,884,700	36,081,900
SSI W/O MED	986,600	988,600	990,700	1,066,200	1,068,300	1,070,500	1,075,100	1,077,300	1,079,500	1,081,700	1,083,900	1,086,000	12,654,400
EXP. STATE ADULTS	116,157,900	116,676,600	117,195,300	124,910,400	125,460,700	126,011,100	125,371,400	125,916,600	126,461,800	127,007,000	127,552,300	128,097,500	1,486,818,600
TITLE XIX BIRTHS	501,900	519,000	525,100	474,900	381,900	450,000	499,400	467,700	471,000	472,400	466,800	466,400	5,696,500
EXP. ST. ADULT BIRTHS	544,100	531,100	553,400	509,500	473,100	497,000	483,900	449,600	488,100	416,200	450,500	427,500	5,824,000
MED. PRIMARY CARE ADJ.	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP. ST. ADULT RECON	-	-	-	-	-	-	-	-	-	-	-	-	-
PPC RECON	-	-	-	-	-	-	-	-	-	-	-	-	-
FP MIX ADJ	-	-	-	-	-	-	-	-	-	-	-	-	-
ACA HEALTH INSURANCE FEE	-	-	-	-	-	27,258,700	-	-	-	-	-	-	27,258,700
TOTAL	147,077,200	147,631,200	148,209,600	155,801,100	156,272,900	184,225,000	156,440,000	156,970,600	157,608,800	158,134,900	158,760,200	159,333,500	1,886,465,000

FY 18 REQUEST Category	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
CAPITATION:													
TANF <1	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 1-13	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 14-44, F	13,301,139	13,323,097	13,345,157	13,825,812	13,848,585	13,871,459	13,894,433	13,917,308	13,940,284	13,963,360	13,986,437	14,009,514	165,226,584
TANF 14-44, M	3,518,332	3,524,192	3,529,951	3,657,140	3,663,206	3,669,272	3,675,338	3,681,405	3,687,472	3,693,539	3,699,706	3,705,774	43,705,326
TANF 45+	9,595,510	9,611,372	9,627,235	9,974,074	9,990,547	10,007,120	10,023,594	10,040,168	10,056,742	10,073,317	10,089,992	10,106,668	119,196,338
TANF TOTAL	26,414,981	26,458,661	26,502,343	27,457,026	27,502,338	27,547,851	27,593,365	27,638,880	27,684,497	27,730,215	27,776,135	27,821,956	328,128,249
SSI W/ MED	2,890,495	2,896,338	2,902,082	3,007,771	3,013,815	3,019,760	3,025,805	3,031,850	3,037,895	3,043,840	3,049,885	3,055,930	35,975,468
SSI W/O MED	1,088,277	1,090,411	1,092,646	1,132,373	1,134,709	1,136,945	1,139,181	1,141,517	1,143,752	1,145,988	1,148,224	1,150,560	13,544,583
EXP. STATE ADULTS	128,642,700	129,187,900	129,733,200	134,220,700	134,782,400	135,344,100	138,477,300	139,049,700	139,622,000	140,194,400	140,766,700	141,339,000	1,631,360,100
TITLE XIX BIRTHS	529,000	547,100	553,400	501,000	402,900	474,700	526,900	493,400	496,900	498,400	492,400	492,100	6,008,200
EXP. ST. ADULT BIRTHS	518,200	505,700	527,000	537,500	499,200	524,400	510,500	474,400	515,000	439,100	475,300	451,000	5,977,300
MED. PRIMARY CARE ADJ.	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP. ST. ADULT RECON	-	-	-	-	-	-	-	-	-	-	-	-	-
PPC RECON	-	-	-	-	-	-	-	-	-	-	-	-	-
FP MIX ADJ	-	-	-	-	-	-	-	-	-	-	-	-	-
ACA HEALTH INSURANCE FEE	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	160,083,652	160,686,111	161,310,671	166,856,370	167,335,363	168,047,756	171,273,051	171,829,747	172,500,045	173,051,944	173,708,644	174,310,546	2,020,993,899

AHCCCS PROPOSITION 204 ACUTE CARE PROGRAM EXPENDITURE (ALL) - STATE FUND

FY 16 ACTUALS Category	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
CAPITATION:													
TANF <1	1,900	1,500	800	900	900	500	600	800	700	600	500	200	9,900
TANF 1-13	54,900	44,300	38,800	33,700	26,100	21,200	16,200	12,700	10,900	9,300	7,000	6,100	281,200
TANF 14-44, F	3,847,800	3,321,900	2,965,400	5,325,900	5,197,900	5,464,100	5,636,200	5,574,800	5,656,500	5,710,400	5,694,900	5,721,600	60,117,400
TANF 14-44, M	1,079,500	935,200	851,100	1,551,200	1,529,700	1,564,100	1,582,700	1,568,200	1,579,100	1,583,400	1,579,200	1,579,300	16,982,700
TANF 45+	2,650,800	2,355,700	2,195,900	4,018,400	4,032,800	4,152,300	4,249,200	4,237,600	4,248,700	4,189,500	4,152,400	4,160,700	44,644,000
TANF TOTAL	7,634,900	6,658,600	6,052,000	10,930,100	10,787,400	11,202,200	11,484,900	11,394,100	11,495,900	11,493,200	11,434,000	11,467,900	122,035,200
SSI W/ MED	1,960,600	1,971,100	1,984,800	1,739,300	1,739,600	1,754,100	1,761,000	1,764,300	1,723,600	1,675,300	1,590,600	1,545,600	21,209,900
SSI W/O MED	951,900	917,100	892,500	677,100	649,000	648,400	617,800	576,100	521,300	485,400	469,400	444,000	7,850,000
EXP. STATE ADULTS	14,758,000	14,813,700	14,863,800	15,342,000	15,346,600	15,720,400	11,671,100	11,706,000	11,794,400	11,893,000	11,885,000	11,885,200	161,679,200
TITLE XIX BIRTHS	205,400	247,600	214,900	349,000	280,700	481,800	459,100	409,800	406,000	375,700	407,900	199,600	4,037,500
EXP. ST. ADULT BIRTHS	191,900	284,000	305,100	301,600	254,200	259,900	288,400	216,300	259,900	269,400	269,400	202,500	3,102,600
MED. PRIMARY CARE ADJ.	-	-	-	-	-	659,308	-	-	-	-	-	-	659,308
EXP. ST. ADULT RECON	-	-	-	-	-	-	-	-	-	-	-	-	-
PPC RECON	-	-	-	-	-	-	-	-	-	-	-	-	-
FP MIX ADJ	-	-	-	-	-	-	-	-	-	-	-	-	-
ACA HEALTH INSURANCE FEE	-	-	-	-	-	5,855,090	-	-	-	-	-	-	5,855,090
TOTAL	25,702,700	24,892,100	24,313,100	29,339,100	29,057,500	36,581,199	26,282,300	26,066,600	26,201,100	26,192,000	26,056,300	25,744,800	326,428,799

AHCCCS PROPOSITION 204 ACUTE CARE PROGRAM EXPENDITURE (ALL) - STATE FUND

FY 17 REBASE Category	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
CAPITATION:													
TANF <1	200	-	-	-	-	-	-	-	-	-	-	-	200
TANF 1-13	4,200	2,100	-	-	-	-	-	-	-	-	-	-	6,300
TANF 14-44, F	5,726,500	5,731,400	5,736,300	5,817,500	5,827,000	5,836,700	5,850,800	5,860,400	5,870,200	5,879,800	5,889,600	5,899,300	69,925,500
TANF 14-44, M	1,579,700	1,580,000	1,580,200	1,533,300	1,535,700	1,538,400	1,547,600	1,550,200	1,552,700	1,555,300	1,557,900	1,560,400	18,671,400
TANF 45+	4,167,600	4,174,500	4,181,300	4,200,000	4,207,000	4,213,900	4,220,900	4,227,800	4,234,800	4,241,800	4,248,800	4,255,900	50,574,300
TANF TOTAL	11,478,200	11,488,000	11,497,800	11,550,800	11,569,700	11,589,000	11,619,300	11,638,400	11,657,700	11,676,900	11,696,300	11,715,600	139,177,700
SSI W/ MED	1,548,800	1,551,900	1,555,200	1,261,600	1,264,200	1,266,700	1,268,600	1,271,100	1,273,700	1,276,300	1,279,000	1,281,500	16,098,600
SSI W/O MED	444,900	445,900	446,800	473,500	474,600	475,600	477,600	478,600	479,600	480,500	481,500	482,600	5,641,700
EXP. STATE ADULTS	11,938,600	11,991,900	12,045,200	12,838,100	12,894,800	12,951,400	14,162,700	14,224,300	14,285,900	14,347,500	14,409,100	14,470,700	160,560,200
TITLE XIX BIRTHS	226,400	234,100	236,800	210,900	169,600	199,900	221,900	207,800	209,300	209,900	207,300	207,300	2,541,200
EXP. ST. ADULT BIRTHS	245,400	239,400	249,600	226,300	210,200	220,900	215,000	199,800	216,900	184,900	200,100	190,000	2,598,500
MED. PRIMARY CARE ADJ.	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP. ST. ADULT RECON	-	-	-	-	-	-	-	-	-	-	-	-	-
PPC RECON	-	-	-	-	-	-	-	-	-	-	-	-	-
FP MIX ADJ	-	-	-	-	-	-	-	-	-	-	-	-	-
ACA HEALTH INSURANCE FEE	-	-	-	-	-	5,834,800	-	-	-	-	-	-	5,834,800
TOTAL	25,882,300	25,951,200	26,031,400	26,561,200	26,583,100	32,538,300	27,965,100	28,020,000	28,123,100	28,176,000	28,273,300	28,347,700	332,452,700

FY 18 REQUEST Category	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
CAPITATION:													
TANF <1	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 1-13	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 14-44, F	5,909,064	5,918,832	5,928,552	6,058,808	6,068,876	6,078,897	6,088,873	6,099,002	6,109,085	6,119,122	6,129,213	6,139,358	72,647,680
TANF 14-44, M	1,563,033	1,565,566	1,568,212	1,602,709	1,605,330	1,607,965	1,610,615	1,613,279	1,615,956	1,618,648	1,621,254	1,623,975	19,216,544
TANF 45+	4,262,834	4,269,860	4,276,923	4,370,972	4,378,192	4,385,350	4,392,647	4,399,882	4,407,157	4,414,470	4,421,723	4,429,014	52,409,023
TANF TOTAL	11,734,931	11,754,258	11,773,688	12,032,489	12,052,398	12,072,213	12,092,134	12,112,163	12,132,198	12,152,240	12,172,190	12,192,347	144,273,247
SSI W/ MED	1,284,078	1,286,642	1,289,306	1,318,064	1,320,679	1,323,394	1,326,009	1,328,624	1,331,239	1,333,954	1,336,570	1,339,185	15,817,745
SSI W/O MED	483,445	484,476	485,407	496,274	497,199	498,224	499,248	500,173	501,198	502,222	503,247	504,172	5,955,287
EXP. STATE ADULTS	14,532,292	14,593,907	14,655,421	15,162,410	15,225,887	15,289,364	12,781,342	12,834,119	12,886,996	12,939,773	12,992,650	13,045,528	166,939,689
TITLE XIX BIRTHS	235,052	242,986	245,893	219,505	176,543	208,076	230,866	216,235	217,813	218,420	215,830	215,656	2,642,876
EXP. ST. ADULT BIRTHS	230,167	224,727	234,166	235,551	218,712	229,783	223,736	207,864	225,646	192,399	208,248	197,707	2,628,704
MED. PRIMARY CARE ADJ.	-	-	-	-	-	-	-	-	-	-	-	-	-
EXP. ST. ADULT RECON	-	-	-	-	-	-	-	-	-	-	-	-	-
PPC RECON	-	-	-	-	-	-	-	-	-	-	-	-	-
FP MIX ADJ	-	-	-	-	-	-	-	-	-	-	-	-	-
ACA HEALTH INSURANCE FEE	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	28,499,965	28,586,995	28,683,881	29,464,293	29,491,418	29,621,053	27,153,336	27,199,177	27,295,090	27,339,009	27,428,735	27,494,594	338,257,547

AHCCCS PROPOSITION 204 ACUTE CARE PROGRAM EXPENDITURE (REGULAR) - TOTAL FUND

FY 16 ACTUALS Category	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
CAPITATION:													
TANF <1	6,100	4,600	3,000	2,900	2,900	1,500	1,800	2,500	2,400	2,000	1,500	700	31,900
TANF 1-13	174,200	140,300	122,900	108,400	83,700	68,300	52,200	40,400	34,300	29,500	22,600	19,700	896,500
TANF 14-44, F	12,158,200	10,484,000	9,189,300	16,808,000	16,453,700	17,336,100	17,840,700	17,671,000	17,932,300	17,980,800	17,909,500	18,103,700	189,867,300
TANF 14-44, M	3,402,600	2,946,000	2,605,800	4,847,300	4,790,400	4,905,300	4,956,300	4,911,500	4,958,400	4,922,200	4,897,000	4,944,000	53,086,800
TANF 45+	8,383,000	7,413,500	6,728,800	12,662,700	12,762,000	13,106,500	13,442,700	13,385,400	13,473,400	13,207,500	13,060,300	13,161,700	140,787,500
TANF TOTAL	24,124,100	20,988,400	18,649,800	34,429,300	34,092,700	35,417,700	36,293,700	36,010,800	36,400,800	36,142,000	35,890,900	36,229,800	384,670,000
SSI W/ MED	6,155,200	6,180,400	6,239,600	5,562,400	5,575,400	5,612,600	5,642,000	5,647,100	5,520,200	5,351,100	5,071,000	4,942,600	67,499,600
SSI W/O MED	2,977,100	2,855,200	2,793,200	2,149,600	2,063,600	2,051,200	1,965,900	1,823,500	1,654,500	1,516,700	1,465,800	1,404,400	24,720,700
EXP. STATE ADULTS	106,596,300	107,798,800	110,773,300	114,503,500	116,296,100	118,680,100	119,161,000	119,177,400	119,952,300	119,700,000	119,581,400	119,932,900	1,392,153,100
TITLE XIX BIRTHS	651,100	784,900	681,500	1,123,000	903,300	1,550,300	1,477,200	1,318,500	1,306,300	1,208,700	1,312,400	642,100	12,959,300
EXP. ST. ADULT BIRTHS	608,500	900,500	967,500	970,400	817,900	836,200	927,900	695,900	836,300	866,800	866,800	651,400	9,946,100
FP MIX ADJ	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	141,112,300	139,508,200	140,104,900	158,738,200	159,749,000	164,148,100	165,467,700	164,673,200	165,670,400	164,785,300	164,188,300	163,803,200	1,891,948,800

AHCCCS PROPOSITION 204 ACUTE CARE PROGRAM EXPENDITURE (REGULAR) - TOTAL FUND

FY 17 REBASE Category	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
CAPITATION:													
TANF <1	488	245	-	-	-	-	-	-	-	-	-	-	733
TANF 1-13	13,104	6,563	-	-	-	-	-	-	-	-	-	-	19,666
TANF 14-44, F	18,119,135	18,134,626	18,150,143	18,603,131	18,633,855	18,664,631	18,710,136	18,741,037	18,771,990	18,802,993	18,834,048	18,865,154	223,030,878
TANF 14-44, M	4,944,881	4,945,798	4,946,716	4,847,115	4,855,120	4,863,139	4,893,258	4,901,340	4,909,435	4,917,543	4,925,665	4,933,800	58,883,808
TANF 45+	13,183,439	13,205,212	13,227,022	13,428,181	13,450,358	13,472,573	13,494,703	13,516,991	13,539,315	13,561,677	13,584,075	13,606,510	161,270,055
TANF TOTAL	36,261,047	36,292,443	36,323,881	36,878,426	36,939,334	37,000,342	37,098,097	37,159,368	37,220,740	37,282,213	37,343,787	37,405,464	443,205,140
SSI W/ MED	4,952,773	4,962,995	4,973,217	4,070,795	4,079,145	4,087,495	4,093,315	4,101,660	4,110,005	4,118,349	4,126,694	4,135,039	51,811,483
SSI W/O MED	1,407,301	1,410,205	1,413,110	1,515,390	1,518,498	1,521,606	1,528,221	1,531,337	1,534,453	1,537,568	1,540,684	1,543,799	18,002,172
EXP. STATE ADULTS	120,470,887	121,008,835	121,546,783	130,045,321	130,618,346	131,191,371	131,729,069	132,301,941	132,874,812	133,447,684	134,020,555	134,593,427	1,553,849,032
TITLE XIX BIRTHS	728,260	753,075	761,851	685,804	551,536	649,892	721,271	675,457	680,291	682,296	674,121	673,669	8,237,523
EXP. ST. ADULT BIRTHS	789,462	770,536	802,963	735,819	683,336	717,860	698,874	649,404	704,975	601,084	650,627	617,464	8,422,404
FP MIX ADJ	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	164,609,730	165,198,090	165,821,805	173,931,555	174,390,195	175,168,567	175,868,847	176,419,167	177,125,275	177,669,195	178,356,468	178,968,862	2,083,527,754

FY 18 REQUEST Category	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
CAPITATION:													
TANF <1	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 1-13	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 14-44, F	18,896,311	18,927,520	18,958,780	19,559,707	19,592,011	19,624,369	19,656,780	19,689,245	19,721,763	19,754,336	19,786,961	19,819,641	233,987,425
TANF 14-44, M	4,941,949	4,950,111	4,958,286	5,115,537	5,123,986	5,132,448	5,140,925	5,149,416	5,157,920	5,166,439	5,174,972	5,183,519	61,195,506
TANF 45+	13,628,982	13,651,492	13,674,038	14,107,632	14,130,932	14,154,270	14,177,647	14,201,063	14,224,517	14,248,010	14,271,542	14,295,112	168,765,239
TANF TOTAL	37,467,242	37,529,122	37,591,104	38,782,876	38,846,929	38,911,088	38,975,353	39,039,724	39,104,201	39,168,785	39,233,475	39,298,272	463,948,169
SSI W/ MED	4,143,384	4,151,729	4,160,074	4,293,517	4,302,112	4,310,708	4,319,303	4,327,898	4,336,494	4,345,089	4,353,684	4,362,280	51,406,272
SSI W/O MED	1,546,915	1,550,030	1,553,146	1,602,942	1,606,151	1,609,360	1,612,569	1,615,778	1,618,987	1,622,196	1,625,405	1,628,614	19,192,090
EXP. STATE ADULTS	135,166,298	135,739,170	136,312,041	141,029,271	141,619,487	142,209,703	142,799,919	143,390,135	143,980,351	144,570,567	145,160,783	145,750,998	1,697,728,723
TITLE XIX BIRTHS	764,052	790,086	799,293	720,505	579,443	682,776	757,766	709,635	714,713	716,820	708,230	707,756	8,651,076
EXP. ST. ADULT BIRTHS	748,367	730,427	761,166	773,051	717,912	754,183	734,236	682,264	740,646	631,499	683,548	648,707	8,606,004
FP MIX ADJ	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	179,836,257	180,490,564	181,176,824	187,202,162	187,672,034	188,477,817	189,199,146	189,765,433	190,495,391	191,054,955	191,765,125	192,396,628	2,249,532,335

AHCCCS PROPOSITION 204 ACUTE CARE PROGRAM EXPENDITURE (REGULAR) - FEDERAL FUND

FY 16 ACTUALS Category	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
CAPITATION:													
TANF <1	4,200	3,100	2,100	2,000	2,000	1,000	1,200	1,700	1,700	1,400	1,000	500	21,900
TANF 1-13	119,300	96,000	84,100	74,700	57,700	47,100	36,000	27,800	23,600	20,300	15,600	13,600	615,800
TANF 14-44, F	8,323,500	7,177,300	6,291,000	11,584,100	11,339,900	11,948,000	12,295,800	12,178,900	12,358,900	12,392,400	12,343,200	12,477,100	130,710,100
TANF 14-44, M	2,329,400	2,016,800	1,783,900	3,340,800	3,301,500	3,380,700	3,415,900	3,385,000	3,417,300	3,392,400	3,375,000	3,407,400	36,546,100
TANF 45+	5,739,000	5,075,300	4,606,500	8,727,100	8,795,600	9,033,000	9,264,700	9,225,200	9,285,900	9,102,600	9,001,200	9,071,000	96,927,100
TANF TOTAL	16,515,400	14,368,500	12,767,600	23,728,700	23,496,700	24,409,800	25,013,600	24,818,600	25,087,400	24,909,100	24,736,000	24,969,600	264,821,000
SSI W/ MED	4,213,800	4,231,100	4,271,600	3,833,600	3,842,600	3,868,200	3,888,500	3,892,000	3,804,500	3,688,000	3,494,900	3,406,400	46,435,200
SSI W/O MED	2,038,100	1,954,700	1,912,200	1,481,500	1,422,200	1,413,700	1,354,900	1,256,800	1,140,300	1,045,300	1,010,200	967,900	16,997,800
EXP. STATE ADULTS	93,143,800	94,194,600	96,793,700	100,053,200	101,619,500	103,702,700	108,055,200	108,070,100	108,772,700	108,544,000	108,436,400	108,755,200	1,240,141,100
TITLE XIX BIRTHS	445,700	537,300	466,600	774,000	622,600	1,068,500	1,018,100	908,700	900,300	833,000	904,500	442,500	8,921,800
EXP. ST. ADULT BIRTHS	416,600	616,500	662,400	668,800	563,700	576,300	639,500	479,600	576,400	597,400	597,400	448,900	6,843,500
FP MIX ADJ	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	116,773,400	115,902,700	116,874,100	130,539,800	131,567,300	135,039,200	139,969,800	139,425,800	140,281,600	139,616,800	139,179,400	138,990,500	1,584,160,400

AHCCCS PROPOSITION 204 ACUTE CARE PROGRAM EXPENDITURE (REGULAR) - FEDERAL FUND

FY 17 REBASE Category	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
CAPITATION:													
TANF <1	300	200	-	-	-	-	-	-	-	-	-	-	500
TANF 1-13	9,000	4,500	-	-	-	-	-	-	-	-	-	-	13,500
TANF 14-44, F	12,487,700	12,498,400	12,509,100	12,880,800	12,902,100	12,923,400	12,954,900	12,976,300	12,997,700	13,019,200	13,040,700	13,062,200	154,252,500
TANF 14-44, M	3,408,000	3,408,600	3,409,300	3,356,100	3,361,700	3,367,200	3,388,100	3,393,700	3,399,300	3,404,900	3,410,500	3,416,200	40,723,600
TANF 45+	9,086,000	9,101,000	9,116,100	9,297,700	9,313,000	9,328,400	9,343,700	9,359,200	9,374,600	9,390,100	9,405,600	9,421,100	111,536,500
TANF TOTAL	24,991,000	25,012,700	25,034,500	25,534,600	25,576,800	25,619,000	25,686,700	25,729,200	25,771,600	25,814,200	25,856,800	25,899,500	306,526,600
SSI W/ MED	3,413,500	3,420,500	3,427,500	2,818,600	2,824,400	2,830,200	2,834,200	2,840,000	2,845,800	2,851,500	2,857,300	2,863,100	35,826,600
SSI W/O MED	969,900	971,900	973,900	1,049,300	1,051,400	1,053,600	1,058,100	1,060,300	1,062,500	1,064,600	1,066,800	1,068,900	12,451,200
EXP. STATE ADULTS	109,243,000	109,730,800	110,218,600	117,925,100	118,444,700	118,964,300	118,358,600	118,873,300	119,388,000	119,902,700	120,417,500	120,932,200	1,402,398,800
TITLE XIX BIRTHS	501,900	519,000	525,100	474,900	381,900	450,000	499,400	467,700	471,000	472,400	466,800	466,400	5,696,500
EXP. ST. ADULT BIRTHS	544,100	531,100	553,400	509,500	473,100	497,000	483,900	449,600	488,100	416,200	450,500	427,500	5,824,000
FP MIX ADJ	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	139,663,400	140,186,000	140,733,000	148,312,000	148,752,300	149,414,100	148,920,900	149,420,100	150,027,000	150,521,600	151,115,700	151,657,600	1,768,723,700

FY 18 REQUEST Category	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
CAPITATION:													
TANF <1	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 1-13	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 14-44, F	13,083,800	13,105,400	13,127,100	13,599,900	13,622,300	13,644,800	13,667,400	13,689,900	13,712,500	13,735,200	13,757,900	13,780,600	162,526,800
TANF 14-44, M	3,421,800	3,427,500	3,433,100	3,556,800	3,562,700	3,568,600	3,574,500	3,580,400	3,586,300	3,592,200	3,598,200	3,604,100	42,506,200
TANF 45+	9,436,700	9,452,300	9,467,900	9,809,000	9,825,200	9,841,500	9,857,700	9,874,000	9,890,300	9,906,600	9,923,000	9,939,400	117,223,600
TANF TOTAL	25,942,300	25,985,200	26,028,100	26,965,700	27,010,200	27,054,900	27,099,600	27,144,300	27,189,100	27,234,000	27,279,100	27,324,100	322,256,600
SSI W/ MED	2,868,900	2,874,700	2,880,400	2,985,300	2,991,300	2,997,200	3,003,200	3,009,200	3,015,200	3,021,100	3,027,100	3,033,100	35,706,700
SSI W/O MED	1,071,100	1,073,200	1,075,400	1,114,500	1,116,800	1,119,000	1,121,200	1,123,500	1,125,700	1,127,900	1,130,100	1,132,400	13,330,800
EXP. STATE ADULTS	121,446,900	121,961,600	122,476,400	126,714,800	127,245,100	127,775,400	130,733,300	131,273,700	131,814,000	132,354,400	132,894,700	133,435,000	1,540,125,300
TITLE XIX BIRTHS	529,000	547,100	553,400	501,000	402,900	474,700	526,900	493,400	496,900	498,400	492,400	492,100	6,008,200
EXP. ST. ADULT BIRTHS	518,200	505,700	527,000	537,500	499,200	524,400	510,500	474,400	515,000	439,100	475,300	451,000	5,977,300
FP MIX ADJ	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	152,376,400	152,947,500	153,540,700	158,818,800	159,265,500	159,945,600	162,994,700	163,518,500	164,155,900	164,674,900	165,298,700	165,867,700	1,923,404,900

AHCCCS PROPOSITION 204 ACUTE CARE PROGRAM EXPENDITURE (REGULAR) - STATE FUND

FY 16 ACTUALS Category	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
CAPITATION:													
TANF <1	1,900	1,500	900	900	900	500	600	800	700	600	500	200	10,000
TANF 1-13	54,900	44,300	38,800	33,700	26,000	21,200	16,200	12,600	10,700	9,200	7,000	6,100	280,700
TANF 14-44, F	3,834,700	3,306,700	2,898,300	5,223,900	5,113,800	5,388,100	5,544,900	5,492,100	5,573,400	5,588,400	5,566,300	5,626,600	59,157,200
TANF 14-44, M	1,073,200	929,200	821,900	1,506,500	1,488,900	1,524,600	1,540,400	1,526,500	1,541,100	1,529,800	1,522,000	1,536,600	16,540,700
TANF 45+	2,644,000	2,338,200	2,122,300	3,935,600	3,966,400	4,073,500	4,178,000	4,160,200	4,187,500	4,104,900	4,059,100	4,090,700	43,860,400
TANF TOTAL	7,608,700	6,619,900	5,882,200	10,700,600	10,596,000	11,007,900	11,280,100	11,192,200	11,313,400	11,232,900	11,154,900	11,260,200	119,849,000
SSI W/ MED	1,941,400	1,949,300	1,968,000	1,728,800	1,732,800	1,744,400	1,753,500	1,755,100	1,715,700	1,663,100	1,576,100	1,536,200	21,064,400
SSI W/O MED	939,000	900,500	881,000	668,100	641,400	637,500	611,000	566,700	514,200	471,400	455,600	436,500	7,722,900
EXP. STATE ADULTS	13,452,500	13,604,200	13,979,600	14,450,300	14,676,600	14,977,400	11,105,800	11,107,300	11,179,600	11,156,000	11,145,000	11,177,700	152,012,000
TITLE XIX BIRTHS	205,400	247,600	214,900	349,000	280,700	481,800	459,100	409,800	406,000	375,700	407,900	199,600	4,037,500
EXP. ST. ADULT BIRTHS	191,900	284,000	305,100	301,600	254,200	259,900	288,400	216,300	259,900	269,400	269,400	202,500	3,102,600
FP MIX ADJ	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	24,338,900	23,605,500	23,230,800	28,198,400	28,181,700	29,108,900	25,497,900	25,247,400	25,388,800	25,168,500	25,008,900	24,812,700	307,788,400

AHCCCS PROPOSITION 204 ACUTE CARE PROGRAM EXPENDITURE (REGULAR) - STATE FUND

FY 17 REBASE Category	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
CAPITATION:													
TANF <1	188	45	-	-	-	-	-	-	-	-	-	-	233
TANF 1-13	4,104	2,063	-	-	-	-	-	-	-	-	-	-	6,166
TANF 14-44, F	5,631,435	5,636,226	5,641,043	5,722,331	5,731,755	5,741,231	5,755,236	5,764,737	5,774,290	5,783,793	5,793,348	5,802,954	68,778,378
TANF 14-44, M	1,536,881	1,537,198	1,537,416	1,491,015	1,493,420	1,495,939	1,505,158	1,507,640	1,510,135	1,512,643	1,515,165	1,517,600	18,160,208
TANF 45+	4,097,439	4,104,212	4,110,922	4,130,481	4,137,358	4,144,173	4,151,003	4,157,791	4,164,715	4,171,577	4,178,475	4,185,410	49,733,555
TANF TOTAL	11,270,047	11,279,743	11,289,381	11,343,826	11,362,534	11,381,342	11,411,397	11,430,168	11,449,140	11,468,013	11,486,987	11,505,964	136,678,540
SSI W/ MED	1,539,273	1,542,495	1,545,717	1,252,195	1,254,745	1,257,295	1,259,115	1,261,660	1,264,205	1,266,849	1,269,394	1,271,939	15,984,883
SSI W/O MED	437,401	438,305	439,210	466,090	467,098	468,006	470,121	471,037	471,953	472,968	473,884	474,899	5,550,972
EXP. STATE ADULTS	11,227,887	11,278,035	11,328,183	12,120,221	12,173,646	12,227,071	13,370,469	13,428,641	13,486,812	13,544,984	13,603,055	13,661,227	151,450,232
TITLE XIX BIRTHS	226,360	234,075	236,751	210,904	169,636	199,892	221,871	207,757	209,291	209,896	207,321	207,269	2,541,023
EXP. ST. ADULT BIRTHS	245,362	239,436	249,563	226,319	210,236	220,860	214,974	199,804	216,875	184,884	200,127	189,964	2,598,404
FP MIX ADJ	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	24,946,330	25,012,090	25,088,805	25,619,555	25,637,895	25,754,467	26,947,947	26,999,067	27,098,275	27,147,595	27,240,768	27,311,262	314,804,054

FY 18 REQUEST Category	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
CAPITATION:													
TANF <1	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 1-13	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 14-44, F	5,812,511	5,822,120	5,831,680	5,959,807	5,969,711	5,979,569	5,989,380	5,999,345	6,009,263	6,019,136	6,029,061	6,039,041	71,460,625
TANF 14-44, M	1,520,149	1,522,611	1,525,186	1,558,737	1,561,286	1,563,848	1,566,425	1,569,016	1,571,620	1,574,239	1,576,772	1,579,419	18,689,306
TANF 45+	4,192,282	4,199,192	4,206,138	4,298,632	4,305,732	4,312,770	4,319,947	4,327,063	4,334,217	4,341,410	4,348,542	4,355,712	51,541,639
TANF TOTAL	11,524,942	11,543,922	11,563,004	11,817,176	11,836,729	11,856,188	11,875,753	11,895,424	11,915,101	11,934,785	11,954,375	11,974,172	141,691,569
SSI W/ MED	1,274,484	1,277,029	1,279,674	1,308,217	1,310,812	1,313,508	1,316,103	1,318,698	1,321,294	1,323,989	1,326,584	1,329,180	15,699,572
SSI W/O MED													-
EXP. STATE ADULTS	13,719,398	13,777,570	13,835,641	14,314,471	14,374,387	14,434,303	12,066,619	12,116,435	12,166,351	12,216,167	12,266,083	12,315,998	157,603,423
TITLE XIX BIRTHS	235,052	242,986	245,893	219,505	176,543	208,076	230,866	216,235	217,813	218,420	215,830	215,656	2,642,876
EXP. ST. ADULT BIRTHS	230,167	224,727	234,166	235,551	218,712	229,783	223,736	207,864	225,646	192,399	208,248	197,707	2,628,704
FP MIX ADJ	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	26,984,043	27,066,233	27,158,378	27,894,920	27,917,183	28,041,857	25,713,077	25,754,655	25,846,205	25,885,759	25,971,120	26,032,714	320,266,144

AHCCCS PROPOSITION 204 ACUTE CARE PROGRAM EXPENDITURE (PRIOR PERIOD) - TOTAL FUND

FY 16 ACTUALS Category	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
CAPITATION:													
TANF <1	-	-	(400)	-	-	-	-	-	-	-	-	-	(400)
TANF 1-13	100	100	-	100	300	100	-	200	600	300	100	100	2,000
TANF 14-44, F	41,600	48,200	212,800	328,100	270,600	244,600	293,900	266,100	267,400	392,500	413,700	305,700	3,085,200
TANF 14-44, M	20,100	18,900	92,500	143,700	131,400	127,100	136,100	134,300	122,400	172,300	184,100	137,500	1,420,400
TANF 45+	21,700	55,600	233,200	266,300	213,500	253,700	229,100	249,000	196,800	272,300	300,200	225,300	2,516,700
TANF TOTAL	83,500	122,800	538,100	738,200	615,800	625,500	659,100	649,600	587,200	837,400	898,100	668,600	7,023,900
SSI W/ MED	60,800	69,000	53,400	33,900	22,000	31,100	24,000	29,600	25,300	39,400	46,700	30,300	465,500
SSI W/O MED	40,800	52,500	36,600	28,800	24,600	35,000	22,000	30,200	22,800	45,100	44,400	24,200	407,000
EXP. STATE ADULTS	10,344,600	9,583,600	7,006,600	7,065,500	5,309,300	5,887,700	6,065,900	6,423,300	6,596,100	7,908,100	7,939,800	7,591,600	87,722,100
EXP. ST. ADULT RECON	-	-	-	-	-	-	-	-	-	-	-	-	-
PPC RECON	-	-	-	-	-	-	-	-	-	-	-	-	-
FP MIX ADJ	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	10,529,700	9,827,900	7,634,700	7,866,400	5,971,700	6,579,300	6,771,000	7,132,700	7,231,400	8,830,000	8,929,000	8,314,700	95,618,500

AHCCCS PROPOSITION 204 ACUTE CARE PROGRAM EXPENDITURE (PRIOR PERIOD) - TOTAL FUND

FY 17 REBASE Category	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
CAPITATION:													
TANF <1	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 1-13	52	26	-	-	-	-	-	-	-	-	-	-	78
TANF 14-44, F	305,964	306,226	306,488	309,264	309,775	310,287	310,799	311,312	311,826	312,341	312,857	313,374	3,720,514
TANF 14-44, M	137,570	137,595	137,621	137,362	137,588	137,816	138,043	138,271	138,500	138,728	138,958	139,187	1,657,238
TANF 45+	225,716	226,088	226,462	225,980	226,353	226,727	227,101	227,477	227,852	228,229	228,606	228,983	2,725,573
TANF TOTAL	669,301	669,935	670,570	672,606	673,717	674,829	675,944	677,060	678,178	679,298	680,420	681,544	8,103,403
SSI W/ MED	30,389	30,452	30,515	30,623	30,685	30,748	30,811	30,874	30,937	31,000	31,062	31,125	369,222
SSI W/O MED	24,248	24,298	24,348	24,358	24,408	24,458	24,508	24,558	24,608	24,658	24,708	24,757	293,914
EXP. STATE ADULTS	7,625,624	7,659,675	7,693,726	7,703,207	7,737,150	7,771,093	7,805,036	7,838,979	7,872,922	7,906,865	7,940,808	7,974,751	93,529,834
EXP. ST. ADULT RECON	-	-	-	-	-	-	-	-	-	-	-	-	-
PPC RECON	-	-	-	-	-	-	-	-	-	-	-	-	-
FP MIX ADJ	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	8,349,563	8,384,361	8,419,160	8,430,793	8,465,959	8,501,128	8,536,298	8,571,470	8,606,644	8,641,820	8,676,998	8,712,178	102,296,373

FY 18 REQUEST Category	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
CAPITATION:													
TANF <1	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 1-13	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 14-44, F	313,892	314,410	314,929	324,913	325,450	325,987	326,525	327,065	327,605	328,146	328,688	329,231	3,886,840
TANF 14-44, M	139,417	139,647	139,878	144,312	144,550	144,789	145,028	145,268	145,508	145,748	145,989	146,230	1,726,364
TANF 45+	229,361	229,740	230,119	237,415	237,807	238,199	238,593	238,987	239,382	239,777	240,173	240,570	2,840,122
TANF TOTAL	682,670	683,797	684,927	706,640	707,807	708,976	710,147	711,319	712,494	713,671	714,850	716,030	8,453,326
SSI W/ MED	31,188	31,251	31,314	32,318	32,382	32,447	32,512	32,577	32,641	32,706	32,771	32,835	386,941
SSI W/O MED	24,807	24,857	24,907	25,706	25,758	25,809	25,860	25,912	25,963	26,015	26,066	26,118	307,779
EXP. STATE ADULTS	8,008,694	8,042,637	8,076,580	8,353,839	8,388,800	8,423,761	8,458,723	8,493,684	8,528,645	8,563,607	8,598,568	8,633,529	100,571,066
EXP. ST. ADULT RECON	-	-	-	-	-	-	-	-	-	-	-	-	-
PPC RECON	-	-	-	-	-	-	-	-	-	-	-	-	-
FP MIX ADJ	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	8,747,359	8,782,542	8,817,727	9,118,502	9,154,746	9,190,993	9,227,241	9,263,492	9,299,744	9,335,998	9,372,254	9,408,512	109,719,112

AHCCCS PROPOSITION 204 ACUTE CARE PROGRAM EXPENDITURE (PRIOR PERIOD) - FEDERAL FUND

FY 16 ACTUALS Category	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
CAPITATION:													
TANF <1	-	-	(300)	-	-	-	-	-	-	-	-	-	(300)
TANF 1-13	100	100	-	100	200	100	-	100	400	200	100	100	1,500
TANF 14-44, F	28,500	33,000	145,700	226,100	186,500	168,600	202,600	183,400	184,300	270,500	285,100	210,700	2,125,000
TANF 14-44, M	13,800	12,900	63,300	99,000	90,600	87,600	93,800	92,600	84,400	118,700	126,900	94,800	978,400
TANF 45+	14,900	38,100	159,600	183,500	147,100	174,900	157,900	171,600	135,600	187,700	206,900	155,300	1,733,100
TANF TOTAL	57,300	84,100	368,300	508,700	424,400	431,200	454,300	447,700	404,700	577,100	619,000	460,900	4,837,700
SSI W/ MED	41,600	47,200	36,600	23,400	15,200	21,400	16,500	20,400	17,400	27,200	32,200	20,900	320,000
SSI W/O MED	27,900	35,900	25,100	19,800	17,000	24,100	15,200	20,800	15,700	31,100	30,600	16,700	279,900
EXP. STATE ADULTS	9,039,100	8,374,100	6,122,400	6,173,800	4,639,300	5,144,700	5,500,600	5,824,600	5,981,300	7,171,100	7,199,800	6,884,100	78,054,900
EXP. ST. ADULT RECON	-	-	-	-	-	-	-	-	-	-	-	-	-
PPC RECON	-	-	-	-	-	-	-	-	-	-	-	-	-
FP MIX ADJ	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	9,165,900	8,541,300	6,552,400	6,725,700	5,095,900	5,621,400	5,986,600	6,313,500	6,419,100	7,806,500	7,881,600	7,382,600	83,492,500

AHCCCS PROPOSITION 204 ACUTE CARE PROGRAM EXPENDITURE (PRIOR PERIOD) - FEDERAL FUND

FY 17 REBASE Category	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
CAPITATION:													
TANF <1	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 1-13	36	18	-	-	-	-	-	-	-	-	-	-	54
TANF 14-44, F	210,871	211,051	211,231	214,134	214,488	214,842	215,197	215,553	215,909	216,265	216,622	216,980	2,573,144
TANF 14-44, M	94,813	94,831	94,848	95,109	95,266	95,424	95,581	95,739	95,897	96,056	96,214	96,373	1,146,151
TANF 45+	155,563	155,820	156,077	156,469	156,727	156,986	157,245	157,505	157,765	158,025	158,286	158,548	1,885,016
TANF TOTAL	461,282	461,719	462,157	465,712	466,481	467,252	468,023	468,796	469,571	470,346	471,123	471,901	5,604,365
SSI W/ MED	20,944	20,988	21,031	21,203	21,247	21,290	21,334	21,377	21,421	21,464	21,508	21,551	255,357
SSI W/O MED	16,712	16,746	16,781	16,865	16,900	16,935	16,969	17,004	17,038	17,073	17,107	17,142	203,273
EXP. STATE ADULTS	6,914,900	6,945,800	6,976,700	6,985,300	7,016,000	7,046,800	7,012,800	7,043,300	7,073,800	7,104,300	7,134,800	7,165,300	84,419,800
EXP. ST. ADULT RECON	-	-	-	-	-	-	-	-	-	-	-	-	-
PPC RECON	-	-	-	-	-	-	-	-	-	-	-	-	-
FP MIX ADJ	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	7,413,839	7,445,253	7,476,669	7,489,081	7,520,628	7,552,276	7,519,126	7,550,477	7,581,830	7,613,183	7,644,538	7,675,894	90,482,794

FY 18 REQUEST Category	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
CAPITATION:													
TANF <1	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 1-13	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 14-44, F	217,339	217,697	218,057	225,912	226,285	226,659	227,033	227,408	227,784	228,160	228,537	228,914	2,699,784
TANF 14-44, M	96,532	96,692	96,851	100,340	100,506	100,672	100,838	101,005	101,172	101,339	101,506	101,674	1,199,126
TANF 45+	158,810	159,072	159,335	165,074	165,347	165,620	165,894	166,168	166,442	166,717	166,992	167,268	1,972,738
TANF TOTAL	472,681	473,461	474,243	491,326	492,138	492,951	493,765	494,580	495,397	496,215	497,035	497,856	5,871,649
SSI W/ MED	21,595	21,638	21,682	22,471	22,515	22,560	22,605	22,650	22,695	22,740	22,785	22,830	268,768
SSI W/O MED	17,177	17,211	17,246	17,873	17,909	17,945	17,981	18,017	18,052	18,088	18,124	18,160	213,783
EXP. STATE ADULTS	7,195,800	7,226,300	7,256,800	7,505,900	7,537,300	7,568,700	7,744,000	7,776,000	7,808,000	7,840,000	7,872,000	7,904,000	91,234,800
EXP. ST. ADULT RECON	-	-	-	-	-	-	-	-	-	-	-	-	-
PPC RECON	-	-	-	-	-	-	-	-	-	-	-	-	-
FP MIX ADJ	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	7,707,252	7,738,611	7,769,971	8,037,570	8,069,863	8,102,156	8,278,351	8,311,247	8,344,145	8,377,044	8,409,944	8,442,846	97,588,999

AHCCCS PROPOSITION 204 ACUTE CARE PROGRAM EXPENDITURE (PRIOR PERIOD) - STATE FUND

FY 16 ACTUALS Category	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
CAPITATION:													
TANF <1	-	-	(100)	-	-	-	-	-	-	-	-	-	(100)
TANF 1-13	-	-	-	-	100	-	-	100	200	100	-	-	500
TANF 14-44, F	13,100	15,200	67,100	102,000	84,100	76,000	91,300	82,700	83,100	122,000	128,600	95,000	960,200
TANF 14-44, M	6,300	6,000	29,200	44,700	40,800	39,500	42,300	41,700	38,000	53,600	57,200	42,700	442,000
TANF 45+	6,800	17,500	73,600	82,800	66,400	78,800	71,200	77,400	61,200	84,600	93,300	70,000	783,600
TANF TOTAL	26,200	38,700	169,800	229,500	191,400	194,300	204,800	201,900	182,500	260,300	279,100	207,700	2,186,200
SSI W/ MED	19,200	21,800	16,800	10,500	6,800	9,700	7,500	9,200	7,900	12,200	14,500	9,400	145,500
SSI W/O MED	12,900	16,600	11,500	9,000	7,600	10,900	6,800	9,400	7,100	14,000	13,800	7,500	127,100
EXP. STATE ADULTS	1,305,500	1,209,500	884,200	891,700	670,000	743,000	565,300	598,700	614,800	737,000	740,000	707,500	9,667,200
EXP. ST. ADULT RECON	-	-	-	-	-	-	-	-	-	-	-	-	-
PPC RECON	-	-	-	-	-	-	-	-	-	-	-	-	-
FP MIX ADJ	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	1,363,800	1,286,600	1,082,300	1,140,700	875,800	957,900	784,400	819,200	812,300	1,023,500	1,047,400	932,100	12,126,000

AHCCCS PROPOSITION 204 ACUTE CARE PROGRAM EXPENDITURE (PRIOR PERIOD) - STATE FUND

FY 17 REBASE Category	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
CAPITATION:													
TANF <1	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 1-13	16	8	-	-	-	-	-	-	-	-	-	-	24
TANF 14-44, F	95,094	95,175	95,256	95,130	95,287	95,444	95,602	95,760	95,918	96,076	96,235	96,394	1,147,370
TANF 14-44, M	42,757	42,765	42,773	42,252	42,322	42,392	42,462	42,532	42,602	42,673	42,743	42,814	511,087
TANF 45+	70,152	70,268	70,384	69,511	69,626	69,741	69,856	69,972	70,087	70,203	70,319	70,435	840,557
TANF TOTAL	208,019	208,216	208,413	206,894	207,235	207,577	207,920	208,264	208,608	208,952	209,297	209,643	2,499,038
SSI W/ MED	9,445	9,465	9,484	9,420	9,439	9,458	9,477	9,497	9,516	9,535	9,555	9,574	113,865
SSI W/O MED	7,536	7,552	7,568	7,492	7,508	7,523	7,539	7,554	7,569	7,585	7,600	7,615	90,641
EXP. STATE ADULTS	710,724	713,875	717,026	717,907	721,150	724,293	792,236	795,679	799,122	802,565	806,008	809,451	9,110,034
EXP. ST. ADULT RECON	-	-	-	-	-	-	-	-	-	-	-	-	-
PPC RECON	-	-	-	-	-	-	-	-	-	-	-	-	-
FP MIX ADJ	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	935,724	939,107	942,491	941,712	945,332	948,852	1,017,172	1,020,993	1,024,815	1,028,637	1,032,460	1,036,283	11,813,578

FY 18 REQUEST Category	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
CAPITATION:													
TANF <1	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 1-13	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 14-44, F	96,553	96,713	96,872	99,001	99,164	99,328	99,492	99,657	99,821	99,986	100,151	100,317	1,187,055
TANF 14-44, M	42,885	42,955	43,026	43,972	44,045	44,117	44,190	44,263	44,336	44,409	44,483	44,556	527,238
TANF 45+	70,552	70,668	70,785	72,340	72,460	72,579	72,699	72,819	72,940	73,060	73,181	73,302	867,384
TANF TOTAL	209,989	210,336	210,683	215,313	215,669	216,025	216,382	216,739	217,097	217,456	217,815	218,174	2,581,677
SSI W/ MED	9,593	9,613	9,632	9,847	9,867	9,887	9,906	9,926	9,946	9,965	9,985	10,005	118,173
SSI W/O MED	7,631	7,646	7,662	7,833	7,848	7,864	7,880	7,895	7,911	7,927	7,942	7,958	93,997
EXP. STATE ADULTS	812,894	816,337	819,780	847,939	851,500	855,061	714,723	717,684	720,645	723,607	726,568	729,529	9,336,266
EXP. ST. ADULT RECON	-	-	-	-	-	-	-	-	-	-	-	-	-
PPC RECON	-	-	-	-	-	-	-	-	-	-	-	-	-
FP MIX ADJ	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	1,040,107	1,043,932	1,047,757	1,080,932	1,084,884	1,088,837	948,890	952,244	955,599	958,954	962,310	965,667	12,130,113

ACUTE CARE PROGRAM MEMBER MONTHS (ALL)

FY 16 ACTUALS Category	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
CAPITATION:													
TANF <1	12	9	6	6	6	3	4	5	5	4	3	2	64
TANF 1-13	1,584	1,276	1,117	981	760	618	469	367	320	270	206	178	8,147
TANF 14-44, F	49,092	42,393	38,006	69,918	68,183	71,630	73,657	72,827	73,890	74,732	74,554	74,781	783,663
TANF 14-44, M	21,876	18,949	17,216	32,483	32,028	32,745	32,894	32,592	32,812	32,923	32,842	32,824	352,185
TANF 45+	20,128	17,886	16,665	31,163	31,240	32,188	32,450	32,375	32,423	32,026	31,763	31,774	342,082
TANF TOTAL	92,692	80,513	73,011	134,551	132,217	137,184	139,473	138,166	139,451	139,956	139,368	139,558	1,486,140
SSI W/ MED	41,473	41,729	41,952	34,202	34,106	34,465	34,481	34,594	33,763	32,947	31,360	30,343	425,414
SSI W/O MED	3,753	3,626	3,518	2,549	2,441	2,445	2,314	2,163	1,955	1,834	1,774	1,668	30,039
EXP. STATE ADULTS	268,812	270,530	273,740	273,746	275,241	281,585	281,439	282,011	284,041	285,425	285,202	285,485	3,347,256
MEMBER MONTH TOTAL	406,730	396,398	392,220	445,048	444,006	455,680	457,707	456,934	459,209	460,162	457,704	457,053	5,288,850
TITLE XIX BIRTHS	107	129	112	184	148	254	242	216	214	198	215	105	2,124
EXP. ST. ADULT BIRTHS	100	148	159	159	134	137	152	114	137	142	142	107	1,631

ACUTE CARE PROGRAM MEMBER MONTHS (ALL)

FY 17 REBASE Category	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
CAPITATION:													
TANF <1	1	1	-	-	-	-	-	-	-	-	-	-	2
TANF 1-13	119	59	-	-	-	-	-	-	-	-	-	-	178
TANF 14-44, F	74,845	74,909	74,973	75,097	75,221	75,345	75,469	75,594	75,719	75,844	75,969	76,095	905,079
TANF 14-44, M	32,830	32,836	32,842	32,896	32,951	33,005	33,060	33,114	33,169	33,224	33,278	33,333	396,537
TANF 45+	31,827	31,879	31,932	31,985	32,038	32,091	32,144	32,197	32,250	32,303	32,356	32,410	385,410
TANF TOTAL	139,621	139,684	139,747	139,978	140,209	140,440	140,672	140,905	141,137	141,371	141,604	141,838	1,687,206
SSI W/ MED	30,405	30,468	30,531	30,594	30,656	30,719	30,782	30,845	30,907	30,970	31,033	31,096	369,005
SSI W/O MED	1,671	1,675	1,678	1,681	1,685	1,688	1,692	1,695	1,699	1,702	1,706	1,709	20,281
EXP. STATE ADULTS	286,765	288,046	289,326	290,607	291,887	293,168	294,448	295,729	297,009	298,290	299,570	300,851	3,525,695
MEMBER MONTH TOTAL	458,462	459,872	461,282	462,859	464,437	466,015	467,594	469,173	470,753	472,332	473,913	475,493	5,602,186
TITLE XIX BIRTHS	119	123	125	111	89	105	117	109	110	110	109	109	1,337
TITLE XIX BIRTHS	129	126	132	119	110	116	113	105	114	97	105	100	1,367

FY 18 REQUEST Category	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
CAPITATION:													
TANF <1	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 1-13	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 14-44, F	76,220	76,346	76,472	76,599	76,725	76,852	76,979	77,106	77,233	77,361	77,489	77,617	922,998
TANF 14-44, M	33,388	33,444	33,499	33,554	33,610	33,665	33,721	33,776	33,832	33,888	33,944	34,000	404,321
TANF 45+	32,463	32,517	32,571	32,624	32,678	32,732	32,786	32,841	32,895	32,949	33,004	33,058	393,119
TANF TOTAL	142,072	142,307	142,542	142,777	143,013	143,249	143,486	143,723	143,960	144,198	144,436	144,675	1,720,438
SSI W/ MED	31,158	31,221	31,284	31,347	31,409	31,472	31,535	31,598	31,660	31,723	31,786	31,849	378,041
SSI W/O MED	1,712	1,716	1,719	1,723	1,726	1,730	1,733	1,737	1,740	1,744	1,747	1,750	20,777
													-
EXP. STATE ADULTS	302,131	303,412	304,692	305,973	307,253	308,534	309,814	311,095	312,375	313,656	314,936	316,217	3,710,089
													-
MEMBER MONTH TOTAL	477,074	478,656	480,237	481,819	483,402	484,985	486,568	488,152	489,736	491,320	492,905	494,491	5,829,345
TITLE XIX BIRTHS	124	128	129	113	91	107	119	111	112	113	111	111	1,369
TITLE XIX BIRTHS	121	118	123	121	113	118	115	107	116	99	107	102	1,361

ACUTE CARE PROGRAM MEMBER MONTHS (REGULAR)

FY 16 ACTUALS Category	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
CAPITATION:													
TANF <1	12	9	6	6	6	3	4	5	5	4	3	2	64
TANF 1-13	1,583	1,275	1,117	979	755	617	469	363	308	265	203	177	8,110
TANF 14-44, F	48,885	42,154	36,948	68,223	66,786	70,367	72,139	71,453	72,509	72,705	72,417	73,202	767,789
TANF 14-44, M	21,756	18,836	16,661	31,493	31,123	31,869	31,955	31,666	31,969	31,735	31,573	31,876	342,512
TANF 45+	20,076	17,754	16,115	30,350	30,588	31,414	31,750	31,615	31,823	31,195	30,847	31,087	334,615
TANF TOTAL	92,312	80,028	70,847	131,051	129,258	134,270	136,317	135,102	136,614	135,905	135,044	136,343	1,453,092
SSI W/ MED	40,813	40,980	41,372	33,704	33,783	34,008	34,128	34,159	33,391	32,368	30,674	29,897	419,277
SSI W/O MED	3,672	3,522	3,446	2,498	2,399	2,384	2,276	2,111	1,915	1,756	1,697	1,626	29,300
EXP. STATE ADULTS	253,322	256,179	263,248	263,184	267,304	272,783	272,371	272,409	274,180	273,603	273,332	274,136	3,216,052
MEMBER MONTH TOTAL	390,119	380,709	378,913	430,438	432,743	443,446	445,092	443,781	446,100	443,632	440,747	442,001	5,117,721
TITLE XIX BIRTHS	107	129	112	184	148	254	242	216	214	198	215	105	2,124
EXP. ST. ADULT BIRTHS	100	148	159	159	134	137	152	114	137	142	142	107	1,631

ACUTE CARE PROGRAM MEMBER MONTHS (REGULAR)

FY 17 REBASE Category	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
CAPITATION:													
TANF <1	1	1	-	-	-	-	-	-	-	-	-	-	2
TANF 1-13	118	59	-	-	-	-	-	-	-	-	-	-	177
TANF 14-44, F	73,265	73,327	73,390	73,511	73,633	73,754	73,876	73,998	74,120	74,243	74,365	74,488	885,973
TANF 14-44, M	31,882	31,888	31,894	31,946	31,999	32,052	32,105	32,158	32,211	32,264	32,317	32,371	385,085
TANF 45+	31,138	31,189	31,241	31,293	31,344	31,396	31,448	31,500	31,552	31,604	31,656	31,708	377,070
TANF TOTAL	136,403	136,464	136,525	136,750	136,976	137,202	137,429	137,656	137,883	138,111	138,339	138,567	1,648,306
SSI W/ MED	29,959	30,021	30,083	30,144	30,206	30,268	30,330	30,392	30,454	30,515	30,577	30,639	363,588
SSI W/O MED	1,629	1,632	1,636	1,639	1,642	1,646	1,649	1,652	1,656	1,659	1,663	1,666	19,769
EXP. STATE ADULTS	275,365	276,595	277,825	279,054	280,284	281,513	282,743	283,973	285,202	286,432	287,661	288,891	3,385,538
MEMBER MONTH TOTAL	443,356	444,712	446,067	447,588	449,108	450,629	452,151	453,673	455,195	456,717	458,240	459,764	5,417,201
TITLE XIX BIRTHS	119	123	125	111	89	105	117	109	110	110	109	109	1,337
EXP. ST. ADULT BIRTHS	129	126	132	119	110	116	113	105	114	97	105	100	1,367

FY 18 REQUEST Category	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
CAPITATION:													
TANF <1	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 1-13	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 14-44, F	74,611	74,735	74,858	74,982	75,105	75,230	75,354	75,478	75,603	75,728	75,853	75,978	903,514
TANF 14-44, M	32,424	32,478	32,531	32,585	32,639	32,693	32,747	32,801	32,855	32,909	32,964	33,018	392,644
TANF 45+	31,761	31,813	31,866	31,918	31,971	32,024	32,077	32,130	32,183	32,236	32,289	32,343	384,611
TANF TOTAL	138,796	139,026	139,255	139,485	139,716	139,946	140,177	140,409	140,641	140,873	141,106	141,339	1,680,769
SSI W/ MED	30,701	30,763	30,825	30,886	30,948	31,010	31,072	31,134	31,196	31,257	31,319	31,381	372,492
SSI W/O MED	1,669	1,673	1,676	1,679	1,683	1,686	1,689	1,693	1,696	1,700	1,703	1,706	20,254
EXP. STATE ADULTS	290,121	291,350	292,580	293,809	295,039	296,269	297,498	298,728	299,958	301,187	302,417	303,646	3,562,602
MEMBER MONTH TOTAL	461,287	462,811	464,336	465,860	467,386	468,911	470,437	471,963	473,490	475,017	476,545	478,073	5,636,116
TITLE XIX BIRTHS	124	128	129	113	91	107	119	111	112	113	111	111	1,369
EXP. ST. ADULT BIRTHS	121	118	123	121	113	118	115	107	116	99	107	102	1,361

ACUTE CARE PROGRAM MEMBER MONTHS (PRIOR PERIOD)

FY 16 ACTUALS Category	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
CAPITATION:													
TANF <1	-	-	(0)	-	-	-	-	-	-	-	-	-	(0)
TANF 1-13	1	1	-	3	5	1	0	4	12	5	3	1	36
TANF 14-44, F	207	239	1,058	1,694	1,397	1,263	1,517	1,374	1,381	2,027	2,136	1,579	15,874
TANF 14-44, M	121	113	555	991	905	876	938	925	843	1,188	1,269	948	9,673
TANF 45+	51	131	551	813	651	774	699	760	601	831	916	688	7,466
TANF TOTAL	380	485	2,164	3,500	2,959	2,914	3,155	3,063	2,837	4,051	4,324	3,216	33,049
SSI W/ MED	660	749	579	498	323	457	353	435	371	579	686	445	6,137
SSI W/O MED	81	104	72	50	43	61	38	53	40	78	77	42	739
EXP. STATE ADULTS	15,490	14,350	10,492	10,562	7,937	8,802	9,068	9,602	9,861	11,822	11,869	11,349	131,204
MEMBER MONTH TOTAL	16,611	15,688	13,308	14,610	11,263	12,234	12,614	13,154	13,108	16,530	16,957	15,052	171,129

ACUTE CARE PROGRAM MEMBER MONTHS (PRIOR PERIOD)

FY 17 REBASE Category	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
CAPITATION:													
TANF <1	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 1-13	1	0	-	-	-	-	-	-	-	-	-	-	1
TANF 14-44, F	1,580	1,581	1,583	1,585	1,588	1,591	1,593	1,596	1,598	1,601	1,604	1,606	19,106
TANF 14-44, M	948	948	948	950	952	953	955	956	958	960	961	963	11,452
TANF 45+	689	690	691	692	693	694	696	697	698	699	700	701	8,341
TANF TOTAL	3,218	3,220	3,222	3,228	3,233	3,238	3,244	3,249	3,254	3,260	3,265	3,270	38,901
SSI W/ MED	446	447	448	449	450	451	452	453	454	455	456	456	5,417
SSI W/O MED	42	42	42	42	42	43	43	43	43	43	43	43	511
EXP. STATE ADULTS	11,400	11,451	11,502	11,552	11,603	11,654	11,705	11,756	11,807	11,858	11,909	11,960	140,157
MEMBER MONTH TOTAL	15,106	15,160	15,214	15,271	15,329	15,386	15,443	15,501	15,558	15,615	15,672	15,730	184,985

FY 18 REQUEST Category	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
CAPITATION:													
TANF <1	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 1-13	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 14-44, F	1,609	1,612	1,614	1,617	1,620	1,622	1,625	1,628	1,630	1,633	1,636	1,638	19,484
TANF 14-44, M	964	966	967	969	971	972	974	975	977	979	980	982	11,677
TANF 45+	703	704	705	706	707	708	710	711	712	713	714	715	8,508
TANF TOTAL	3,276	3,281	3,287	3,292	3,298	3,303	3,308	3,314	3,319	3,325	3,330	3,336	39,669
SSI W/ MED	457	458	459	460	461	462	463	464	465	466	467	468	5,550
SSI W/O MED	43	43	43	43	44	44	44	44	44	44	44	44	524
EXP. STATE ADULTS	12,011	12,061	12,112	12,163	12,214	12,265	12,316	12,367	12,418	12,469	12,520	12,571	147,487
MEMBER MONTH TOTAL	15,787	15,844	15,902	15,959	16,016	16,074	16,131	16,188	16,246	16,303	16,361	16,418	193,229

PROPOSITION 204 ACUTE CAPITATION RATE

CATEGORY	After April CY15 REG	After April CY15 PPC	Before December CY16 REG	Before December CY16 PPC	After December CY16 REG	After December CY16 PPC	Before December CY17 REG	Before December CY17 PPC	After December CY17 REG	After December CY17 PPC	CY18 REG	CY18 PPC
TANF <1	$506.77	$1,125.50	$484.21	$1,006.39	$488.38	$1,006.39	$468.91	$1,010.42	$472.50	$1,010.42	$486.67	$1,040.73
TANF 1-13	$110.02	$60.61	$110.78	$53.37	$111.33	$53.37	$111.81	$53.99	$112.23	$53.99	$115.59	$55.61
TANF 14-44, F	$248.71	$201.10	$246.37	$193.65	$247.31	$193.65	$253.06	$195.08	$253.26	$195.08	$260.86	$200.94
TANF 14-44, M	$156.40	$166.47	$153.92	$145.09	$155.10	$145.09	$151.73	$144.58	$152.42	$144.58	$156.99	$148.92
TANF 45+	$417.56	$423.36	$417.22	$327.71	$423.39	$327.71	$429.12	$326.47	$429.11	$326.47	$441.99	$336.26
SSI W/ MED	$150.82	$92.16	$165.04	$68.08	$165.32	$68.08	$135.04	$68.18	$134.96	$68.18	$139.01	$70.23
SSI W/O MED	$810.67	$505.15	$860.35	$575.73	$863.93	$575.73	$924.56	$574.77	$926.68	$574.77	$954.48	$592.01
EXP. STATE ADULTS	$420.79	$667.83	$435.07	$668.93	$ 437.49	$ 668.93	$ 466.02	$ 666.80	$ 465.90	$ 666.80	$480.00	$686.81
HOSP SUPPLEMENTAL												
TITLE XIX BIRTHS	$6,084.60		$6,103.44		$6,104.30		$6,185.53		$6,185.53		$6,371.09	
EXP. ST. ADULT BIRTHS	$6,084.60		$6,103.44		$6,104.30		$6,185.53		$6,185.53		$6,371.09	

FMAP

Oct 2013 - Sept 2014	67.23%
Oct 2014 - Sept 2015	68.46%
Oct 2015 - Sept 2016	68.92%
Oct 2016 - Sept 2017	69.24%
Oct 2017 - Sept 2018	69.53%

Expansion State Adults - Jan. 2014

2014.1-2014.3	83.62%
2014.4	84.23%
2015.1-2015.4	87.38%
2016.1-2016.4	90.68%
2017.1-2017.4	89.85%
2018.1-2018.4	91.55%

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 4-4007 Proposition 204 - Capitation

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	2,063,523.5	2,227,103.4	140,082.9	2,367,186.3
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Expenditure Categories Total:	2,063,523.5	2,227,103.4	140,082.9	2,367,186.3
Fund Source					
Appropriated Funds					
1000-A	General Fund (Appropriated)	(321.7)	0.0	0.0	0.0
1310-A	Tobacco Products Tax Fund (Appropriated)	18,162.2	18,747.2	0.0	18,747.2
		17,840.5	18,747.2	0.0	18,747.2
Non-Appropriated Funds					
1303-N	Proposition 204 Protection Account (TPTF) (Non-A	38,140.7	37,521.0	(22,105.5)	15,415.5
2120-N	AHCCCS Fund (Non-Appropriated)	1,690,350.7	1,883,312.7	144,125.8	2,027,438.5
2468-N	Arizona Tobacco Litigation Settlement Fund (Non-	98,906.9	100,000.0	(21,000.0)	79,000.0
2576-N	Hospital Assessment (Non-Appropriated)	218,284.7	187,522.5	39,062.6	226,585.1
		2,045,683.0	2,208,356.2	140,082.9	2,348,439.1
	Fund Source Total:	2,063,523.5	2,227,103.4	140,082.9	2,367,186.3

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4007 Proposition 204 - Capitation

Fund: 1000-A General Fund

Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	(321.7)	0.0	0.0	0.0
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Appropriated Total:	(321.7)	0.0	0.0	0.0
	Fund Total:	(321.7)	0.0	0.0	0.0
	Program Total For Selected Funds:	(321.7)	0.0	0.0	0.0

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4007 Proposition 204 - Capitation

Fund: 1303-N Proposition 204 Protection Account (TPTF) Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Non-Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	38,140.7	37,521.0	(22,105.5)	15,415.5
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Non-Appropriated Total:		38,140.7	37,521.0	(22,105.5)	15,415.5
Fund Total:		38,140.7	37,521.0	(22,105.5)	15,415.5
Program Total For Selected Funds:		38,140.7	37,521.0	(22,105.5)	15,415.5

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4007 Proposition 204 - Capitation

Fund: 1310-A Tobacco Products Tax Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Appropriated					
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	18,162.2	18,747.2	0.0	18,747.2
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Appropriated Total:	18,162.2	18,747.2	0.0	18,747.2
Fund Total:		18,162.2	18,747.2	0.0	18,747.2
Program Total For Selected Funds:		18,162.2	18,747.2	0.0	18,747.2

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4007 Proposition 204 - Capitation

Fund: 2120-N AHCCCS Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Non-Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	1,690,350.7	1,883,312.7	144,125.8	2,027,438.5
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Non-Appropriated Total:		1,690,350.7	1,883,312.7	144,125.8	2,027,438.5
Fund Total:		1,690,350.7	1,883,312.7	144,125.8	2,027,438.5
Program Total For Selected Funds:		1,690,350.7	1,883,312.7	144,125.8	2,027,438.5

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4007 Proposition 204 - Capitation

Fund: 2468-N Arizona Tobacco Litigation Settlement Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Non-Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	98,906.9	100,000.0	(21,000.0)	79,000.0
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Non-Appropriated Total:		98,906.9	100,000.0	(21,000.0)	79,000.0
Fund Total:		98,906.9	100,000.0	(21,000.0)	79,000.0
Program Total For Selected Funds:		98,906.9	100,000.0	(21,000.0)	79,000.0

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4007 Proposition 204 - Capitation

Fund: 2576-N Hospital Assessment

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Non-Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	218,284.7	187,522.5	39,062.6	226,585.1
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Non-Appropriated Total:	218,284.7	187,522.5	39,062.6	226,585.1
Fund Total:		218,284.7	187,522.5	39,062.6	226,585.1
Program Total For Selected Funds:		218,284.7	187,522.5	39,062.6	226,585.1

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4007 Proposition 204 - Capitation

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	0.0	0.0
Boards and Commissions	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	0.0	0.0
Attorney General Legal Services	0.0	0.0
External Legal Services	0.0	0.0
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	0.0	0.0
Hospital Services	0.0	0.0
Other Medical Services	0.0	0.0
Institutional Care	0.0	0.0
Education And Training	0.0	0.0
Vendor Travel	0.0	0.0
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0
Other Professional And Outside Services	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4007 Proposition 204 - Capitation

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	2,063,523.5	2,227,103.4
Expenditure Category Total	2,063,523.5	2,227,103.4

Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	(321.7)	0.0
1310-A Tobacco Products Tax Fund (Appropriated)	18,162.2	18,747.2
	17,840.5	18,747.2
Non-Appropriated		
1303-N Proposition 204 Protection Account (TPTF) (Non-Appropriate	38,140.7	37,521.0
2120-N AHCCCS Fund (Non-Appropriated)	#######	1,883,312.7
2468-N Arizona Tobacco Litigation Settlement Fund (Non-Appropriat	98,906.9	100,000.0
2576-N Hospital Assessment (Non-Appropriated)	218,284.7	187,522.5
	2,045,683.0	2,208,356.2
Fund Source Total	2,063,523.5	2,227,103.4

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	0.0	0.0
Information Technology Services	0.0	0.0
Utilities	0.0	0.0
Non-Building or Land Rent	0.0	0.0
Building Rent Charges to State Agencies	0.0	0.0
COP Building Rent Charges to State Agencies	0.0	0.0
Rental of Land & Buildings	0.0	0.0
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	0.0	0.0
Repair & Maintenance	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4007 Proposition 204 - Capitation

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Software Support and Maintenance	0.0	0.0
Operating Supplies	0.0	0.0
Resale Supplies	0.0	0.0
Sales of Assets	0.0	0.0
Conference, Education & Training	0.0	0.0
Advertising	0.0	0.0
Printing & Photography	0.0	0.0
Postage & Delivery	0.0	0.0
Miscellaneous Operating	0.0	0.0
Depreciation Expense	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	0.0	0.0
Vehicles - Non-Capital	0.0	0.0
Furniture - Non-Capital	0.0	0.0
EDP Equipment - Mainframe - Non-Capital	0.0	0.0
Telecommunication Equipment - Non Capital	0.0	0.0
Other Equipment - Non-Capital	0.0	0.0
Purchased Or Licensed Software/Website	0.0	0.0
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4007 Proposition 204 - Capitation

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Proposition 204: MEMBER MONTH SUMMARY

Calendar Quarter	TANF	SSI	Exp.State Adults	TOTAL	BIRTHS
2012.3	340,465	100,409	280,959	721,834	321
2012.4	334,392	100,367	248,312	683,072	257
2013.1	330,183	100,439	224,235	654,857	267
2013.2	331,891	100,175	205,017	637,084	248
2013.3	330,246	100,732	194,641	625,619	244
2013.4	326,812	102,003	183,619	612,434	234
2014.1	319,543	102,398	386,183	808,125	268
2014.2	341,754	95,855	553,310	990,919	260
2014.3	364,675	96,626	676,705	1,138,005	446
2014.4	371,477	100,868	736,033	1,208,378	526
2015.1	366,865	105,621	756,795	1,229,281	526
2015.2	338,752	123,645	760,951	1,223,348	648
2015.3	243,187	133,804	772,749	1,149,741	755
2015.4	394,579	108,777	803,271	1,306,627	1,016
2016.1	408,034	107,980	818,960	1,334,973	1,075
2016.2	407,291	98,017	821,071	1,326,380	548
FORECAST DATA					
2016.3	409,392	94,959	829,785	1,334,136	755
2016.4	410,928	95,546	840,851	1,347,326	651
2017.1	412,968	96,133	851,918	1,361,018	668
2017.2	415,017	96,719	862,984	1,374,721	630
2017.3	417,077	97,306	874,051	1,388,434	743
2017.4	419,147	97,893	885,117	1,402,157	664
2018.1	421,227	98,480	896,184	1,415,891	681
2018.2	423,318	99,066	907,250	1,429,634	643

Proposition 204: MEMBER MONTH GROWTH RATE SUMMARY

Calendar Quarter	TANF	SSI	Exp.State Adults	TOTAL	BIRTHS
2012.3	-0.38%	0.26%	-15.06%	-6.58%	-4.75%
2012.4	-1.78%	-0.04%	-11.62%	-5.37%	-19.94%
2013.1	-1.26%	0.07%	-9.70%	-4.13%	3.89%
2013.2	0.52%	-0.26%	-8.57%	-2.71%	-7.12%
2013.3	-0.50%	0.56%	-5.06%	-1.80%	-1.61%
2013.4	-1.04%	1.26%	-5.66%	-2.11%	-4.10%
2014.1	-2.22%	0.39%	110.32%	31.95%	14.53%
2014.2	6.95%	-6.39%	43.28%	22.62%	-2.99%
2014.3	6.71%	0.80%	22.30%	14.84%	71.54%
2014.4	1.87%	4.39%	8.77%	6.18%	17.94%
2015.1	-1.24%	4.71%	2.82%	1.73%	0.00%
2015.2	-7.66%	17.06%	0.55%	-0.48%	23.19%
2015.3	-28.21%	8.22%	1.55%	-6.02%	16.51%
2015.4	62.25%	-18.70%	3.95%	13.65%	34.57%
2016.1	3.41%	-0.73%	1.95%	2.17%	5.81%
2016.2	-0.18%	-9.23%	0.26%	-0.64%	-49.03%
FORECAST DATA					
2016.3	0.52%	-3.12%	1.06%	0.58%	37.72%
2016.4	0.38%	0.62%	1.33%	0.99%	-13.78%
2017.1	0.50%	0.61%	1.32%	1.02%	2.63%
2017.2	0.50%	0.61%	1.30%	1.01%	-5.59%
2017.3	0.50%	0.61%	1.28%	1.00%	17.80%
2017.4	0.50%	0.60%	1.27%	0.99%	-10.64%
2018.1	0.50%	0.60%	1.25%	0.98%	2.63%
2018.2	0.50%	0.60%	1.23%	0.97%	-5.59%

Proposition 204: MEMBER MONTH YEAR-OVER-YEAR CHANGE

SFY	TANF	SSI w	SSI w/o	MED	Exp.State Adults	TOTAL	BIRTHS
2002-03	558,597	145,468	7,423	47,847	1,009,823	1,769,158	676
2003-04	647,151	175,661	6,859	48,946	1,169,685	2,048,302	859
2004-05	740,652	219,907	15,307	54,223	1,249,749	2,279,838	1,065
2005-06	769,394	244,491	20,775	60,821	1,248,783	2,344,265	1,387
2006-07	749,458	236,298	17,157	56,323	1,152,324	2,211,561	1,502
2007-08	814,289	250,176	16,999	54,223	1,291,550	2,427,237	1,600
2008-09	953,121	255,799	18,253	57,217	1,528,330	2,812,720	1,576
2009-10	1,380,856	264,951	19,546	68,588	2,216,764	3,950,705	2,430
2010-11	1,443,296	298,005	22,136	76,159	2,496,573	4,336,169	2,888
2011-12	1,395,164	331,869	80,938	8,673	1,791,005	3,607,650	1,880
2012-13	1,336,931	345,255	56,135	-	958,523	2,696,846	1,093
2013-14	1,318,354	364,203	36,786	-	1,317,754	3,037,097	1,006
2014-15	1,441,769	393,663	33,096	-	2,930,484	4,799,012	2,146
2015-16	1,453,092	419,277	29,300	-	3,216,052	5,117,721	3,394
			FORECAST DATA				
2016-17	1,648,306	363,588	19,769	-	3,385,538	5,417,201	2,703
2017-18	1,680,769	372,492	20,254	-	3,562,602	5,636,116	2,730

SFY	TANF	SSI w	SSI w/o	MED	Exp.State Adults	TOTAL	BIRTHS
2002-03	43.82%	38.12%	56.11%	-1.55%	98.49%	67.56%	151.30%
2003-04	15.85%	20.76%	-7.59%	2.30%	15.83%	15.78%	27.07%
2004-05	14.45%	25.19%	123.16%	10.78%	6.84%	11.30%	23.98%
2005-06	3.88%	11.18%	35.72%	12.17%	-0.08%	2.83%	30.23%
2006-07	-2.59%	-3.35%	-17.41%	-7.39%	-7.72%	-5.66%	8.29%
2007-08	8.65%	5.87%	-0.92%	-3.73%	12.08%	9.75%	6.52%
2008-09	17.05%	2.25%	7.38%	5.52%	18.33%	15.88%	-1.50%
2009-10	44.88%	3.58%	7.08%	19.87%	45.04%	40.46%	54.19%
2010-11	4.52%	12.48%	13.25%	11.04%	12.62%	9.76%	18.85%
2011-12	-3.33%	11.36%	265.64%	-88.61%	-28.26%	-16.80%	-34.90%
2012-13	-4.17%	4.03%	-30.64%	NA	-46.48%	-25.25%	-41.86%
2013-14	-1.39%	5.49%	-34.47%	NA	37.48%	12.62%	-7.96%
2014-15	9.36%	8.09%	-10.03%	NA	122.38%	58.01%	113.32%
2015-16	0.79%	6.51%	-11.47%	NA	9.74%	6.64%	58.15%
			FORECAST DATA				
2016-17	13.43%	-13.28%	-32.53%	NA	5.27%	5.85%	-20.35%
2017-18	1.97%	2.45%	2.45%	NA	5.23%	4.04%	1.00%

Arizona Health Care Cost Containment System

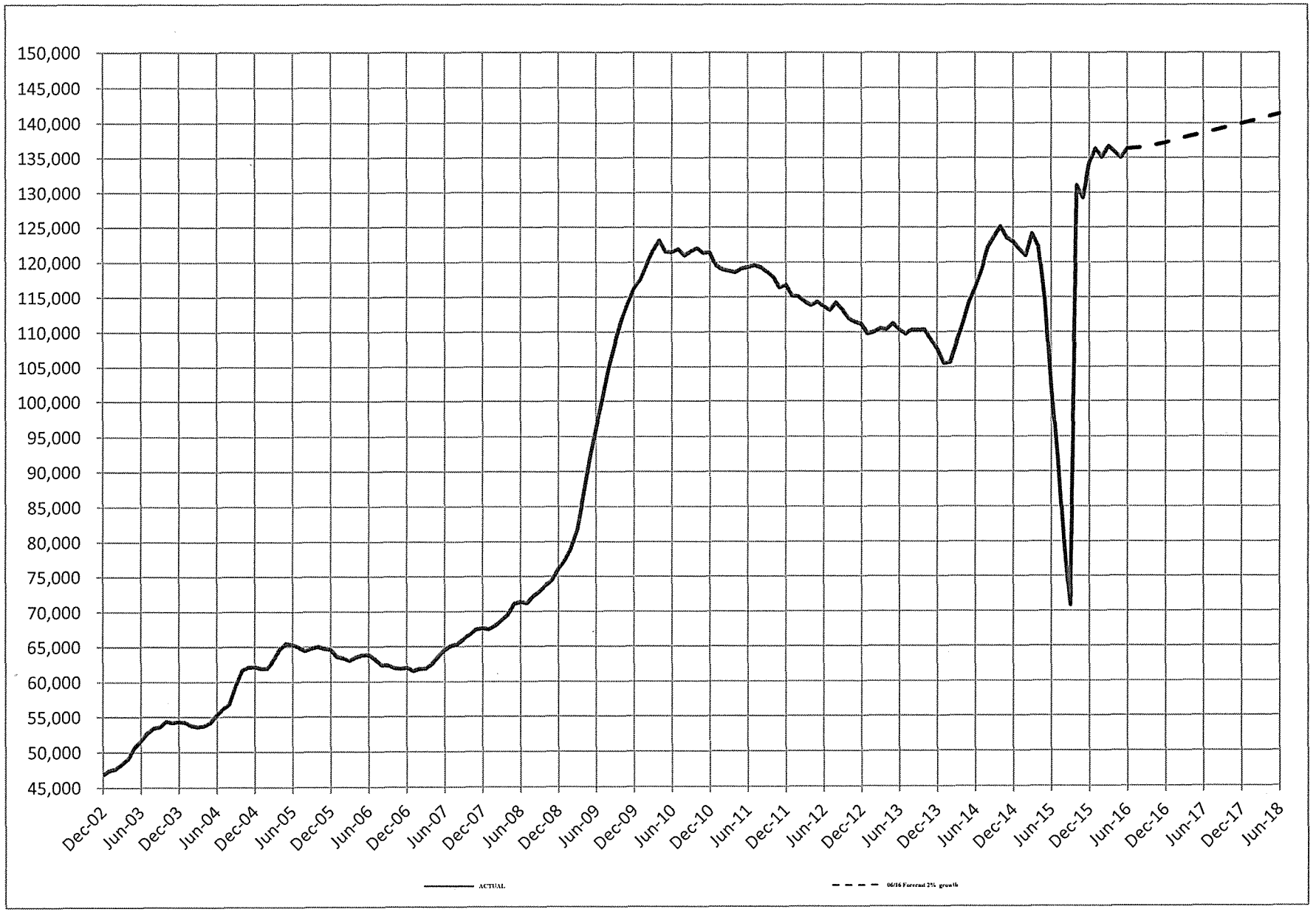
Prop. 204 TANF/1931 Forecast

	MEMBER MONTHS ACTUAL (1)	PERCENT QTR.GROWTH	MEMBER MONTHS FORECAST (2)	SFY Total	YEAR TO YEAR GROWTH %	JUNE TO JUNE GROWTH %	
2009.3	313,775	14.15%					
2009.4	342,099	9.03%					
2010.1	358,968	4.93%					
2010.2	366,015	1.96%		1,380,856	44.88%	26.16%	SFY 09-10
2010.3	364,294	-0.47%					
2010.4	364,667	0.10%					
2011.1	357,293	-2.02%					
2011.2	357,041	-0.07%		1,443,296	4.52%	-1.74%	SFY 10-11
2011.3	357,570	0.15%					
2011.4	351,166	-1.79%					
2012.1	344,650	-1.86%					
2012.2	341,778	-0.83%		1,395,164	-3.33%	-4.72%	SFY 11-12
2012.3	340,465	-0.38%					
2012.4	334,392	-1.78%					
2013.1	330,183	-1.26%					
2013.2	331,891	0.52%		1,336,931	-4.17%	-2.94%	SFY 12-13
2013.3	330,246	-0.50%					
2013.4	326,812	-1.04%					
2014.1	319,543	-2.22%					
2014.2	341,754	6.95%		1,318,354	-1.39%	5.54%	SFY 13-14
2014.3	364,675	6.71%					
2014.4	371,477	1.87%					
2015.1	366,865	-1.24%					
2015.2	338,752	-7.66%		1,441,769	9.36%	-12.32%	SFY 14-15
2015.3	243,187	-28.21%					
2015.4	394,579	62.25%					
2016.1	408,034	3.41%					
2016.2	407,291	-0.18%		1,453,092	0.79%	33.54%	SFY 15-16
2016.3		0.52%	409,392				
2016.4		0.38%	410,928				
2017.1		0.50%	412,968				
2017.2		0.50%	415,017	1,648,306	13.43%	1.63%	SFY 16-17
2017.3		0.50%	417,077				
2017.4		0.50%	419,147				
2018.1		0.50%	421,227				
2018.2		0.50%	423,318	1,680,769	1.97%	2.00%	SFY 17-18

(1) PMMIS
(2) 2% growth rate adjusted for transfers of children to SOBRA.

June 2016 estimate included in base for forecast.

PROPOSITION 204
TANF TOTAL



Arizona Health Care Cost Containment System

Prop.204 SSI With Medicare Forecast

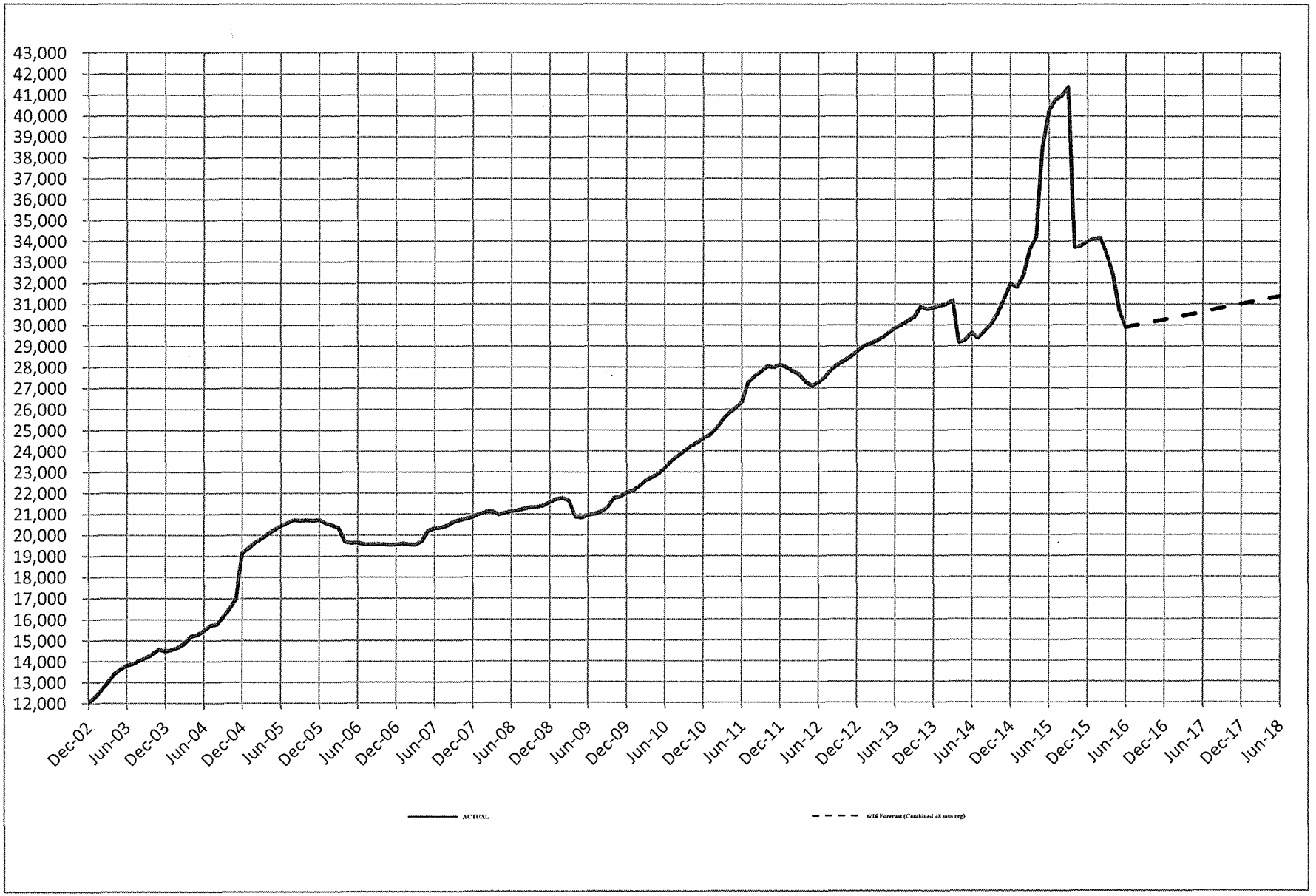
	MEMBER MONTHS ACTUAL (1)	PERCENT QTR.GROWTH	MEMBER MONTHS FORECAST (2)	SFY TOTAL	YEAR TO YEAR GROWTH %	JUNE TO JUNE GROWTH %	
2009.3	63,390	1.17%					
2009.4	65,606	3.50%					
2010.1	67,041	2.19%					
2010.2	68,914	2.79%		264,951	3.58%	10.92%	SFY 09-10
2010.3	71,299	3.46%					
2010.4	73,249	2.73%					
2011.1	75,282	2.78%					
2011.2	78,175	3.84%		298,005	12.48%	13.35%	SFY 10-11
2011.3	82,603	5.66%					
2011.4	84,150	1.87%					
2012.1	83,444	-0.84%					
2012.2	81,672	-2.12%		331,869	11.36%	3.62%	SFY 11-12
2012.3	83,518	2.26%					
2012.4	85,539	2.42%					
2013.1	87,328	2.09%					
2013.2	88,870	1.77%		345,255	4.03%	9.43%	SFY 12-13
2013.3	90,587	1.93%					
2013.4	92,446	2.05%					
2014.1	93,075	0.68%					
2014.2	88,095	-5.35%		364,203	5.49%	-0.75%	SFY 13-14
2014.3	89,113	1.16%					
2014.4	93,736	5.19%					
2015.1	97,777	4.31%					
2015.2	113,037	15.61%		393,663	8.09%	35.99%	SFY 14-15
2015.3	123,164	8.96%					
2015.4	101,496	-17.59%					
2016.1	101,678	0.18%					
2016.2	92,939	-8.59%		419,277	6.51%	-25.80%	SFY 15-16
2016.3		-3.10%	90,062				
2016.4		0.62%	90,619				
2017.1		0.61%	91,175				
2017.2		0.61%	91,732	363,588	-13.28%	2.48%	SFY 16-17
2017.3		0.61%	92,288				
2017.4		0.60%	92,845				
2018.1		0.60%	93,401				
2018.2		0.60%	93,958	372,492	2.45%	2.42%	SFY 17-18

(1) PMMIS
(2) Based on combined 48 Month Regression Forecast with Add Factor for June 2016.

Observations:	48
Adj. R Square:	0.9487
Standard Error:	1,179

June 2016 actual included in base for forecast.

PROPOSITION 204
SSI With Medicare Forecast



Arizona Health Care Cost Containment System

Prop.204 SSI Without Medicare Forecast

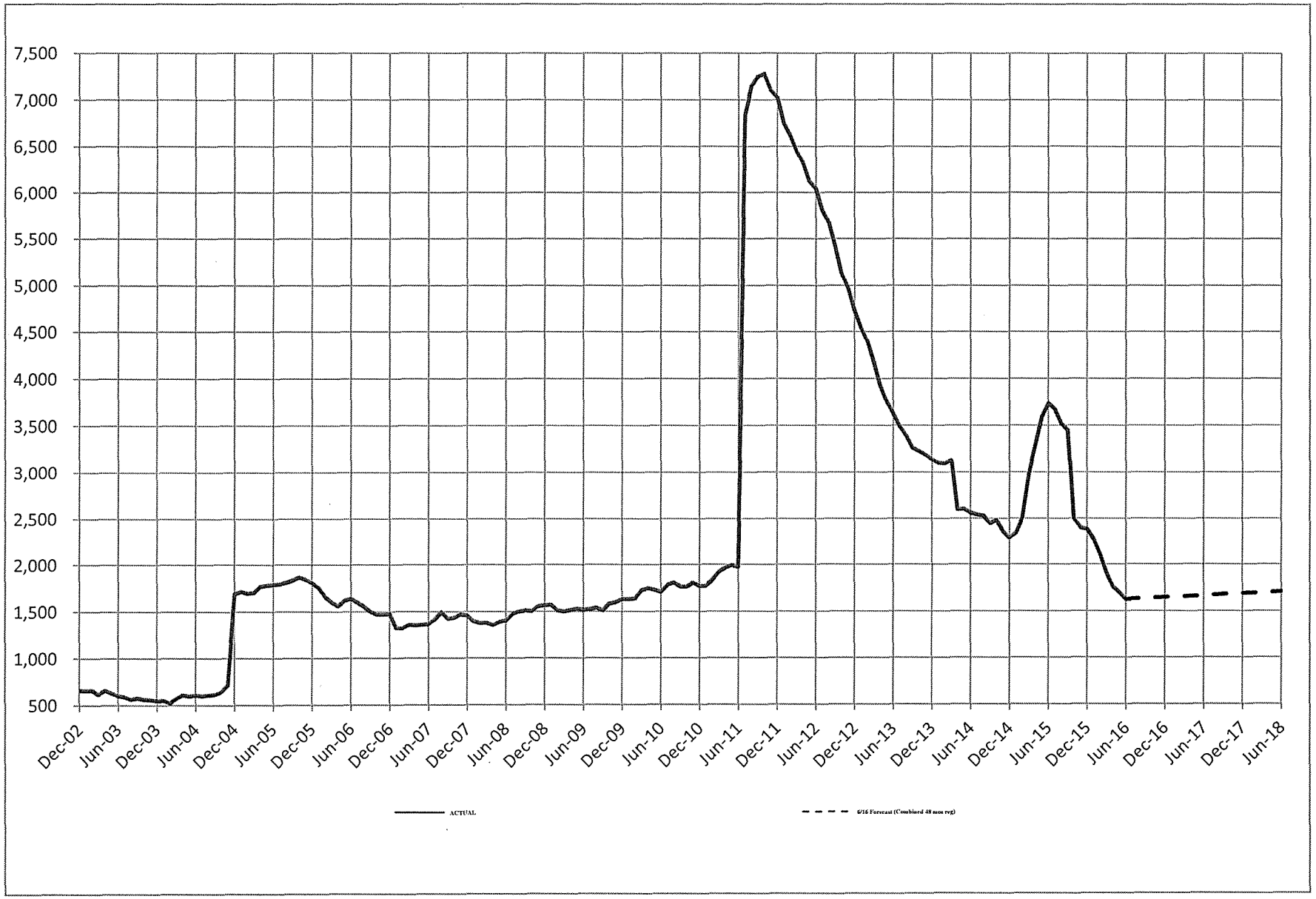
	MEMBER MONTHS ACTUAL (1)	PERCENT QTR.GROWTH	MEMBER MONTHS FORECAST (2)	SFY TOTAL	YEAR TO YEAR GROWTH %	JUNE TO JUNE GROWTH %	
2009.3	4,570	0.09%					
2009.4	4,809	5.23%					
2010.1	4,993	3.82%					
2010.2	5,174	3.63%		19,546	7.08%	12.12%	SFY 09-10
2010.3	5,348	3.36%					
2010.4	5,335	-0.23%					
2011.1	5,525	3.56%					
2011.2	5,928	7.30%		22,136	13.25%	15.60%	SFY 10-11
2011.3	21,240	258.29%					
2011.4	21,406	0.78%					
2012.1	19,814	-7.44%					
2012.2	18,478	-6.74%		80,938	265.64%	206.51%	SFY 11-12
2012.3	16,891	-8.59%					
2012.4	14,828	-12.21%					
2013.1	13,111	-11.58%					
2013.2	11,305	-13.78%		56,135	-30.64%	-40.06%	SFY 12-13
2013.3	10,145	-10.26%					
2013.4	9,557	-5.79%					
2014.1	9,323	-2.45%					
2014.2	7,760	-16.76%		36,786	-34.47%	-29.26%	SFY 13-14
2014.3	7,513	-3.19%					
2014.4	7,132	-5.06%					
2015.1	7,844	9.98%					
2015.2	10,608	35.23%		33,096	-10.03%	45.67%	SFY 14-15
2015.3	10,640	0.30%					
2015.4	7,281	-31.57%					
2016.1	6,301	-13.46%					
2016.2	5,078	-19.42%		29,300	-11.47%	-56.45%	SFY 15-16
2016.3		-3.56%	4,897				
2016.4		0.62%	4,927				
2017.1		0.61%	4,957				
2017.2		0.61%	4,988	19,769	-32.53%	2.48%	SFY 16-17
2017.3		0.61%	5,018				
2017.4		0.60%	5,048				
2018.1		0.60%	5,079				
2018.2		0.60%	5,109	20,254	2.45%	2.42%	SFY 17-18

(1) PMMIS
(2) Based on combined 48 Month Regression Forecast with Add Factor for June 2016.

Observations:	48
Adj. R Square:	0.9487
Standard Error:	1,179

June 2016 actual included in base for forecast.

PROPOSITION 204
SSI Without Medicare Forecast



Arizona Health Care Cost Containment System

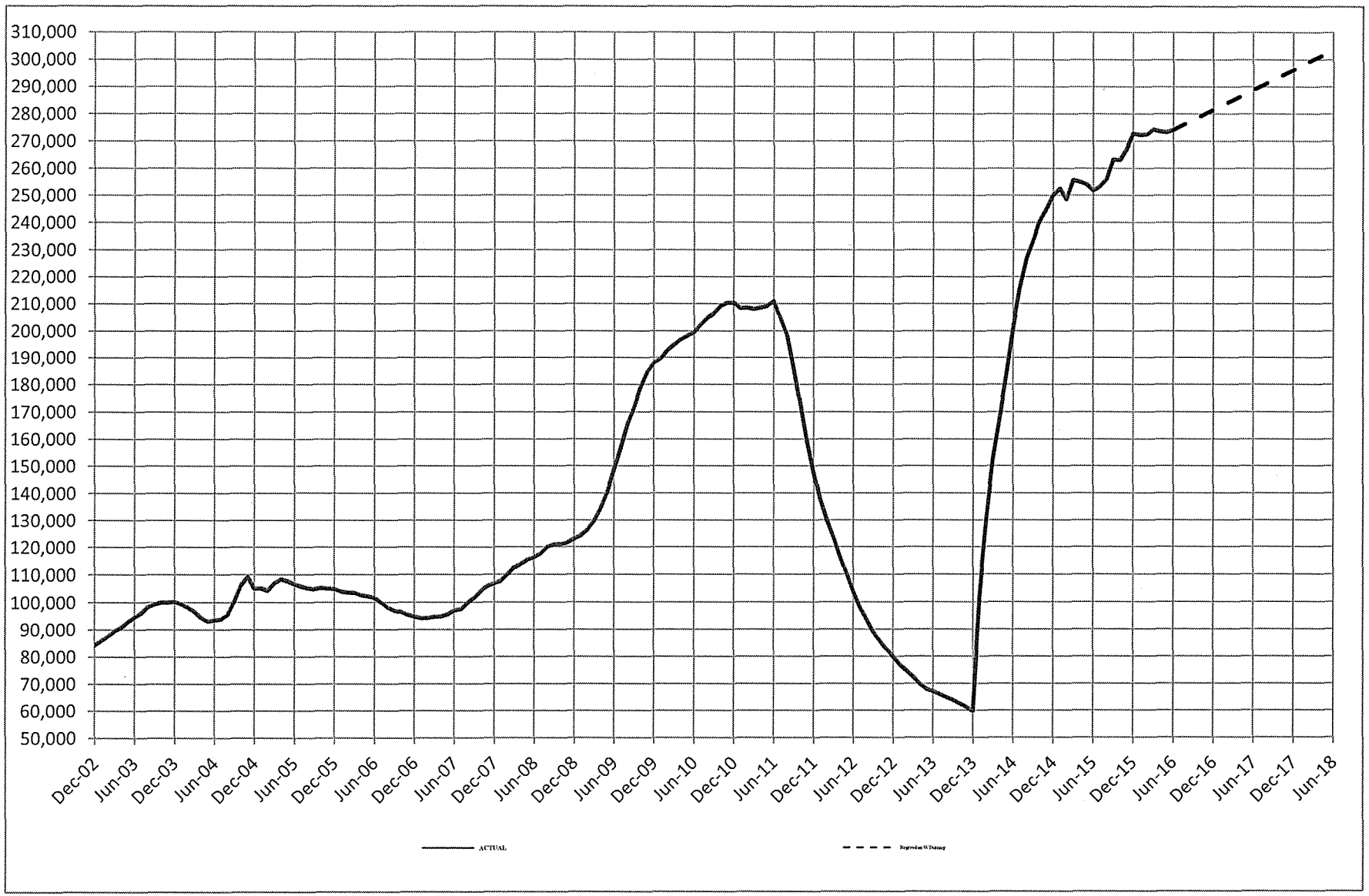
Expansion State Adults Forecast

	MEMBER MONTHS ACTUAL (1)	PERCENT QTR.GROWTH	MEMBER MONTHS FORECAST (2)	SFY Total	YEAR TO YEAR GROWTH %	JUNE TO JUNE GROWTH %	
2009.3	493,877	16.59%					
2009.4	551,072	11.58%					
2010.1	577,255	4.75%					
2010.2	594,560	3.00%		2,216,764	45.04%	34.42%	SFY 09-10
2010.3	613,616	3.21%					
2010.4	629,717	2.62%					
2011.1	624,736	-0.79%					
2011.2	628,503	0.60%		2,496,573	12.62%	5.70%	SFY 10-11
2011.3	589,000	-6.29%					
2011.4	480,073	-18.49%					
2012.1	391,161	-18.52%					
2012.2	330,771	-15.44%		1,791,005	-28.26%	-50.76%	SFY 11-12
2012.3	280,959	-15.06%					
2012.4	248,312	-11.62%					
2013.1	224,235	-9.70%					
2013.2	205,017	-8.57%		958,523	-46.48%	-35.35%	SFY 12-13
2013.3	194,641	-5.06%					
2013.4	183,619	-5.66%					
2014.1	386,183	110.32%					
2014.2	553,310	43.28%		1,317,754	37.48%	200.16%	SFY 13-14
2014.3	676,705	22.30%					
2014.4	736,033	8.77%					
2015.1	756,795	2.82%					
2015.2	760,951	0.55%		2,930,484	122.38%	24.94%	SFY 14-15
2015.3	772,749	1.55%					
2015.4	803,271	3.95%					
2016.1	818,960	1.95%					
2016.2	821,071	0.26%		3,216,052	9.74%	8.87%	SFY 15-16
2016.3		1.06%	829,785				
2016.4		1.33%	840,851				
2017.1		1.32%	851,918				
2017.2		1.30%	862,984	3,385,538	5.27%	5.38%	SFY 16-17
2017.3		1.28%	874,051				
2017.4		1.27%	885,117				
2018.1		1.25%	896,184				
2018.2		1.23%	907,250	3,562,602	5.23%	5.11%	SFY 17-18

(1) PMMIS
(2) Based on combined 48 Month Regression Forecast with Add Factor for June 2016.

Observations:	163
Adj. R Square:	0.7626
Standard Error:	30,213

PROPOSITION 204
Expansion State Adults



Arizona Health Care Cost Containment System

Prop. 204 Births Using Births per 1,000

	BIRTHS ACTUAL	PERCENT QTR.GROWTH	BIRTHS FORECAST	SFY Total	YEAR TO YEAR GROWTH %	JUNE TO JUNE GROWTH %	
2009.3	537	43.20%					
2009.4	539	0.37%					
2010.1	657	21.89%					
2010.2	697	6.09%		2,430	54.19%	70.77%	SFY 09-10
2010.3	822	17.93%					
2010.4	753	-8.39%					
2011.1	719	-4.52%					
2011.2	594	-17.39%		2,888	18.85%	-8.11%	SFY 10-11
2011.3	629	5.89%					
2011.4	464	-26.23%					
2012.1	450	-3.02%					
2012.2	337	-25.11%		1,880	-34.90%	-52.94%	SFY 11-12
2012.3	321	-4.75%					
2013.4	257	-19.94%					
2013.1	267	3.89%					
2013.2	248	-7.12%		1,093	-41.86%	-11.46%	SFY 12-13
2013.3	244	-1.61%					
2013.4	234	-4.10%					
2014.1	268	14.53%					
2014.2	260	-2.99%		1,006	-7.96%	1.18%	SFY 13-14
2014.3	446	71.54%					
2014.4	526	17.94%					
2015.1	526	0.00%					
2015.2	648	23.19%		2,146	113.32%	161.63%	SFY 14-15
2015.3	755	16.51%					
2015.4	1,016	34.57%					
2016.1	1,075	5.81%					
2016.2		-49.03%	548	3,394	58.15%	-5.82%	SFY 15-16
2016.3		37.72%	755				
2016.4		-13.78%	651				
2017.1		2.63%	668				
2017.2		-5.59%	630	2,703	-20.35%	-1.49%	SFY 16-17
2017.3		17.80%	743				
2017.4		-10.64%	664				
2018.1		2.63%	681				
2018.2		-5.59%	643	2,730	1.00%	2.00%	SFY 17-18

(1) PMMIS
(2) Assumes 1.52 births per 1000 14-44 female TANF member months and .89 births per 1000 female Expansion State Adults based on an average of Contract Years 12-15 and allocated according to average seasonal factors from Contract Years 12-15.

PROPOSITION 204
BIRTHS TOTAL

PROPOSITION 204 FEE-FOR-SERVICE

PROGRAM DESCRIPTION/BACKGROUND

The distinctive populations/programs outlined and described below, combine to make up the Proposition 204 Fee-For-Service program within the Proposition 204 Services appropriation.

Indian Health Services (IHS)

Under the provision of its approved medical assistance plan, AHCCCS is responsible for paying for the cost of services provided to Native Americans who are Title XIX eligible.

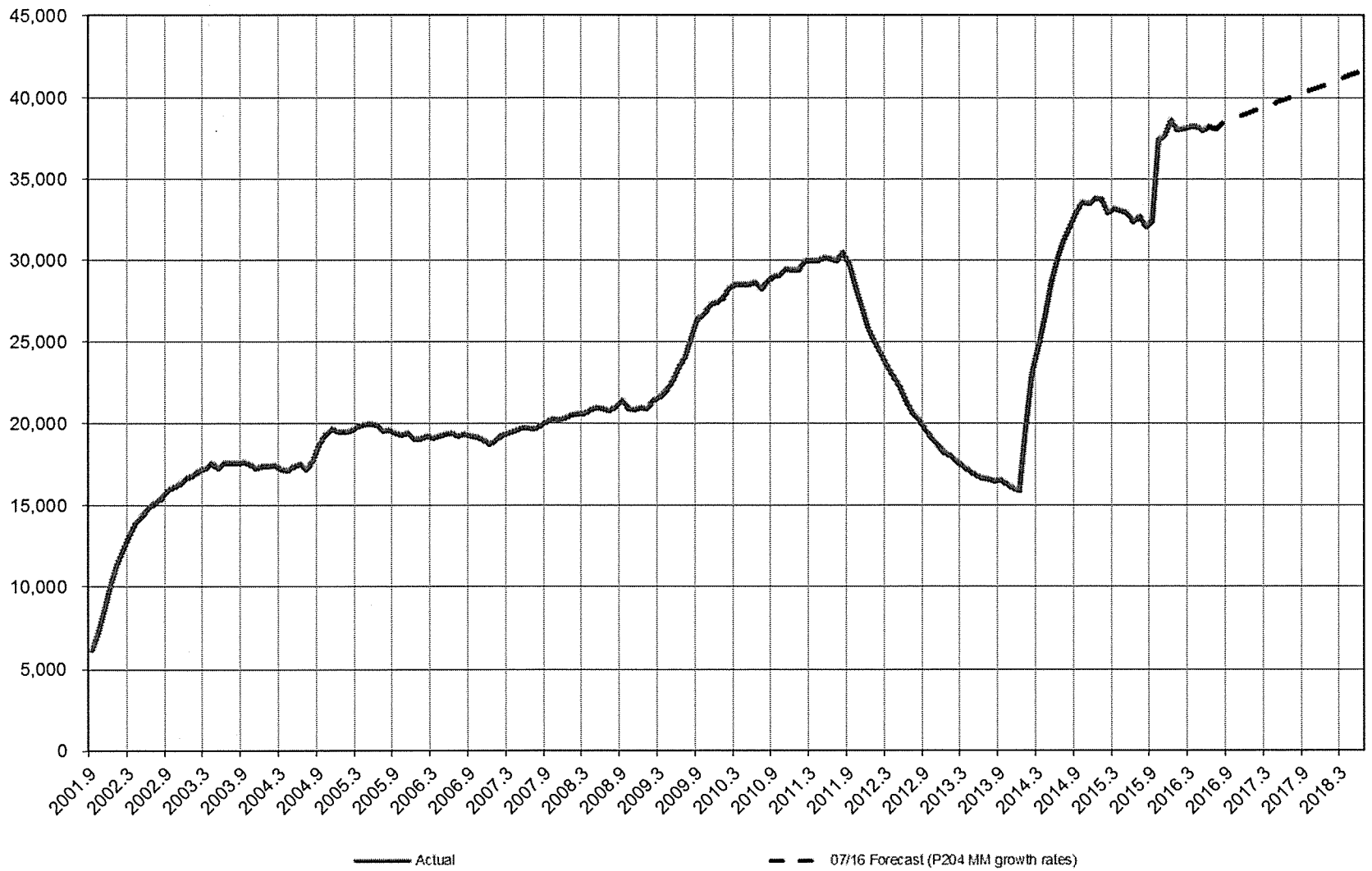
Native American recipients have a choice of either enrolling with the American Indian Health Program (AIHP) or an AHCCCS health plan. AHCCCS pays claims for Native Americans who select the AIHP as their health plan on a fee-for-service basis. AHCCCS also pays claims on a fee-for-service basis for Native Americans enrolled with an MCO if they receive services at an IHS and/or 638 facility.

With the implementation of the Patient Protection and Affordable Care Act (ACA) on January 1, 2014, the AHCCCS Care population (renamed Expansion State Adults or ESA following ACA implementation) was restored up to 100% FPL and enrollment increased dramatically. The resulting SFY2015 year-over-year AIHP population growth rate was 57.51%. The forecast is based on the estimates contained in the Proposition 204 regular member month forecasts. Both IHS Facilities and Non-Facilities utilize the same enrollment forecast for budget development. `

Enrollment

Fiscal Year	Enrollment	% Change
SFY 2015 Actual	395,387	57.51%
SFY 2016 Actual	439,885	11.25%
SFY 2017 Estimate	469,684	6.77%
SFY 2018 Estimate	490,249	4.38%

Arizona Health Care Cost Containment System
Proposition 204 IHS Enrollment



IHS Facilities Budget Development

The Indian Health Services, an agency of the U.S. Department of Health and Human Services, publishes rates in the Federal Register annually. The IHS rates are used to calculate the IHS Facility expenditure forecast. The inpatient/outpatient IHS rate changes for CY2016 were 8.68% and 5.14%, respectively. The most recent five year average inpatient/outpatient rate changes of 5.50% and 4.61%, respectively, were used for CY2017 and CY2018 budget calculations. The inflation rates are applied every January. The historical rates and calculations can be viewed in the attached schedule entitled "IHS Facilities Inflation Developed".

The average PMPM (Per Member Per Month) rates for the final two quarters of SFY2016 (January – June 2016) were used as the basis for the first six months of SFY2017. The Calendar Year 2016 IHS rates were released in April 2016 and the payments associated with the rate adjustments have been made. Therefore, the impact of the changes was included in SFY2016 expenditures and, subsequently, in the PMPM calculation. The Facility SFY2017 and SFY2018 expenditure and inflation rates are depicted in the tables below. Estimates do not include the IHS Facility forecasts associated with the Newly Eligible Adult population. Newly Eligible Adult FFS estimates can be found in the budget section entitled "Newly Eligible Adult Expansion".

IHS Facilities

Fiscal Yr	Expenditures	% Change
SFY 2015 Actual	200,919,325	75.35%
SFY 2016 Actual	202,648,653	0.86%
SFY 2017 Estimate	224,616,600	10.84%
SFY 2018 Estimate	246,105,100	9.57%

PMPM Change

Fiscal Yr	Inpatient	Outpatient	Weighted
SFY 2015 Actual	1.24%	2.34%	2.22%
SFY 2016 Actual	8.68%	5.14%	5.57%
SFY 2017 Estimate	5.50%	4.61%	4.71%
SFY 2018 Estimate	5.50%	4.61%	4.71%

IHS Uncompensated Care

In order to ensure the viability of the IHS and 638 systems for the provision of care to American Indians, the State submitted a 1115 Waiver to CMS requesting an exemption from the provider rate cuts and service reductions that were part of the July 2011 childless adult freeze. The exemption for IHS Facilities was granted with reimbursement payments beginning in April 2012 and scheduled to continue for dates of service through December 31, 2013. On December 15, 2014 CMS approved a limited continuation through September 30, 2016 for certain services not covered by the state Medicaid plan. Pending approval of the new Waiver, the IHS facilities forecast for reimbursement payments in SFY2017 was $4,000,000. The SFY2018 forecast is held constant at $4,000,000. Expenditures related to the exemption are 99.29% funded with federal funds. The remaining .71% of expenditures are related to non-Native Americans that receive services at an IHS/638 facility; these expenditures are subject to the regular FMAP.

Non-Facility Budget Development

To the extent of available resources, medical care is provided either by IHS staff or under contract. However, to ensure equal access to State, local, and Federal programs to which other citizens are entitled (in accordance with Medicaid Payment Policy and the Indian Health Care Act), if IHS is unable to provide the necessary treatment, Medicaid-eligible Native Americans who enroll with IHS may use non-IHS providers for services. AHCCCS considers the costs associated with these services to be Title XIX Non-facility claims. CMS reimburses the State for Title XIX non-facility claims (with the exception of the ESA population) at the State's FMAP rate, which for FFY2018 is 69.53% based on the Federal Funds Information for States (FFIS) estimate in Issue Brief 16-24 (March 25, 2016). The ESA population is reimbursed at the Expansion State FMAP rates included in the following table:

FMAP Table:

		Regular	Expansion State
FFY 2016			
October - December 2015	Actual	68.92%	87.57%
January - September 2016	Actual	68.92%	90.68%
FFY 2017			
October - December 2016	Actual	69.24%	90.77%
January - September 2017	Actual	69.24%	89.85%
FFY 2018			
October - December 2017	Estimate	69.53%	89.91%
January - September 2018	Estimate	69.53%	91.55%

The Non-facility rates are adjusted for inflation at the beginning of each federal fiscal year, unless legislation dictates otherwise. The inpatient inflation rates used in the forecast for SFY2017 and SFY2018 were based on Global Insight's Health-Care Cost Review - Hospital Market Basket, *First Quarter 2016* and were 3.11% and 3.29% respectively. The outpatient inflation rates used in the SFY2017-SFY2018 forecast were also based on Global Insight's estimates and were 2.54% and 2.60% respectively. The SFY2016 weighted average PMPMs are used as the basis for the first quarter of SFY2017 PMPMs. The PMPMs are then adjusted for the noted inflation rates in October of each year.

The Non-facility SFY2017 and SFY2018 expenditure and inflation rates are depicted in the following tables. Estimates do not include the IHS Non-Facility forecasts associated with the Newly Eligible Adult population. Newly Eligible Adult FFS estimates can be found in the budget section entitled "Newly Eligible Adult Expansion".

IHS Non-Facility

Fiscal Yr	Expenditures	% Change
SFY 2015 Actual	103,319,850	100.99%
SFY 2016 Actual	123,179,589	19.22%
SFY 2017 Estimate	132,635,100	7.68%
SFY 2018 Estimate	142,820,800	7.68%

PMPM Change

Fiscal Yr	Inpatient	Outpatient	Weighted
SFY 2015 Actual	1.25%	2.83%	2.37%
SFY 2016 Actual	1.48%	2.85%	2.43%
SFY 2017 Estimate	3.11%	2.54%	2.71%
SFY 2018 Estimate	3.29%	2.60%	2.81%

Non-IHS Fee-For-Service

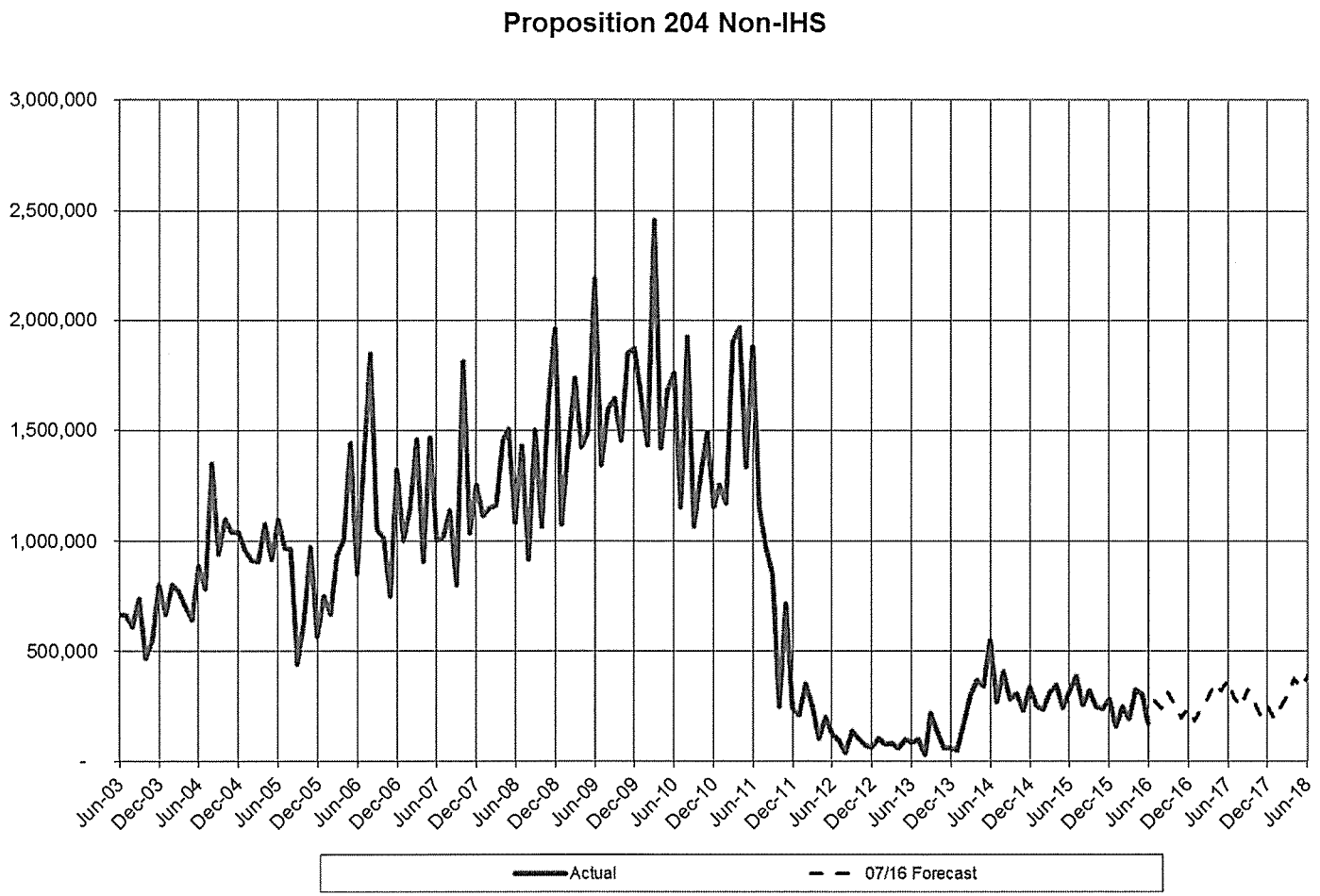
The Non IHS/Non Emergency Services Fee-For-Service Program pays for services for recipients that are receiving services for less than 30 days.

Less than 30-day recipients are those people who receive AHCCCS Acute Care Benefits for less than thirty days from their eligibility determination date. These recipients are not enrolled with a Health Plan. Any services received by these recipients during their eligibility period are paid from the Fee-For-Service budget.

Total Non-IHS expenditures were estimated using the 2016.2 average expenditures and adjusting them by the growth rates used in the Proposition 204 member month forecasts. The total expenditures were split amongst the different risk groups using the actual percentages of each risk group's expenditures in SFY2016.

Non-IHS

Fiscal Year	Expenditures	% Change
SFY 2015 Actual	$3,572,111	49.44%
SFY 2016 Actual	$3,150,176	-11.81%
SFY 2017 Estimate	$3,293,600	4.55%
SFY 2018 Estimate	$3,454,600	4.89%



Federally Qualified Health Centers (FQHC)

To bring more visibility to the expenditures for services provided by the valuable FQHC/RHC provider community, effective April 1, 2015, AHCCCS mandated that MCOs pay the full-cost PPS rates computed by AHCCCS for each FQHC/RHC. As such, capitation rates were amended for April 1, 2015, to include the funds necessary to pay the PPS rates. SFY2017 and SFY2018 FQHC expenditures are now included in the Capitation program forecasts.

Emergency Services Program (ESP)

The Emergency Services Program (ESP) encompasses AHCCCS coverage of services for lawfully admitted immigrants during their first 60 months of residency, as well as undocumented immigrants. AHCCCS recipients enrolled with this program are covered for emergency services only and the claims for their services are paid for on a fee-for-service basis.

The Federal Emergency Services Program (FES) is available to individuals who, except for their citizenship/alien status, meet Federal income and resource eligibility requirements. The program provides emergency services to three general categories: persons not qualified for Medicaid services because they are aliens who entered the U.S. prior to August 22, 1996; qualified aliens who entered after August 22, 1996, but are not yet entitled to full services; and undocumented immigrants. This program only covers emergency services which are defined by the Social Security Act as acute symptoms of sufficient severity that the absence of immediate medical attention could reasonably be expected to result in: 1) placing the patient's health in serious jeopardy, 2) serious impairment to bodily functions, 3) serious dysfunction of any bodily organ or part. Labor and delivery are included as emergency medical services, but not routine prenatal or post-partum care. When certain requirements are met, AHCCCS also considers dialysis as an emergency service. For budgeting purposes, FES covered services are considered to be either birth-related services (births) or other services (other).

For the birth-related expenditure estimates, the total FES birth counts, which are composed of Traditional Medicaid FES births and Proposition 204 FES births, were assumed to remain at current levels following four years of moderate decreases. The annual counts were then adjusted for seasonality based on actual experience over the past 4 years. The SFY2016 average percentage of Traditional Medicaid births among total FES births was then applied to obtain the Traditional Medicaid births forecast. The PMPM for July 2016 through September 2016 was calculated using the actual expenditure and birth counts for the period covering October 2015 through June 2016. SFY2017 and SFY2018 inflation rates used were 2.56% and 3.01% respectively and were based on Global Insight's Health-Care Cost Review - Hospital Market Basket, *First Quarter 2016.*

The forecasts for other emergency expenditures were computed in a similar fashion to the Births, by multiplying an estimated PMPM rate by forecasted enrollment. PMPM rates were estimated for both the Traditional and Proposition 204 populations by using the SFY2017 and SFY2018 inflation rates of 2.56% and 3.01%, respectively, to increase the SFY2016 weighted average PMPM. Enrollment was then estimated by using the monthly growth rates implied by the TANF/SSI member-month forecasts. The Total FES Other historical and forecasted expenditures can be viewed in the following table.

Total FES Other Expenditures				
	Traditional	Prop 204	Total Expenditures	% Change
SFY 2015 Actual	$34,446,430	$14,198,358	$48,644,787	-1.66%
SFY 2016 Actual	$45,283,852	$20,136,731	$65,420,583	34.49%
SFY 2017 Estimate	$49,267,900	$21,225,100	$70,493,000	7.75%
SFY 2018 Estimate	$51,781,100	$22,293,700	$74,074,800	5.08%

FES Actual Enrollment

The components that make up the FES Program and their corresponding enrollment and expenditure history/forecasts are illustrated in the following tables. Figures are Proposition 204 only and do not include estimates for the FES Newly Eligible Adult population (which includes Expansion State Adults for FES). Newly Eligible Adult FFS estimates can be found in the budget section entitled "Newly Eligible Adult Expansion".

FES Births/Other

Fiscal Year	Births	% Change	TTL FES Avg. Enrollment	% Change
SFY 2015 Actual	411	77.16%	91,432	32.99%
SFY 2016 Actual	685	66.67%	114,085	24.78%
SFY 2017 Estimate	642	-6.28%	119,066	4.37%
SFY 2018 Estimate	642	0.00%	122,662	3.02%

Fiscal Yr	FES Births	FES Other	Total	% Change
SFY 2015 Actual	$1,649,163	$14,198,358	$15,847,521	22.19%
SFY 2016 Actual	$2,085,311	$20,136,731	$22,222,043	40.22%
SFY 2017 Estimate	$2,110,900	$21,225,100	$23,336,000	5.01%
SFY 2018 Estimate	$2,171,600	$22,293,700	$24,465,300	4.84%

Prior Quarter Coverage

As part of an effort to standardize Medicaid enrollment procedures across the nation, CMS will require AHCCCS to reinstitute Prior Quarter Coverage for new enrollees in the program beginning January 1, 2014. AHCCCS has been exempt from this federal requirement due to the 1115 Waiver initially granted by CMS in 2001. CMS would not renew the waiver for periods after December 31, 2013. Prior Quarter Coverage will require AHCCCS to make eligibility for Medicaid effective no later than the third month before the month of application if the individual received medical services, at any time during that period, of a type covered by the health plan; and would have been eligible for Medicaid at the time he/she received services if he/she had applied. AHCCCS must specify the effective eligibility date and may make eligibility for Medicaid effective on the first day of the month if the applicant was eligible at any time during that month.

Example: An applicant applies April 15 and is determined to be eligible back to April 1. Under prior quarter coverage, AHCCCS would evaluate the member's eligibility for Medicaid during any one of the three months (January, February, March) preceeding April 1, if the applicant notifies AHCCCS that they had received services.

The estimated expenditures for the SFY2017 and SFY2018 were based on the SFY2016 average expenditures and were then grown at the Non-Facility annualized inflation rates of 2.71% and 2.81% respectively. The continuation of this federal requirement is expected to add $11,261,400 ($1,267,700 SM) to the Proposition 204 FFS line item in SFY2018.

STATUTORY AUTHORITY

A.R.S. §36-2901.01 (Laws 2001, Chapter 344)
Section 1905(b) of the Social Security Act, 42 U.S.C.1396d
Title I and III of the Indian Self-determination and Education Assistance Act (Law 93-638, as amended), hereafter "638." SEC. 1911. *[42 U.S.C. 1396j]* (a)
Title I and III of the Indian Self-determination and Education Assistance Act (Law 93-638, as amended), hereafter "638." SEC. 1911. *[42 U.S.C. 1396j]* (c)
Vol. II, P.L. 94-437, §402(c)(d)
Sec 321(a) and 322(b) of the Public Health Service Act (42U.S.C. 248(a) and 249(b))
Sec 601 of the Indian Health Care Improvement Act (25 U.S.C. 1601)
Arizona Revised Statute (A.R.S.) § 36-2903.01 (J)(2)
§1902(a)(10)(B) of the Social Security Act (the Act) and 42 CFR 440.240
1905(a)(2)(c) of the Social Security Act Secs.329, 330 or 340 of the Public Health Services (PHS) Act

Section 6404 of the Omnibus Budget Reconciliation Act of 1989 (P.L. 101-239) amended
Secs. 1905 (a) and (1) of the Social Security Act
HCFA State Medicaid Manual, SMM4-4231 section C. Provisions of payment for services provided under the Balanced Budget Act of 1997 (BBA 97) Section 4712(b), Social Security Act 1902(a)(13)(C)(I),
Arizona State Plan, Section 4.19 (b)(1) and (2)
Section 1902(a)(13)(C)(I) of the Social Security Act.
Section 702 of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act (BIPA)

Arizona Health Care Cost Containment System

Proposition 204 Fee-For-Service Summary

		FY 2016 Actual (AHCCCS)	(SM %)	FY 2017 Allocation	(SM %)	FY 2017 Rebase (AHCCCS)	(SM %)	FY 2018 Request (AHCCCS)	(SM %)	FY 2018 Increase
IHS Facilities	(SM)	-		-		-		-		-
	(TF)	202,648,653		235,467,700		224,616,600		246,105,100		10,637,400
IHS Non-Facility	(SM)	17,637,612	14.3%	19,559,800	13.7%	17,640,900	13.3%	18,259,000	12.8%	(1,300,800)
	(TF)	123,179,589		143,128,500		132,635,100		142,820,800		(307,700)
Non IHS	(SM)	433,296	13.8%	480,500	13.1%	413,300	12.5%	416,700	12.1%	(63,800)
	(TF)	3,150,176		3,660,300		3,293,600		3,454,600		(205,700)
FES Births	(SM)	651,026	31.2%	722,000	29.8%	651,100	30.8%	663,300	30.5%	(58,700)
	(TF)	2,085,311		2,423,000		2,110,900		2,171,600		(251,400)
FES Other	(SM)	6,281,331	31.2%	6,965,900	29.8%	6,545,800	30.8%	6,808,900	30.5%	(157,000)
	(TF)	20,136,731		23,397,900		21,225,100		22,293,700		(1,104,200)
Uncompensated Care	(SM)	-		-		-		-		-
	(TF)	8,118,564		9,433,400		4,000,000		4,000,000		(5,433,400)
Prior Quarter	(SM)	1,401,767	13.0%	1,554,500	12.4%	1,279,800	11.7%	1,267,700	11.3%	(286,800)
	(TF)	10,801,896		12,551,300		10,958,200		11,261,400		(1,289,900)
Total Fee-For-Service	(SM)	26,405,032		29,282,700		26,530,900		27,415,600		(1,867,100)
	(TF)	370,120,920		430,062,100		398,839,500		432,107,200		2,045,100

Notes:

(1) The JLBC provides the Proposition 204 Services Appropriation figure and the Fee-for-Service allocation is included in this appropriation. The FY 2017 allocation and line detail was derived by using a percentage of each individual line to the total line of the state fiscal year 2016 actuals.

(2) FY 2016 Actuals are from PMMIS and will not tie to AFIS due to timing and manual adjustments.

Arizona Health Care Cost Containment System

Proposition 204 IHS Enrollment Forecast

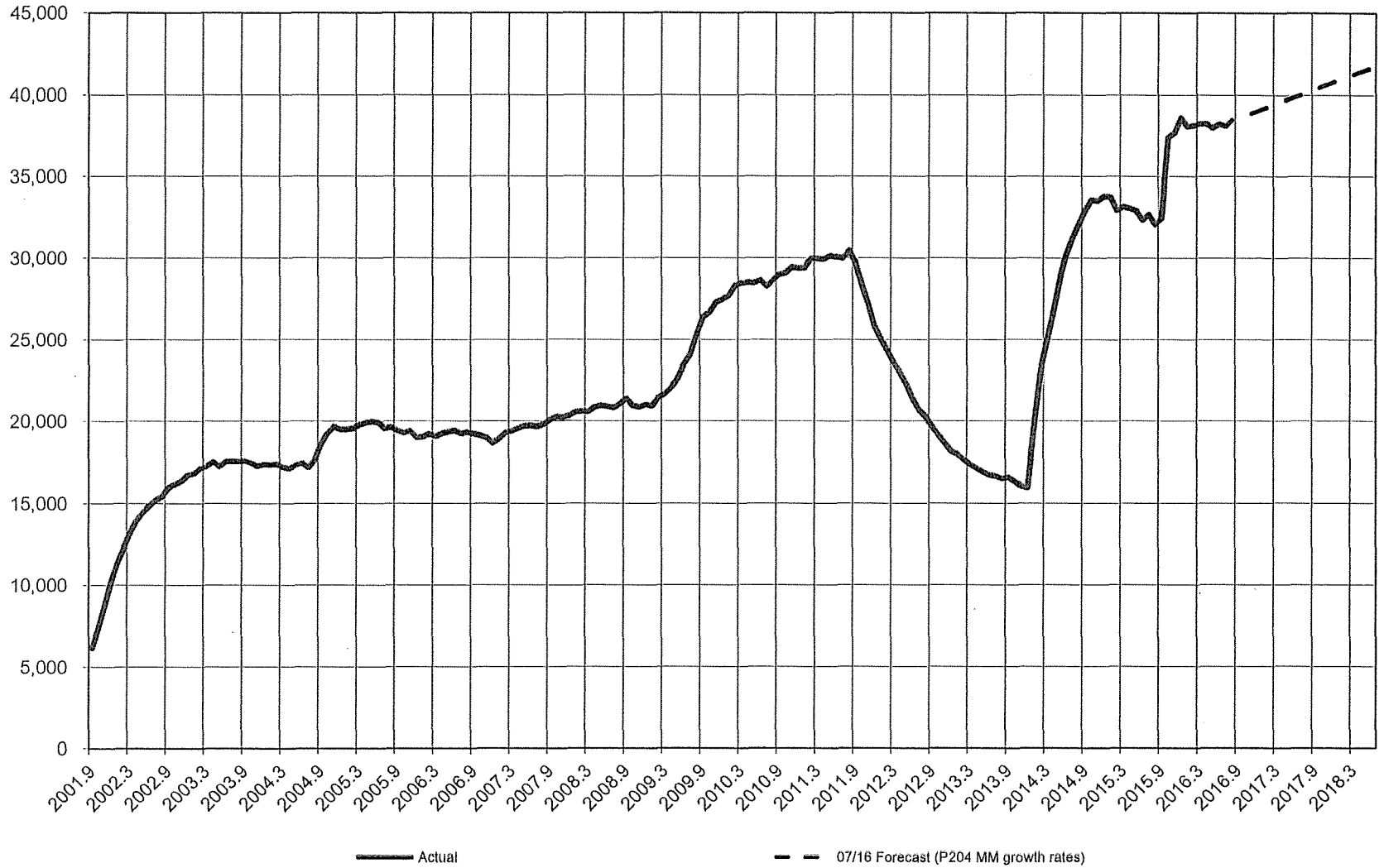
	ENROLLMENT ACTUAL (1)	PERCENT QTR.GROWTH	ENROLLMENT FORECAST (2)	SFY TOTAL	YEAR TO YEAR GROWTH %	JUNE TO JUNE GROWTH %	SFY
2009.3	75,814	11.19%					
2009.4	81,448	7.43%					
2010.1	84,533	3.79%					
2010.2	85,669	1.34%		327,464	26.68%	21.97%	SFY 09-10
2010.3	85,990	0.37%					
2010.4	87,977	2.31%					
2011.1	89,394	1.61%					
2011.2	90,190	0.89%		353,551	7.97%	4.99%	SFY 10-11
2011.3	90,213	0.03%					
2011.4	81,305	-9.87%					
2012.1	72,979	-10.24%					
2012.2	66,542	-8.82%		311,039	-12.02%	-28.98%	SFY 11-12
2012.3	60,672	-8.82%					
2012.4	56,085	-7.56%					
2013.1	53,156	-5.22%					
2013.2	50,787	-4.46%		220,700	-29.04%	-21.74%	SFY 12-13
2013.3	49,742	-2.06%					
2013.4	48,310	-2.88%					
2014.1	67,560	39.85%					
2014.2	85,418	26.43%		251,030	13.74%	80.17%	SFY 13-14
2014.3	96,253	12.68%					
2014.4	100,924	4.85%					
2015.1	99,859	-1.06%					
2015.2	98,351	-1.51%		395,387	57.51%	7.38%	SFY 14-15
2015.3	97,186	-1.18%					
2015.4	113,728	17.02%					
2016.1	114,469	0.65%					
2016.2	114,502	0.03%		439,885	11.25%	18.21%	SFY 15-16
2016.3		0.67%	115,264				
2016.4		1.31%	116,770				
2017.1		1.10%	118,055				
2017.2		1.09%	119,342	469,431	6.72%	4.40%	SFY 16-17
2017.3		1.08%	120,629				
2017.4		1.07%	121,917				
2018.1		1.06%	123,206				
2018.2		1.05%	124,496	490,249	4.43%	4.30%	SFY 16-17

(1) Actual enrollment through June 2016.

(2) Enrollment forecast based on growth rates in Prop 204 MM Forecasts.

(3) Values include TANF, SSI, and ESA

Arizona Health Care Cost Containment System
Proposition 204 IHS Enrollment



Arizona Health Care Cost Containment System

IHS Facilities Inflation Developed

IHS	A	B	C	D	E	F
	CY06	CY07	% + / -	% OP/IP Costs	Weighted Infl. Rate Incr.	% Inflationary Impact
OP Rate	$ 242.00	$ 256.00	5.79%	75.32%	4.36%	81.84%
IP Rate	$ 1,660.00	$ 1,725.00	3.92%	24.68%	0.97%	18.16%
				100.00%	5.32%	100.00%
	CY07	CY08	% + / -	% OP/IP Costs	Weighted Infl. Rate Incr.	% Inflationary Impact
OP Rate	$ 256.00	$ 253.00	-1.17%	81.43%	-0.95%	3323.73%
IP Rate	$ 1,725.00	$ 1,811.00	4.99%	18.57%	0.93%	-3223.73%
				100.00%	-0.03%	100.00%
	CY08	CY09	% + / -	% OP/IP Costs	Weighted Infl. Rate Incr.	% Inflationary Impact
OP Rate	$ 253.00	$ 268.00	5.93%	85.03%	5.04%	86.52%
IP Rate	$ 1,811.00	$ 1,906.00	5.25%	14.97%	0.79%	13.48%
				100.00%	5.83%	100.00%
	CY09	CY10	% + / -	% OP/IP Costs	Weighted Infl. Rate Incr.	% Inflationary Impact
OP Rate	$ 268.00	$ 289.00	7.84%	87.31%	6.84%	88.01%
IP Rate	$ 1,906.00	$ 2,046.00	7.35%	12.69%	0.93%	11.99%
				100.00%	7.77%	100.00%
	CY10	CY11	% + /,-	% OP/IP Costs	Weighted Infl. Rate Incr.	% Inflationary Impact
OP Rate	$ 289.00	$ 294.00	1.73%	86.97%	1.50%	105.35%
IP Rate	$ 2,046.00	$ 2,034.00	-0.59%	13.03%	-0.08%	-5.35%
				100.00%	1.43%	100.00%
	CY11	CY12	% + / -	% OP/IP Costs	Weighted Infl. Rate Incr.	% Inflationary Impact
OP Rate	$ 294.00	$ 316.00	7.48%	89.56%	6.70%	90.89%
IP Rate	$ 2,034.00	$ 2,165.00	6.44%	10.44%	0.67%	9.11%
				100.00%	7.37%	100.00%
	CY12	CY13	% + / -	% OP/IP Costs	Weighted Infl. Rate Incr.	% Inflationary Impact
OP Rate	$ 316.00	$ 330.00	4.43%	92.06%	4.08%	91.22%
IP Rate	$ 2,165.00	$ 2,272.00	4.94%	7.94%	0.39%	8.78%
				100.00%	4.47%	100.00%
	CY13	CY14	% + / -	% OP/IP Costs	Weighted Infl. Rate Incr.	% Inflationary Impact
OP Rate	$ 330.00	$ 342.00	3.64%	87.01%	3.16%	79.69%
IP Rate	$ 2,272.00	$ 2,413.00	6.21%	12.99%	0.81%	20.31%
				100.00%	3.97%	100.00%
	CY14	CY15	% + / -	% OP/IP Costs	Weighted Infl. Rate Incr.	% Inflationary Impact
OP Rate	$ 342.00	$ 350.00	2.34%	88.90%	2.08%	93.78%
IP Rate	$ 2,413.00	$ 2,443.00	1.24%	11.10%	0.14%	6.22%
				100.00%	2.22%	100.00%
	CY15	CY16	% + / -	% OP/IP Costs	Weighted Infl. Rate Incr.	% Inflationary Impact
OP Rate	$ 350.00	$ 368.00	5.14%	87.90%	4.52%	81.15%
IP Rate	$ 2,443.00	$ 2,655.00	8.68%	12.10%	1.05%	18.85%
				100.00%	5.57%	100.00%

A= CY20 Rate
B= CY20 Rate
C= (B - A) / A
D= % of $ Paid to Total Facilities Costs
E= C * D
F= Each Weighted Inflation % Divided by their sum

	% + / -	Weighted
2-Year Average		
Outpatient	2.99%	3.07%
Inpatient	3.72%	
3-Year Average		
Outpatient	3.47%	3.54%
Inpatient	4.13%	
4-Year Average		
Outpatient	4.47%	4.50%
Inpatient	4.71%	
5-Year Average (less CY 2011 outlier)		
Outpatient	4.61%	4.71%
Inpatient	5.50%	

Arizona Health Care Cost Containment System

Proposition 204 IHS Facilities Expenditures - Fiscal Years 2016-2018

FY 16 Actuals

	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
Enrollment													
TANF	4,999	4,142	3,459	8,119	8,007	8,462	8,523	8,407	8,512	8,591	8,553	8,671	88,445
SSI	2,322	2,329	2,348	2,090	2,080	2,083	2,077	2,092	2,024	1,897	1,784	1,757	24,883
ESA	25,365	25,598	26,624	27,195	27,589	28,103	27,492	27,633	27,709	27,773	27,663	27,813	326,557
Expenditures													
TANF	$1,887,298	$1,838,612	$2,035,163	$1,596,483	$2,748,281	$3,351,588	$2,648,885	$3,183,757	$3,311,468	$3,022,789	$3,583,770	$3,907,742	$33,115,837
SSI	$428,000	$494,329	$649,737	$381,830	$330,706	$380,425	$354,625	$340,836	$360,386	$434,863	$443,060	$430,887	$5,029,684
ESA	$11,438,208	$13,697,867	$16,487,820	$11,210,955	$12,505,029	$14,569,370	$11,433,868	$13,577,707	$13,166,444	$13,101,756	$14,773,437	$18,540,671	$164,503,132
Subtotal:	$13,753,506	$16,030,808	$19,172,720	$13,189,268	$15,584,016	$18,301,384	$14,437,378	$17,102,301	$16,838,298	$16,559,408	$18,800,268	$22,879,300	$202,648,653
PMPMs													
TANF	$377.54	$443.89	$588.37	$196.64	$343.23	$396.08	$310.79	$378.70	$389.04	$351.86	$419.01	$450.67	$374.42
SSI	$184.32	$212.25	$276.72	$182.69	$158.99	$182.63	$170.74	$162.92	$178.06	$229.24	$248.35	$245.24	$202.13
ESA	$450.94	$535.11	$619.28	$412.24	$453.26	$518.43	$415.90	$491.36	$475.17	$471.74	$534.05	$666.62	$503.75

FY 17 Rebase

Inflation: 4.71%

	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
Enrollment													
TANF	8,684	8,679	8,683	8,697	8,711	8,726	8,740	8,755	8,769	8,783	8,798	8,812	104,837
SSI	1,727	1,764	1,768	1,772	1,775	1,779	1,783	1,786	1,790	1,794	1,797	1,801	21,336
ESA	27,710	28,063	28,187	28,312	28,437	28,562	28,686	28,811	28,936	29,061	29,185	29,310	343,259
Expenditures													
TANF	$3,330,500	$3,328,500	$3,330,000	$3,335,500	$3,341,000	$3,346,500	$3,510,100	$3,515,900	$3,521,700	$3,527,500	$3,533,300	$3,539,200	$41,159,700
SSI	$351,100	$358,700	$359,400	$360,200	$360,900	$361,700	$379,500	$380,300	$381,100	$381,900	$382,600	$383,400	$4,440,800
ESA	$14,114,000	$14,293,600	$14,357,100	$14,420,600	$14,484,200	$14,547,700	$15,300,100	$15,366,700	$15,433,200	$15,499,800	$15,566,300	$15,632,800	$179,016,100
Subtotal:	$17,795,600	$17,980,800	$18,046,500	$18,116,300	$18,186,100	$18,255,900	$19,189,700	$19,262,900	$19,336,000	$19,409,200	$19,482,200	$19,555,400	$224,616,600
PMPMs													
TANF	$383.53	$383.53	$383.53	$383.53	$383.53	$383.53	$401.61	$401.61	$401.61	$401.61	$401.61	$401.61	$392.61
SSI	$203.31	$203.31	$203.31	$203.31	$203.31	$203.31	$212.89	$212.89	$212.89	$212.89	$212.89	$212.89	$208.14
ESA	$509.35	$509.35	$509.35	$509.35	$509.35	$509.35	$533.36	$533.36	$533.36	$533.36	$533.36	$533.36	$521.52

FY 18 Request

Inflation: 4.71%

	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
Enrollment													
TANF	8,827	8,842	8,856	8,871	8,885	8,900	8,915	8,930	8,944	8,959	8,974	8,989	106,892
SSI	1,805	1,809	1,812	1,816	1,820	1,824	1,827	1,831	1,835	1,839	1,843	1,846	21,906
ESA	29,435	29,560	29,684	29,809	29,934	30,059	30,183	30,308	30,433	30,558	30,682	30,807	361,451
Expenditures													
TANF	$3,545,000	$3,550,900	$3,556,700	$3,562,600	$3,568,500	$3,574,400	$3,749,100	$3,755,300	$3,761,500	$3,767,700	$3,773,900	$3,780,200	$43,945,800
SSI	$384,200	$385,000	$385,800	$386,600	$387,400	$388,200	$407,400	$408,200	$409,100	$409,900	$410,700	$411,600	$4,774,100
ESA	$15,699,400	$15,765,900	$15,832,500	$15,899,000	$15,965,500	$16,032,100	$16,857,600	$16,927,300	$16,997,000	$17,066,600	$17,136,300	$17,206,000	$197,385,200
Subtotal:	$19,628,600	$19,701,800	$19,775,000	$19,848,200	$19,921,400	$19,994,700	$21,014,100	$21,090,800	$21,167,600	$21,244,200	$21,320,900	$21,397,800	$246,105,100
PMPMs													
TANF	$401.61	$401.61	$401.61	$401.61	$401.61	$401.61	$420.54	$420.54	$420.54	$420.54	$420.54	$420.54	$411.12
SSI	$212.89	$212.89	$212.89	$212.89	$212.89	$212.89	$222.93	$222.93	$222.93	$222.93	$222.93	$222.93	$217.94
ESA	$533.36	$533.36	$533.36	$533.36	$533.36	$533.36	$558.51	$558.51	$558.51	$558.51	$558.51	$558.51	$546.09

Footnotes:

1) Actuals through June 2016 are from PMMIS detail and may not reconcile to AFIS due to timing and manual adjustments.
2) Inflation percentage developed using CY12 - 16 average OMB rate increases (excludes CY 2011 outlier).
3) PMPMs 7/1/16 through 12/31/16 are based on the 2016.1 and 2016.2 average PMPM. IHS Facility rates are adjusted for inflation in January.
4) Enrollment forecast based on the waiver group growth rates used in the Proposition 204 member month forecast.
5) Expenditures do not include Uncompensated Care waiver adjustments. Waiver detail can be seen in Schedule B.

Arizona Health Care Cost Containment System

Proposition 204 IHS Non-Facility Inflation

Inflation: Non-Facility	*Inpatient* [1]	*Outpatient* [2]	*Combined*
SFY 17	3.11%	2.54%	2.71%
SFY 18	3.29%	2.60%	2.81%

[1] Inpatient rate increases based on Global Insight's *Health-Care Cost Review - Hospital Market Basket,* First Quarter 2016 Final.

[2] Outpatient rate increases based on Global Insight's *Health-Care Cost Review - Regional Prices and Wages (Medical Care - West),* First Quarter 2016 Final.

Arizona Health Care Cost Containment System

Proposition 204 IHS Non-Facility Expenditures - Fiscal Years 2016-2018

FY 16 Actuals

	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
Enrollment													
TANF	4,999	4,142	3,459	8,119	8,007	8,462	8,523	8,407	8,512	8,591	8,553	8,671	88,445
SSI	2,322	2,329	2,348	2,090	2,080	2,083	2,077	2,092	2,024	1,897	1,784	1,757	24,883
ESA	25,365	25,598	26,624	27,195	27,589	28,103	27,492	27,633	27,709	27,773	27,663	27,813	326,557
Expenditures													
TANF	$674,165	$702,924	$801,917	$769,306	$974,692	$1,198,454	$1,115,885	$1,317,483	$1,863,658	$1,256,654	$1,378,570	$1,570,317	$13,624,025
SSI	$572,528	$613,406	$760,924	$495,425	$470,609	$666,746	$507,686	$629,313	$627,922	$457,967	$456,008	$605,625	$6,864,159
ESA	$7,960,989	$8,746,241	$10,614,971	$7,684,736	$8,146,522	$9,198,766	$7,424,348	$7,292,664	$9,921,135	$7,447,692	$8,023,731	$10,229,608	$102,691,404
Subtotal:	$9,207,682	$10,062,571	$12,177,812	$8,949,467	$9,591,823	$11,063,966	$9,047,919	$9,239,460	$12,412,715	$9,162,313	$9,858,310	$12,405,550	$123,179,589
PMPMs													
TANF	$134.86	$169.71	$231.83	$94.75	$121.73	$141.63	$130.93	$156.71	$218.94	$146.28	$161.18	$181.10	$154.04
SSI	$246.57	$263.38	$324.07	$237.05	$226.25	$320.09	$244.43	$300.82	$310.24	$241.42	$255.61	$344.69	$275.86
ESA	$313.86	$341.68	$398.70	$282.58	$295.28	$327.32	$270.05	$263.91	$358.05	$268.16	$290.05	$367.80	$314.47
Federal Authority	$7,809,798	$8,543,625	$10,345,282	$7,601,176	$8,130,011	$9,340,855	$7,851,364	$7,954,720	$10,713,682	$7,935,284	$8,540,311	$10,775,868	$105,541,977
State Match	$1,397,884	$1,518,946	$1,832,529	$1,348,291	$1,461,812	$1,723,111	$1,196,555	$1,284,741	$1,699,033	$1,227,029	$1,317,999	$1,629,682	$17,637,612

Arizona Health Care Cost Containment System

Proposition 204 IHS Non-Facility Expenditures - Fiscal Years 2016-2018

FY 17 Rebase

	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
Inflation: 2.71%													
Enrollment													
TANF	8,684	8,679	8,683	8,697	8,711	8,726	8,740	8,755	8,769	8,783	8,798	8,812	104,837
SSI	1,727	1,764	1,768	1,772	1,775	1,779	1,783	1,786	1,790	1,794	1,797	1,801	21,336
ESA	27,710	28,063	28,187	28,312	28,437	28,562	28,686	28,811	28,936	29,061	29,185	29,310	343,259
Expenditures													
TANF	$1,337,700	$1,336,900	$1,337,500	$1,375,900	$1,378,200	$1,380,500	$1,382,800	$1,385,100	$1,387,300	$1,389,600	$1,391,900	$1,394,200	$16,477,600
SSI	$476,400	$486,700	$487,700	$501,900	$503,000	$504,000	$505,100	$506,100	$507,100	$508,200	$509,200	$510,300	$6,005,700
ESA	$8,713,900	$8,824,700	$8,864,000	$9,144,300	$9,184,600	$9,224,900	$9,265,200	$9,305,500	$9,345,800	$9,386,000	$9,426,300	$9,466,600	$110,151,800
Subtotal:	$10,528,000	$10,648,300	$10,689,200	$11,022,100	$11,065,800	$11,109,400	$11,153,100	$11,196,700	$11,240,200	$11,283,800	$11,327,400	$11,371,100	$132,635,100
PMPMs													
TANF	$154.04	$154.04	$154.04	$158.21	$158.21	$158.21	$158.21	$158.21	$158.21	$158.21	$158.21	$158.21	$157.17
SSI	$275.86	$275.86	$275.86	$283.33	$283.33	$283.33	$283.33	$283.33	$283.33	$283.33	$283.33	$283.33	$281.48
ESA	$314.47	$314.47	$314.47	$322.98	$322.98	$322.98	$322.98	$322.98	$322.98	$322.98	$322.98	$322.98	$320.90
Federal Authority	$9,152,000	$9,259,100	$9,295,800	$9,600,500	$9,639,400	$9,678,300	$9,632,000	$9,670,500	$9,708,900	$9,747,400	$9,785,900	$9,824,400	$114,994,200
State Match	$1,376,000	$1,389,200	$1,393,400	$1,421,600	$1,426,400	$1,431,100	$1,521,100	$1,526,200	$1,531,300	$1,536,400	$1,541,500	$1,546,700	$17,640,900

FY 18 Request

	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
Inflation: 2.81%													
Enrollment													
TANF	8,827	8,842	8,856	8,871	8,885	8,900	8,915	8,930	8,944	8,959	8,974	8,989	106,892
SSI	1,805	1,809	1,812	1,816	1,820	1,824	1,827	1,831	1,835	1,839	1,843	1,846	21,906
ESA	29,435	29,560	29,684	29,809	29,934	30,059	30,183	30,308	30,433	30,558	30,682	30,807	361,451
Expenditures													
TANF	$1,396,500	$1,398,800	$1,401,100	$1,442,900	$1,445,200	$1,447,600	$1,450,000	$1,452,400	$1,454,800	$1,457,200	$1,459,600	$1,462,000	$17,268,100
SSI	$511,400	$512,400	$513,500	$529,000	$530,100	$531,200	$532,300	$533,400	$534,500	$535,600	$536,700	$537,800	$6,337,900
ESA	$9,506,900	$9,547,200	$9,587,500	$9,898,000	$9,939,400	$9,980,800	$10,022,300	$10,063,700	$10,105,100	$10,146,500	$10,188,000	$10,229,400	$119,214,800
Subtotal:	$11,414,800	$11,458,400	$11,502,100	$11,869,900	$11,914,700	$11,959,600	$12,004,600	$12,049,500	$12,094,400	$12,139,300	$12,184,300	$12,229,200	$142,820,800
PMPMs													
TANF	$158.21	$158.21	$158.21	$162.65	$162.65	$162.65	$162.65	$162.65	$162.65	$162.65	$162.65	$162.65	$161.55
SSI	$283.33	$283.33	$283.33	$291.28	$291.28	$291.28	$291.28	$291.28	$291.28	$291.28	$291.28	$291.28	$289.32
ESA	$322.98	$322.98	$322.98	$332.05	$332.05	$332.05	$332.05	$332.05	$332.05	$332.05	$332.05	$332.05	$329.82
Federal Authority	$9,863,000	$9,901,500	$9,940,000	$10,270,400	$10,309,900	$10,349,600	$10,553,700	$10,594,000	$10,634,400	$10,674,700	$10,715,100	$10,755,500	$124,561,800
State Match	$1,551,800	$1,556,900	$1,562,100	$1,599,500	$1,604,800	$1,610,000	$1,450,900	$1,455,500	$1,460,000	$1,464,600	$1,469,200	$1,473,700	$18,259,000

Footnotes:

1) Actuals through June 2016 are from PMMIS detail and may not reconcile to AFIS due to timing and manual adjustments.
2) PMPMs 7/1/16 through 9/30/16 are based on the June 2016 average PMPM. IHS Non-Facility rates are adjusted for inflation in October each year.
3) FY17 and FY18 inflation rates based on Global Insight's Health-Care Cost Review - Hospital Market Basket, First Quarter 2016 Final.
4) Enrollment forecast based on the waiver group growth rates used in the Proposition 204 member month forecast.

Arizona Health Care Cost Containment System

Proposition 204 Non-IHS Forecast

Fiscal Years 2016 - 2018

SFY16 Actuals

	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
Non-IHS													
TANF	14,258	6,651	47,809	13,339	7,688	22,420	25,530	20,847	17,417	50,671	19,633	16,037	262,300
SSI	57,534	(964)	27,310	3,075	39,007	16,072	3,927	3,069	1,167	386	2,565	3,372	156,519
Expansion State Adult	314,635	252,306	248,672	234,260	195,101	244,189	129,620	224,414	175,639	277,126	282,631	152,763	2,731,357
Total Non-IHS:	386,427	257,993	323,791	250,674	241,796	282,680	159,077	248,330	194,223	328,183	304,830	172,172	3,150,176
Federal Authority	$324,077	$224,358	$268,716	$216,454	$203,032	$240,364	$137,841	$219,981	$172,078	$286,487	$271,589	$151,902	$2,716,880
State Match	$62,350	$33,635	$55,075	$34,220	$38,764	$42,316	$21,236	$28,348	$22,145	$41,697	$33,240	$20,270	$433,296

SFY17 Rebase

	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
Non-IHS													
TANF	23,000	20,000	26,100	21,700	16,400	20,200	15,300	20,000	24,000	29,900	26,800	30,700	274,100
SSI	13,800	11,900	15,600	12,900	9,800	12,100	9,100	11,900	14,300	17,900	16,000	18,300	163,600
Expansion State Adult	240,000	208,100	272,200	225,800	170,700	210,500	159,600	207,700	250,400	311,700	279,000	320,200	2,855,900
Total Non-IHS:	276,800	240,000	313,900	260,400	196,900	242,800	184,000	239,600	288,700	359,500	321,800	369,200	3,293,600
Federal Authority	$243,000	$210,700	$275,600	$228,900	$173,100	$213,400	$160,300	$208,700	$251,500	$313,200	$280,300	$321,600	$2,880,300
State Match	$33,800	$29,300	$38,300	$31,500	$23,800	$29,400	$23,700	$30,900	$37,200	$46,300	$41,500	$47,600	$413,300

SFY18 Request

	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
Non-IHS													
TANF	24,200	21,000	27,400	22,700	17,200	21,200	16,100	20,900	25,200	31,400	28,100	32,200	287,600
SSI	14,400	12,500	16,400	13,600	10,300	12,700	9,600	12,500	15,000	18,700	16,800	19,200	171,700
Expansion State Adult	251,700	218,200	285,500	236,800	179,000	220,800	167,400	218,000	262,600	326,900	292,600	335,800	2,995,300
Total Non-IHS:	290,300	251,700	329,300	273,100	206,500	254,700	193,100	251,400	302,800	377,000	337,500	387,200	3,454,600
Federal Authority	$252,900	$219,200	$286,800	$238,100	$180,100	$222,100	$171,100	$222,800	$268,400	$334,100	$299,100	$343,200	$3,037,900
State Match	$37,400	$32,500	$42,500	$35,000	$26,400	$32,600	$22,000	$28,600	$34,400	$42,900	$38,400	$44,000	$416,700

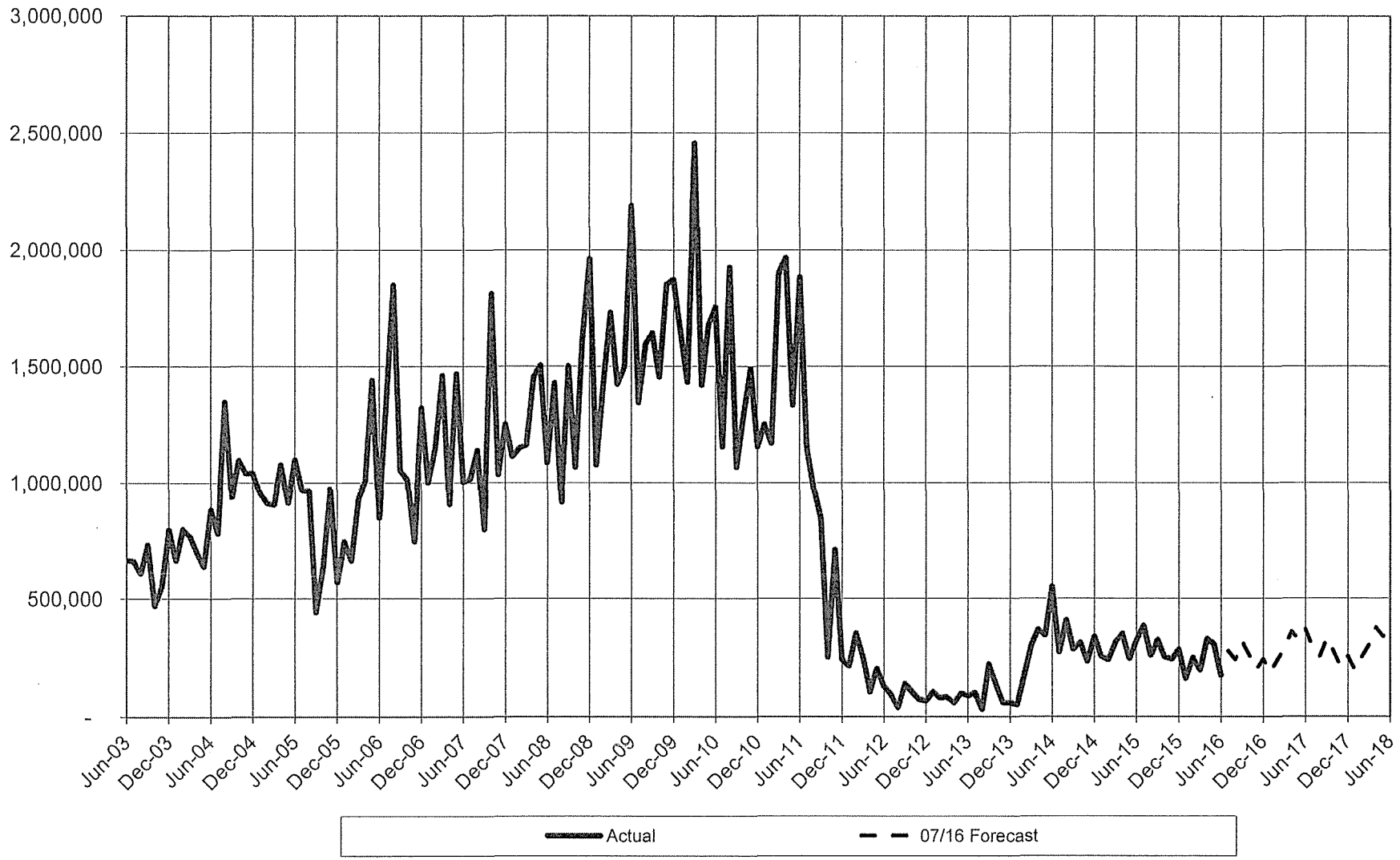
Notes:

(1) Expenditure forecasts use the growth rates from the Proposition 204 Acute MM Forecasts.

(2) Monthly fluctuation of total expenditure reflects the most recent 4-year's cyclical variations.

(3) The Transition FMAP for the Expansion State Adult population expenditures is assumed to be 89.85% beginning 1/1/2017. The rate is assumed to increase to 91.55% beginning 1/1/2018.

Proposition 204 Non-IHS



FES Births PMPM Increase

Calendar Quarter	Physicians Services Index Increase	Physicians Services SFY Average Increase	Inpatient Services Index Increase	AHCCCS Inpatient Index SFY Average Increase	SFY	Weighted Index SFY Average Increase
2009.3	3.1%		1.6%			
2009.4	2.7%		1.8%			
2010.1	3.3%		2.2%			
2010.2	3.1%	3.05%	2.4%	2.00%	SFY10	2.21%
2010.3	3.3%		2.3%			
2010.4	3.3%		2.5%			
2011.1	2.9%		2.7%			
2011.2	2.9%	3.10%	2.8%	2.58%	SFY11	2.68%
2011.3	2.4%		2.8%			
2011.4	2.6%		2.5%			
2012.1	1.7%		2.3%			
2012.2	1.7%	2.10%	2.0%	2.40%	SFY12	2.34%
2012.3	2.6%		1.9%			
2012.4	2.2%		2.1%			
2013.1	2.4%		2.0%			
2013.2	2.4%	2.40%	2.1%	2.03%	SFY13	2.10%
2013.3	1.4%		2.0%			
2013.4	1.6%		1.7%			
2014.1	1.4%		1.7%			
2014.2	1.4%	1.45%	1.9%	1.83%	SFY14	1.75%
2014.3	1.3%		1.9%			
2014.4	1.4%		2.1%			
2015.1	1.5%		1.8%			
2015.2	1.8%	1.50%	1.6%	1.85%	SFY15	1.78%
2015.3	2.1%		1.6%			
2015.4	2.3%		1.5%			
2016.1	2.7%		1.8%			
2016.2	2.2%	2.33%	1.9%	1.70%	SFY16	1.83%
2016.3	2.4%		2.2%			
2016.4	2.3%		2.5%			
2017.1	2.5%		2.8%			
2017.2	2.8%	2.50%	2.8%	2.58%	SFY17	2.56%
2017.3	2.7%		3.0%			
2017.4	2.7%		3.0%			
2018.1	2.7%		3.1%			
2018.2	2.8%	2.73%	3.2%	3.08%	SFY18	3.01%

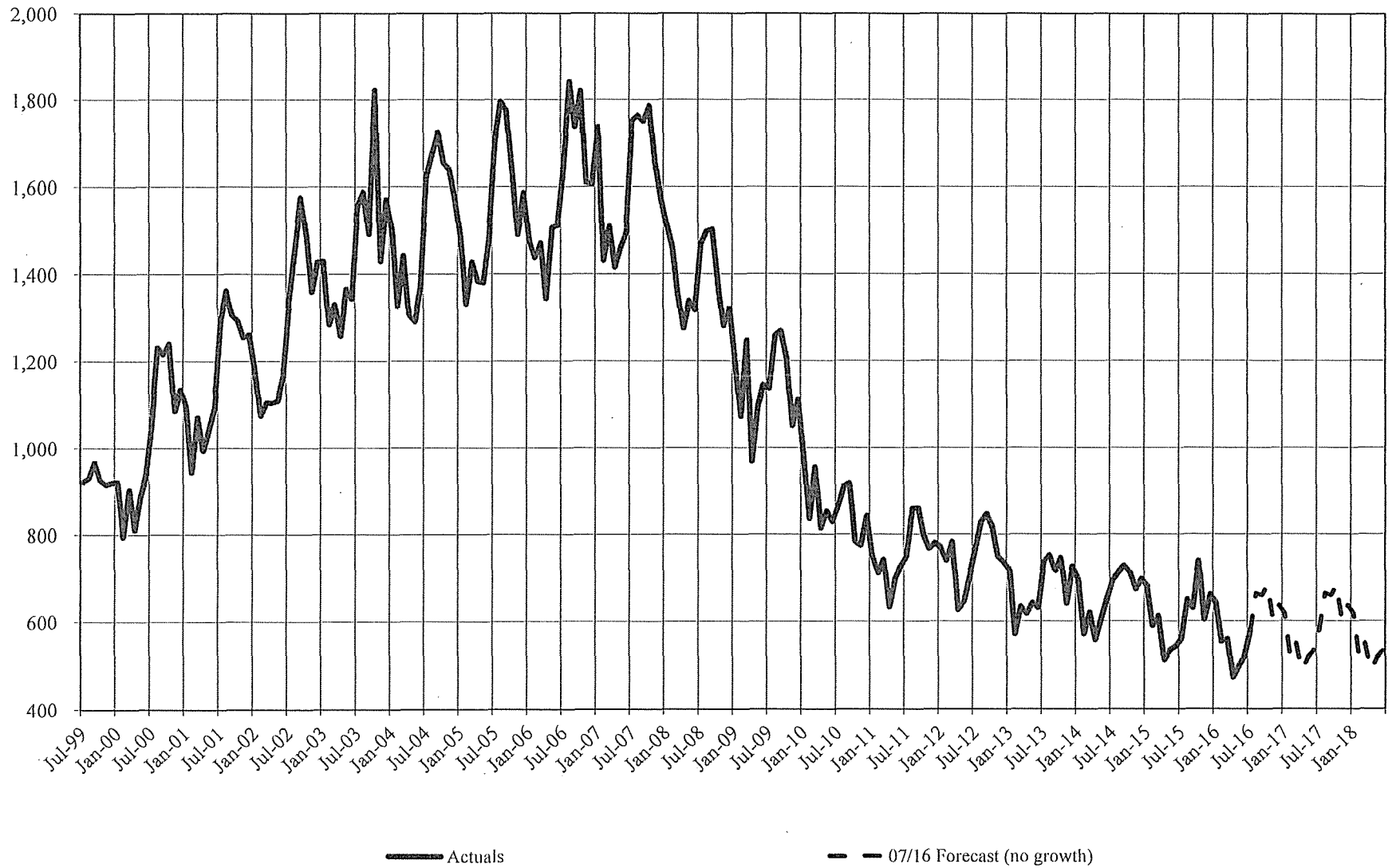
Notes: Physician Services and Hospital Inpatient index data is from Global Insight's Health Care Cost Review (First Quarter 2016).
The weighting was 20% of the Physician Services rate and 80% of Hospital Inpatient Services rate.

FES Births

	Actual Births (1)	Percent Qtr Change	Births Forecast (2)	SFY Total	Year to Year % Chg	June to June % Chg	SFY
2009.3	3,665	14.14%					
2009.4	3,370	-8.05%					
2010.1	2,774	-17.69%					
2010.2	2,494	-10.09%		12,303	-19.04%	-27.69%	SFY 2010
2010.3	2,687	7.74%					
2010.4	2,401	-10.64%					
2011.1	2,205	-8.16%					
2011.2	2,058	-6.67%		9,351	-23.99%	-12.32%	SFY 2011
2011.3	2,464	19.73%					
2011.4	2,346	-4.79%					
2012.1	2,293	-2.26%					
2012.2	1,974	-13.91%		9,077	-2.93%	-3.58%	SFY 2012
2012.3	2,433	23.25%					
2012.4	2,302	-5.38%					
2013.1	1,922	-16.51%					
2013.2	1,894	-1.46%		8,551	-5.79%	-9.71%	SFY 2013
2013.3	2,204	16.37%					
2013.4	2,113	-4.13%					
2014.1	1,885	-10.79%					
2014.2	1,815	-3.71%		8,017	-6.24%	3.32%	SFY 2014
2014.3	2,131	17.41%					
2014.4	2,081	-2.35%					
2015.1	1,883	-9.51%					
2015.2	1,587	-15.72%		7,682	-4.18%	-17.00%	SFY 2015
2015.3	1,842	16.07%					
2015.4	2,005	8.85%					
2016.1	1,755	-12.47%					
2016.2		-15.10%	1,490	7,092	-7.68%	-4.06%	SFY 2016
2016.3		27.72%	1,903				
2016.4		1.10%	1,924				
2017.1		-12.47%	1,684				
2017.2		-8.79%	1,536	7,047	-0.63%	2.12%	SFY 2017
2017.3		23.89%	1,903				
2017.4		1.10%	1,924				
2018.1		-12.47%	1,684				
2018.2		-8.79%	1,536	7,047	0.00%	0.00%	SFY 2018

(1) Actuals through June 2016.
(2) Forecast based on flat annual growth.

FES Births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Actuals
07/16 Forecast (no growth)

Arizona Health Care Cost Containment System

Proposition 204 FES Births Forecast

Fiscal Years 2016 - 2018

FY16 Actuals

	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
Births	37	59	48	85	57	63	48	71	63	58	45	51	685
PMPM	$4,634	$3,904	$4,821	$3,045	$3,718	$4,732	$2,270	$1,356	$946	$871	$4,151	$3,595	$3,044
Expenditures	$171,744	$231,498	$229,601	$260,255	$210,618	$297,654	$108,354	$96,788	$59,857	$50,559	$185,965	$182,418	$2,085,311
Federal Authority	$117,576	$158,484	$157,185	$179,368	$145,158	$205,143	$74,678	$66,706	$41,253	$34,845	$128,167	$125,722	$1,434,286
State Match	$54,168	$73,015	$72,416	$80,887	$65,460	$92,511	$33,676	$30,082	$18,604	$15,714	$57,798	$56,696	$651,026

FY17 Rebase

	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
Births	53	61	60	62	55	58	56	47	50	45	47	48	642
PMPM	$3,228	$3,228	$3,228	$3,311	$3,311	$3,311	$3,311	$3,311	$3,311	$3,311	$3,311	$3,311	$3,288
Expenditures	$170,000	$195,500	$194,100	$205,700	$182,100	$192,400	$186,400	$155,900	$165,600	$147,500	$155,600	$160,100	$2,110,900
Federal Authority	$117,200	$134,700	$133,800	$142,400	$126,100	$133,200	$129,100	$107,900	$114,700	$102,100	$107,700	$110,900	$1,459,800
State Match	$52,800	$60,800	$60,300	$63,300	$56,000	$59,200	$57,300	$48,000	$50,900	$45,400	$47,900	$49,200	$651,100

FY18 Request

	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
Births	53	61	60	62	55	58	56	47	50	45	47	48	642
PMPM	$3,311	$3,311	$3,311	$3,410	$3,410	$3,410	$3,410	$3,410	$3,410	$3,410	$3,410	$3,410	$3,383
Expenditures	$174,300	$200,500	$199,000	$211,800	$187,600	$198,200	$192,000	$160,600	$170,500	$151,900	$160,300	$164,900	$2,171,600
Federal Authority	$120,700	$138,800	$137,800	$147,300	$130,400	$137,800	$133,500	$111,700	$118,500	$105,600	$111,500	$114,700	$1,508,300
State Match	$53,600	$61,700	$61,200	$64,500	$57,200	$60,400	$58,500	$48,900	$52,000	$46,300	$48,800	$50,200	$663,300

Notes:

(1) Forecast for total births assumes no growth.

(2) Monthly distribution of total expenditures between Traditional and Proposition 204 is based on SFY16 average.

(3) Monthly fluctuation of total expenditures reflects the most recent 4-year average seasonal variations.

(4) 2016.3 PMPMs are based on the SFY 2016 weighted average PMPM.

Total FES Other Expenditures

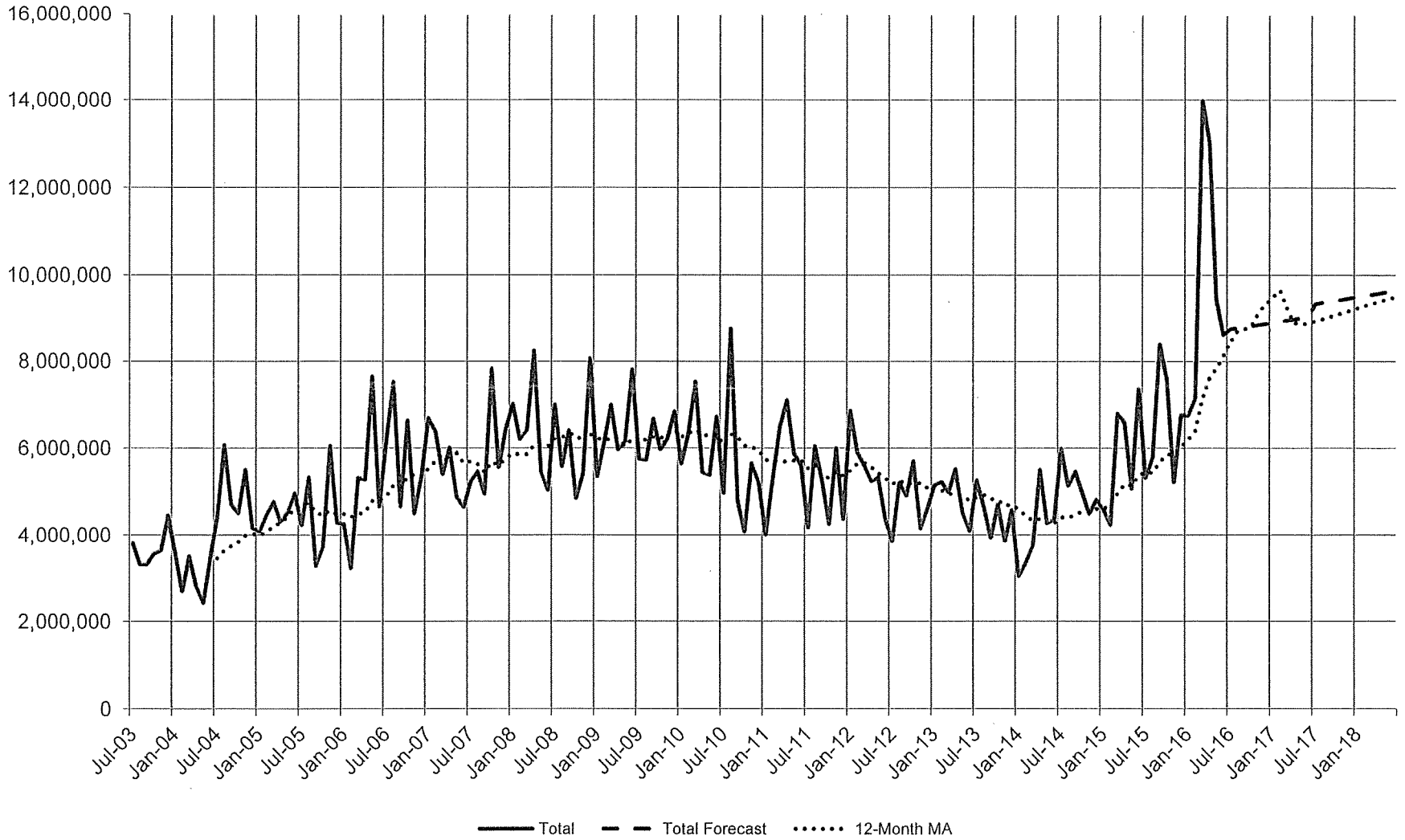
	Traditional	% Change	Prop 204	% Change	NEA+ESA	% Change	Total Expenditures	(+,-)	% Change	TTL Enrollment	% Change	PMPM
FY 2005	$ 47,583,539		$ 8,916,643		$ -		$ 56,500,182					
FY 2006	$ 46,788,504	-1.7%	$ 10,573,919	18.6%	$ -		$ 57,362,423	$ 862,241	1.5%			
FY 2007	$ 39,177,355	-16.3%	$ 29,725,543	181.1%	$ -		$ 68,902,898	$ 11,540,475	20.1%	73,470		$ 78.15
FY 2008	$ 48,289,349	23.3%	$ 25,643,393	-13.7%	$ -		$ 73,932,742	$ 5,029,844	7.3%	75,765	3.12%	$ 81.32
FY 2009	$ 60,604,616	25.5%	$ 15,221,042	-40.6%	$ -		$ 75,825,658	$ 1,892,916	2.6%	75,757	-0.01%	$ 83.41
FY 2010	$ 60,882,783	0.5%	$ 13,442,390	-11.7%	$ -		$ 74,325,172	$ (1,500,486)	-2.0%	72,684	-4.06%	$ 85.21
FY 2011	$ 55,571,670	-8.7%	$ 12,348,215	-8.1%	$ -		$ 67,919,885	$ (6,405,288)	-8.6%	46,636	-35.84%	$ 121.36
FY 2012	$ 50,846,138	-8.5%	$ 12,661,775	2.5%	$ -		$ 63,507,913	$ (4,411,972)	-6.5%	54,977	17.88%	$ 96.26
FY 2013	$ 45,588,639	-10.3%	$ 12,407,044	-2.0%	$ -		$ 57,995,683	$ (5,512,230)	-8.7%	63,999	16.41%	$ 75.52
FY 2014	$ 37,473,420	-17.8%	$ 11,994,620	-3.3%	$ 1,919,347		$ 51,387,387	$ (6,608,296)	-11.4%	68,753	7.43%	$ 62.29
FY 2015	$ 34,446,430	-8.1%	$ 14,198,358	18.4%	$16,959,601	783.6%	$ 65,604,388	$ 14,217,001	27.7%	91,432	32.99%	$ 59.79
FY 2016	$ 45,283,852	31.5%	$ 20,136,731	41.8%	$32,679,845	92.7%	$ 98,100,428	$ 32,496,040	49.5%	114,085	24.78%	$ 71.66
Forecast 2017	$ 49,267,900		$ 21,225,100		$ 35,208,500		$ 105,701,500	$ 7,601,072	7.75%	119,066	4.37%	$ 73.98
Forecast 2018	$ 51,781,100		$ 22,293,700		$ 38,715,500		$ 112,790,300	$ 7,088,800	6.71%	122,662	3.02%	$ 76.63

(1) Programmatic Forecasts are based on their respective projected member month growth rates and medical cost inflation from Global Insight's Health-Care Cost Review - Hospital (80%) and Physician Services (20%) Market Baskets, First Quarter 2016 Final.

(2) Total Enrollment and PMPM values above reflect the aggregate effect of the aforementioned forecast methodology

(3) NEA totals include both Births and Other FES expenditures

Combined FES Other Expenditure Forecast



Arizona Health Care Cost Containment System

Proposition 204 FES Other Expenditure Forecast

Fiscal Years 2016 - 2018

FY16 Actuals

	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
Expenditures	$1,425,693	$1,479,876	$2,058,593	$2,057,351	$1,180,791	$1,318,747	$1,152,420	$1,375,226	$2,454,927	$2,075,832	$1,795,762	$1,761,512	$20,136,731
Federal Authority	$976,029	$1,013,123	$1,409,313	$1,417,926	$813,801	$908,881	$794,248	$947,806	$1,691,936	$1,430,663	$1,237,639	$1,214,034	$13,855,400
State Match	$449,664	$466,753	$649,280	$639,425	$366,990	$409,867	$358,172	$427,420	$762,991	$645,169	$558,123	$547,478	$6,281,331

FY17 Rebase

	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
Expenditures	$1,756,500	$1,757,200	$1,758,000	$1,760,900	$1,763,800	$1,766,700	$1,769,700	$1,772,600	$1,775,500	$1,778,500	$1,781,400	$1,784,300	$21,225,100
Federal Authority	$1,210,600	$1,211,100	$1,211,600	$1,219,200	$1,221,300	$1,223,300	$1,225,300	$1,227,300	$1,229,400	$1,231,400	$1,233,400	$1,235,400	$14,679,300
State Match	$545,900	$546,100	$546,400	$541,700	$542,500	$543,400	$544,400	$545,300	$546,100	$547,100	$548,000	$548,900	$6,545,800

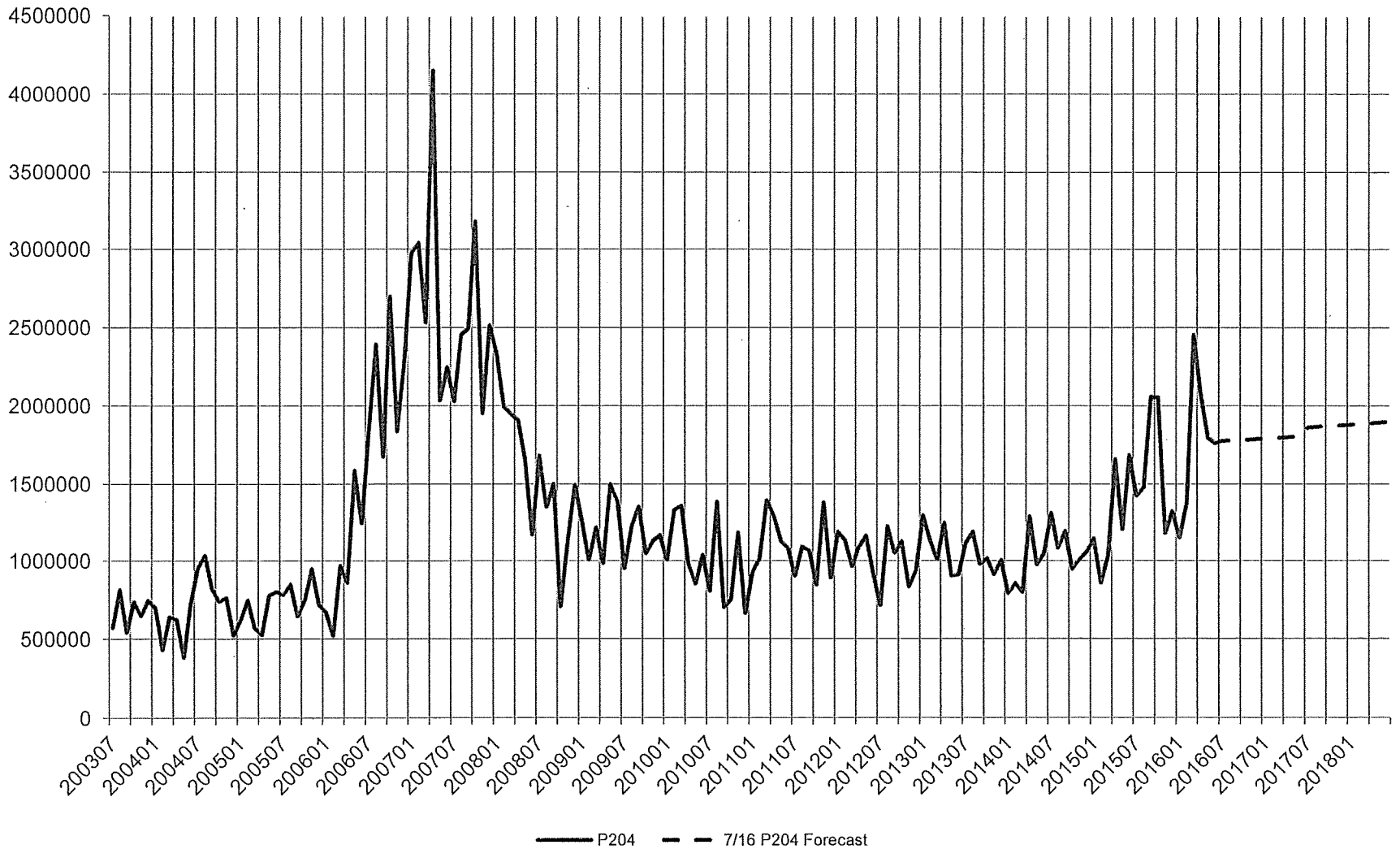
FY18 Request

	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
Expenditures	$1,841,000	$1,844,000	$1,847,100	$1,850,100	$1,853,200	$1,856,300	$1,859,300	$1,862,400	$1,865,500	$1,868,500	$1,871,600	$1,874,700	$22,293,700
Federal Authority	$1,274,700	$1,276,800	$1,278,900	$1,286,400	$1,288,500	$1,290,700	$1,292,800	$1,294,900	$1,297,100	$1,299,200	$1,301,300	$1,303,500	$15,484,800
State Match	$566,300	$567,200	$568,200	$563,700	$564,700	$565,600	$566,500	$567,500	$568,400	$569,300	$570,300	$571,200	$6,808,900

Notes:

(1) Total expenditures are based on the combined monthly forecast growth rates of TANF/SSI member months and medical cost inflation from Global Insight's Health-Care Cost Review - Hospital (80%) and Physician Services (20%) Market Baskets, First Quarter 2016 Final.

Proposition 204 FES Other Expenditure Forecast



Arizona Health Care Cost Containment System

Schedule B - Proposition 204 IHS Uncompensated Care

FY 15 Actuals	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	TOTAL
Avoiding Cost Shifts (P204 UC)[1]	$ -	$ -	$ 716,900	$ -	$ -	$ 3,144,641	$ -	$ -	$ 2,340,331	$ -	$ 4,717,487	$ -	$ 10,919,360

FY 16 Actuals	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
Avoiding Cost Shifts (P204 UC)[1]	$ -	$ 2,518,190	$ -	$ -	$ -	$ -	$ 2,481,556	$ -	$ 618,330	$ 2,500,482	$ -	$ 6	$ 8,118,564

FY 17 Rebase	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
Avoiding Cost Shifts (P204 UC)[1]	$ 333,300	$ 333,300	$ 333,300	$ 333,300	$ 333,300	$ 333,300	$ 333,300	$ 333,300	$ 333,400	$ 333,400	$ 333,400	$ 333,400	$ 4,000,000

FY 18 Request	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
Avoiding Cost Shifts (P204 UC)[1]	$ 333,300	$ 333,300	$ 333,300	$ 333,300	$ 333,300	$ 333,300	$ 333,300	$ 333,300	$ 333,400	$ 333,400	$ 333,400	$ 333,400	$ 4,000,000

1) Relates to an Arizona Waiver 1115 Special Terms and Conditions (STC) re Repayments to IHS/638 Facilities for Uncompensated Care. The payments (Option 1 & 2) began in April 2012. Option 2 payments will continue through FFY 2016.
2) FY17 and FY18 estimates are contingent upon approval of the Waiver Extension by CMS

Arizona Health Care Cost Containment System

FFS Prior Quarter Expenditure Forecast

SFY 2016 Actuals		Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
Prop 204	(TF)	87,190	129,664	206,138	97,619	107,668	63,750	43,191	52,949	29,522	50,939	67,911	67,146	1,003,686
ESA	(TF)	1,010,190	816,938	1,273,875	893,696	744,323	688,336	769,719	930,222	772,154	751,964	617,500	529,294	9,798,210
Total	(TF)	1,097,380	946,602	1,480,013	991,315	851,991	752,086	812,910	983,171	801,675	802,902	685,411	596,440	10,801,896
Prop 204	(FF)	59,691	88,768	141,122	67,279	74,205	43,936	29,767	36,493	20,346	35,107	46,804	46,277	689,795
ESA	(FF)	882,704	713,840	1,113,112	782,610	651,804	602,776	697,981	843,525	700,189	681,881	559,949	479,963	8,710,334
Total	(FF)	942,394	802,608	1,254,234	849,889	726,009	646,712	727,749	880,018	720,535	716,987	606,753	526,240	9,400,128
Prop 204	(SM)	27,500	40,896	65,016	30,340	33,463	19,813	13,424	16,457	9,175	15,832	21,107	20,869	313,891
ESA	(SM)	127,486	103,098	160,763	111,086	92,519	85,560	71,738	86,697	71,965	70,083	57,551	49,330	1,087,876
Total	(SM)	154,986	143,994	225,779	141,426	125,983	105,374	85,162	103,153	81,140	85,915	78,658	70,199	1,401,767

SFY 2017 Rebase		Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
Prop 204	(TF)	83,800	84,000	84,200	84,400	84,600	84,800	85,000	85,200	85,400	85,600	85,800	86,000	1,018,800
ESA	(TF)	818,300	820,100	821,900	823,700	825,500	827,300	829,100	830,900	832,800	834,700	836,600	838,500	9,939,400
Total	(TF)	902,100	904,100	906,100	908,100	910,100	912,100	914,100	916,100	918,200	920,300	922,400	924,500	10,958,200
Prop 204	(FF)	57,800	57,900	58,000	58,400	58,600	58,700	58,900	59,000	59,100	59,300	59,400	59,500	704,600
ESA	(FF)	742,000	743,700	745,300	747,700	749,300	750,900	744,900	746,600	748,300	750,000	751,700	753,400	8,973,800
Total	(FF)	799,800	801,600	803,300	806,100	807,900	809,600	803,800	805,600	807,400	809,300	811,100	812,900	9,678,400
Prop 204	(SM)	26,000	26,100	26,200	26,000	26,000	26,100	26,100	26,200	26,300	26,300	26,400	26,500	314,200
ESA	(SM)	76,300	76,400	76,600	76,000	76,200	76,400	84,200	84,300	84,500	84,700	84,900	85,100	965,600
Total	(SM)	102,300	102,500	102,800	102,000	102,200	102,500	110,300	110,500	110,800	111,000	111,300	111,600	1,279,800

SFY 2018 Request		Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
Prop 204	(TF)	86,200	86,400	86,600	86,800	87,000	87,200	87,400	87,600	87,800	88,000	88,200	88,400	1,047,600
ESA	(TF)	840,400	842,300	844,200	846,100	848,100	850,100	852,100	854,100	856,100	858,100	860,100	862,100	10,213,800
Total	(TF)	926,600	928,700	930,800	932,900	935,100	937,300	939,500	941,700	943,900	946,100	948,300	950,500	11,261,400
Prop 204	(FF)	59,700	59,800	60,000	60,400	60,500	60,600	60,800	60,900	61,000	61,200	61,300	61,500	727,700
ESA	(FF)	755,100	756,800	758,500	760,700	762,500	764,300	780,100	781,900	783,800	785,600	787,400	789,300	9,266,000
Total	(FF)	814,800	816,600	818,500	821,100	823,000	824,900	840,900	842,800	844,800	846,800	848,700	850,800	9,993,700
Prop 204	(SM)	26,500	26,600	26,600	26,400	26,500	26,600	26,600	26,700	26,800	26,800	26,900	26,900	319,900
ESA	(SM)	85,300	85,500	85,700	85,400	85,600	85,800	72,000	72,200	72,300	72,500	72,700	72,800	947,800
Total	(SM)	111,800	112,100	112,300	111,800	112,100	112,400	98,600	98,900	99,100	99,300	99,600	99,700	1,267,700

Notes:

(1) Actuals through July 2016 are from PMMIS detail and may not reconcile to AFIS due to timing and manual adjustments.

(2) July 2016 expenditure estimates are based on the 2016.2 average and are then grown at the Non-Facility annualized inflation rates of 2.71% and 2.81% for 2017 and 2018 respectively.

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 4-4009 Proposition 204 - Fee-for-Service

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	347,928.3	430,062.1	2,045.1	432,107.2
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Expenditure Categories Total:	347,928.3	430,062.1	2,045.1	432,107.2
Fund Source					
Non-Appropriated Funds					
2120-N	AHCCCS Fund (Non-Appropriated)	344,259.8	400,779.4	3,912.2	404,691.6
2576-N	Hospital Assessment (Non-Appropriated)	3,668.5	29,282.7	(1,867.1)	27,415.6
		347,928.3	430,062.1	2,045.1	432,107.2
	Fund Source Total:	347,928.3	430,062.1	2,045.1	432,107.2

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4009 Proposition 204 - Fee-for-Service

Fund: 2120-N AHCCCS Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	344,259.8	400,779.4	3,912.2	404,691.6
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Non-Appropriated Total:	344,259.8	400,779.4	3,912.2	404,691.6
	Fund Total:	344,259.8	400,779.4	3,912.2	404,691.6
	Program Total For Selected Funds:	344,259.8	400,779.4	3,912.2	404,691.6

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4009 Proposition 204 - Fee-for-Service

Fund: 2576-N Hospital Assessment

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Non-Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	3,668.5	29,282.7	(1,867.1)	27,415.6
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Non-Appropriated Total:		3,668.5	29,282.7	(1,867.1)	27,415.6
Fund Total:		3,668.5	29,282.7	(1,867.1)	27,415.6
Program Total For Selected Funds:		3,668.5	29,282.7	(1,867.1)	27,415.6

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4009 Proposition 204 - Fee-for-Service

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	0.0	0.0
Boards and Commissions	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	0.0	0.0
Attorney General Legal Services	0.0	0.0
External Legal Services	0.0	0.0
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	0.0	0.0
Hospital Services	0.0	0.0
Other Medical Services	0.0	0.0
Institutional Care	0.0	0.0
Education And Training	0.0	0.0
Vendor Travel	0.0	0.0
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0
Other Professional And Outside Services	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4009 Proposition 204 - Fee-for-Service

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	347,928.3	430,062.1
Expenditure Category Total	**347,928.3**	**430,062.1**
Fund Source		
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	344,259.8	400,779.4
2576-N Hospital Assessment (Non-Appropriated)	3,668.5	29,282.7
	347,928.3	430,062.1
Fund Source Total	**347,928.3**	**430,062.1**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	0.0	0.0
Information Technology Services	0.0	0.0
Utilities	0.0	0.0
Non-Building or Land Rent	0.0	0.0
Building Rent Charges to State Agencies	0.0	0.0
COP Building Rent Charges to State Agencies	0.0	0.0
Rental of Land & Buildings	0.0	0.0
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	0.0	0.0
Repair & Maintenance	0.0	0.0
Software Support and Maintenance	0.0	0.0
Operating Supplies	0.0	0.0
Resale Supplies	0.0	0.0
Sales of Assets	0.0	0.0
Conference, Education & Training	0.0	0.0
Advertising	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4009 Proposition 204 - Fee-for-Service

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Printing & Photography	0.0	0.0
Postage & Delivery	0.0	0.0
Miscellaneous Operating	0.0	0.0
Depreciation Expense	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	0.0	0.0
Vehicles - Non-Capital	0.0	0.0
Furniture - Non-Capital	0.0	0.0
EDP Equipment - Mainframe - Non-Capital	0.0	0.0
Telecommunication Equipment - Non Capital	0.0	0.0
Other Equipment - Non-Capital	0.0	0.0
Purchased Or Licensed Software/Website	0.0	0.0
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4009 Proposition 204 - Fee-for-Service

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

All dollars are presented in thousands (not FTE).

PROPOSITION 204 REINSURANCE

PROGRAM DESCRIPTION/BACKGROUND: Reinsurance is a stop-loss program provided by AHCCCS to its contractors for the partial reimbursement of covered inpatient facility medical services incurred for a member with an acute medical condition beyond an annual deductible. AHCCCS provides both regular and catastrophic reinsurance coverage to health plan contractors. The purpose of reinsurance is to reduce the health plans' financial risk for major medical costs incurred by members.

The reinsurance program provides critical safeguards to AHCCCS health plans. These safeguards promote competition and flexibility during the procurement process ensuring competent contractors are chosen to provide quality services to AHCCCS recipients, while minimizing the cost to Arizona taxpayers. This proactive approach limits the costly procedure of transitioning members or liabilities when a contractor's financial solvency declines and services can no longer be provided.

Regular reinsurance is only available for inpatient facilities. Before regular reinsurance is paid to a health plan, the plan must meet an annual deductible for each eligible member. Once the deductible is met, the health plan is reimbursed by AHCCCS at 75% of the cost of services that exceed the deductible. The health plan will continue to pay 25% of the cost of services until the case total value reaches $650,000, after which point AHCCCS will reimburse at 100% of the health plans cost of services. This coinsurance percent is the rate at which AHCCCS will reimburse the Contractor for inpatient covered services incurred above the deductible.

Catastrophic reinsurance is available to health plans for services provided to members who need certain organ transplants, are taking certain drugs (collectively referred to as biotech drugs), or who have hemophilia, von Willebrand's Disease or Gaucher's Disease. AHCCCS reimburses the health plans at 85% of the cost of service. The health plan will pay 15% of the cost of service until the case total value reaches $650,000, after which point AHCCCS will reimburse the excess at 100% of the contracted amount for the transplant or the amount which the health plan paid, whichever is less. There are no deductibles for catastrophic reinsurance cases.

Health Plan deductible options impact AHCCCS' reinsurance and capitation costs. This is because capitation rates are adjusted by a reinsurance offset based on the deductible level chosen. The higher the deductible, the lower the offset. AHCCCS provides the added compensation because the increased share of risk the Health Plan is taking has reduced the Agency's (the State of Arizona's) risk. As part of the 2013 Acute Care Contract RFP process, all participating health plans are in the $25,000 deductible level category beginning October 1, 2013.

METHODOLOGY:
(Budget Driver/Source of Info.)

Over the past several years, AHCCCS has utilized a methodology based on overlapping contract years in order to calculate PMPMs for one complete state fiscal year of reinsurance. That fiscal year was then trended forward to create future state fiscal year PMPMs. While this methodology was sound during stable periods, there have been a significant number of policy changes implemented over the last few contract years such that, when combined with varying Health Plan encounter efficiencies, it renders that methodology ineffective for the current timeframe. In the absence of data related to each individual policy change, combined with the 28-

month long payment cycle associated with each contract year, the completion percentages of the policy changes cannot be determined, although these policy changes will still be impacting reinsurance payments through SFY2018.

Although the contract year payment and reporting cycles have not changed, the policy changes and the inability to segregate the impact of the changes from the regular reinsurance expenditures, have made it necessary to update the model to include only the most recent fiscal years' experience in the program in order to estimate the costs. The timelines involved with the billing and health plan submission cycles have not changed. All reinsurance claims must reach a clean claim status within fifteen months from the end date of service, or date of eligibility posting, whichever is later. Encounters for reinsurance claims that have passed the fifteen-month deadline and are being adjusted due to a claim dispute or hearing decision must be submitted within 90 calendar days of the date of the claim dispute or hearing decision. A complete contract year cycle needs at least 28 months in order to complete the payments that are associated with it. For example, a claim with a date of service in the final month of CY2014 (September 2014) would have 15 months to reach a clean claim status (December 2015). If any September 2014 claims were disputed, they would have to be submitted within 90 calendar days of the claim dispute or hearing decision (March 2016). Submitted claim disputes and their subsequent hearings will vary in the amount of time necessary to come to a resolution.

The policy changes that have necessitated a different approach to forecasting reinsurance are listed below:

1. Effective October 1, 2013, all health plans will be at the $25K deductible level.
2. Effective January 1, 2014, Expansion State FMAP adjustment to Expansion State Adult population.
3. Effective January 1, 2014, lifting of enrollment freeze for Expansion State Adults (Childless Adults).
4. Implementation of Diagnosis-Related Group (DRG) October 1, 2014.

As a consequence of the conditions mentioned above, the most recent fiscal year's expenditures were determined to be the most reliable data to use as the basis for the FY2017 – FY2018 reinsurance forecast. The SFY 2016 actual weighted PMPM was inflated in October 2016 by 3.11% and again in October 2017 by 3.29% each reinsurance risk group. The resulting PMPMs were then multiplied by the forecasted member months to come up with a total expenditure forecast for fiscal years 2017 and 2018. The inflation factors mentioned above were taken from Global Insight's Health-Care Cost Review - Hospital Market Basket, First Quarter 2016.

Diagnosis-Related Group (DRG)

Since 1993, AHCCCS has paid hospital inpatient claims using a tiered per diem fee schedule that was developed internally. Rates were rebased in 1998 and subsequently inflated annually (except when otherwise permitted by legislation) using a nationally recognized inflation factor. Effective 10/01/2014, AHCCCS will begin reimbursing inpatient hospital services using a DRG-based payment system.

Compared with a tiered per diem system, which incentivizes quantity over quality, AHCCCS believes the DRG-based payment methodology is better aligned with the agency's focus on improved patient safety and health outcomes for its members, and will result in reduced costs. It will enhance AHCCCS' ability to implement performance review and cost-saving measures by facilitating measurement of inpatient readmissions and implementation of Medicaid's prohibition on reimbursement for hospital acquired conditions.

The implementation to the DRG-based payment system is expected to increase capitation rates, which in turn will decrease reinsurance offsets by equal amounts. However, due to the lag time associated with reinsurance payments, the full impact of the shift will not be realized until FY2017.

Member Month Forecast

Proposition 204 Reinsurance utilizes the Proposition 204 Capitation regular member month projections in order to develop the FY2017-FY2018 forecasts. Please refer to the Proposition 204 Capitation section for more detail.

Proposition 204 Regular Capitation Member Month Forecast						
		TANF	SSI	ESA	TOTAL	% Change
Actual	SFY 15	1,441,748	426,760	2,930,482	4,798,990	58.01%
Actual	SFY 16	1,452,198	448,447	3,214,126	5,114,772	6.58%
Estimate	SFY 17	1,648,306	383,357	3,325,158	5,356,821	4.73%
Estimate	SFY 18	1,680,769	392,745	3,391,661	5,465,176	2.02%

The final State Fiscal Year projections were separated into a Federal Fund amount and a General Fund amount. With the implementation of the ACA on January 1, 2014, the ESA population is eligible for the Expansion State Medical Assistance Percentage (FMAP) rate. Apart from the ESA population, all other Proposition 204 Reinsurance risk populations use the state's regular FMAP. The fund sourcing was calculated by applying the program-specific FMAPs to the SFY2017 total dollars. FFY2018 FMAPs are based on the FFIS estimates for that period. For specific rates, refer to the FMAP Table below. The SFY2017 forecast was $43,762,200 Total Fund ($5,433,300 State Match). The SFY2018 forecast was $46,082,700 Total Fund ($5,526,900 State Match).

It is assumed that the regular FMAP will increase from 69.24% in FFY 2017 to 69.53% in FFY 2018 based on Federal Funds Information for States (FFIS) in Issue Brief 16-24 (March 25, 2016). The Expansion State FMAP is a function of the regular FMAP and the ACA Medicaid Expansion FMAP, and will decrease from 90.77% in FFY 2017 to 89.91% in FFY 2018.

FMAP Table:

		Regular	Expansion State
FFY 2016			
October - December 2015	Actual	68.92%	87.57%
January - September 2016	Actual	68.92%	90.68%
FFY 2017			
October - December 2016	Actual	69.24%	90.77%
January - September 2017	Actual	69.24%	89.85%
FFY 2018			
October - December 2017	Estimate	69.53%	89.91%
January - September 2018	Estimate	69.53%	91.55%

STATUTORY AUTHORITY:
A.R.S. §36-2901.01
AHCCCS Rule R9-22-503 (G.3)
AHCCCS Rule R9-22-202
AHCCCS Rule R9-22-203

Arizona Health Care Cost Containment System

Proposition 204 Reinsurance - Fiscal Years 2016 to 2018

		FY 2016 Actual	FY 2017 Allocation	FY 2017 Rebase	FY 2018 Request	FY 2018 Increase/(Decrease)
Prop 204 Reinsurance	(SM)	5,638,566	6,561,100	5,433,300	5,526,900	(1,034,200)
	(TF)	41,334,833	46,676,300	43,762,200	46,082,700	(593,600)

Notes:

1) FY16 Actuals are from PMMIS and may not reconcile to AFIS due to timing and manual adjustments.

2) The reinsurance program falls within the Proposition 204 Services line item of the FY17 Appropriation.

Arizona Health Care Cost Containment System
Fiscal Year 2016
Prop 204 Reinsurance

Prop 204 SFY16	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Totals
Actual MM													
TANF <1	12	9	6	7	7	4	6	6	4	5	4	4	74
TANF 1-13	1,583	1,275	1,117	978	754	615	467	361	307	266	206	177	8,107
TANF 14-44, F	48,875	42,144	36,940	68,217	66,772	70,354	72,128	71,443	72,502	72,697	72,399	72,853	767,326
TANF 14-44, M	21,758	18,837	16,662	31,488	31,121	31,868	31,949	31,662	31,961	31,728	31,565	31,678	342,275
TANF 45+	20,077	17,755	16,116	30,350	30,588	31,414	31,750	31,615	31,819	31,191	30,837	30,905	334,416
SSI W/ MED	40,813	40,980	41,372	33,706	33,785	34,009	34,128	34,158	33,389	32,367	30,636	29,842	419,183
SSI W/O MED	3,671	3,521	3,445	2,497	2,397	2,382	2,274	2,109	1,913	1,754	1,694	1,609	29,264
Expansion State Adults	253,316	256,172	263,236	263,173	267,290	272,761	272,342	272,369	274,125	273,540	273,164	272,637	3,214,126
Total MM	390,105	380,693	378,894	430,415	432,713	443,407	445,045	443,723	446,020	443,547	440,506	439,705	5,114,772

Prop 204 SFY16	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	SFY16 WA
PMPMs													
TANF <1	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 1-13	-	-	-	(0.01)	-	-	-	-	-	-	-	-	(0.00)
TANF 14-44, F	1.82	1.38	3.25	1.73	0.49	0.87	(0.02)	3.49	(0.18)	2.18	1.06	3.52	1.57
TANF 14-44, M	1.54	6.25	8.49	2.28	1.99	1.45	6.72	2.96	2.98	0.69	3.96	4.83	3.44
TANF 45+	6.19	5.58	4.21	12.47	3.97	3.61	3.54	6.89	0.97	3.24	5.84	4.62	5.05
SSI W/ MED	0.87	0.49	0.98	1.16	2.23	0.04	0.01	0.27	0.01	0.37	0.12	0.00	0.57
SSI W/O MED	9.36	32.69	32.54	44.04	55.94	19.22	6.26	56.07	16.61	43.74	47.76	43.34	32.22
Expansion State Adults	10.69	11.03	10.60	17.10	15.09	11.52	3.79	11.49	8.36	10.57	7.67	17.04	11.23

Prop 204 SFY16	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Totals
*Actual Expenditures**													
TANF <1	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 1-13	-	-	-	(9)	-	-	-	-	-	-	-	-	(9)
TANF 14-44, F	89,055	58,089	119,879	117,998	32,641	61,169	(1,223)	249,679	(12,878)	158,301	76,864	256,610	1,206,186
TANF 14-44, M	33,576	117,789	141,524	71,644	61,789	46,344	214,599	93,836	95,090	21,995	124,945	153,070	1,176,203
TANF 45+	124,366	99,058	67,841	378,310	121,344	113,461	112,547	217,755	30,886	101,116	180,050	142,861	1,689,597
SSI W/ MED	35,339	19,997	40,355	39,097	75,259	1,399	252	9,114	433	12,060	3,673	68	237,047
SSI W/O MED	34,375	115,096	112,101	109,936	134,066	45,776	14,234	118,236	31,778	76,697	80,903	69,721	942,918
Expansion State Adults	2,707,569	2,825,257	2,791,559	4,498,988	4,034,254	3,141,158	1,031,060	3,129,682	2,292,198	2,890,005	2,094,986	4,646,174	36,082,891
Total Expenditures	3,024,281	3,235,285	3,273,260	5,215,965	4,459,353	3,409,309	1,371,470	3,818,302	2,437,508	3,260,174	2,561,422	5,268,504	41,334,833

*Does not include Administrative Adjustments

Arizona Health Care Cost Containment System
Fiscal Year 2016
Prop 204 Reinsurance

Prop 204 SFY16	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Totals
Actual Expenditures													
TANF <1	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 1-13	-	-	-	(9)	-	-	-	-	-	-	-	-	(9)
TANF 14-44, F	89,055	58,089	119,879	117,998	32,641	61,169	(1,223)	249,679	(12,878)	158,301	76,864	256,610	1,206,186
TANF 14-44, M	33,576	117,789	141,524	71,644	61,789	46,344	214,599	93,836	95,090	21,995	124,945	153,070	1,176,203
TANF 45+	124,366	99,058	67,841	378,310	121,344	113,461	112,547	217,755	30,886	101,116	180,050	142,861	1,689,597
SSI W/ MED	35,339	19,997	40,355	39,097	75,259	1,399	252	9,114	433	12,060	3,673	68	237,047
SSI W/O MED	34,375	115,096	112,101	109,936	134,066	45,776	14,234	118,236	31,778	76,697	80,903	69,721	942,918
Expansion State Adults	2,707,569	2,825,257	2,791,559	4,498,988	4,034,254	3,141,158	1,031,060	3,129,682	2,292,198	2,890,005	2,094,986	4,646,174	36,082,891
Total Fund	3,024,281	3,235,285	3,273,260	5,215,965	4,459,353	3,409,309	1,371,470	3,818,302	2,437,508	3,260,174	2,561,422	5,268,504	41,334,833
Federal Funds													
TANF <1	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 1-13	-	-	-	(6)	-	-	-	-	-	-	-	-	(6)
TANF 14-44, F	60,967	39,768	82,069	81,324	22,496	42,158	(843)	172,079	(8,876)	109,101	52,975	176,856	830,075
TANF 14-44, M	22,986	80,638	96,888	49,377	42,585	31,941	147,902	64,672	65,536	15,159	86,112	105,496	809,292
TANF 45+	85,141	67,815	46,444	260,732	83,630	78,198	77,568	150,077	21,287	69,689	124,090	98,460	1,163,130
SSI W/ MED	24,193	13,690	27,627	26,946	51,868	964	174	6,282	299	8,312	2,532	47	162,933
SSI W/O MED	23,533	78,795	76,744	75,768	92,399	31,549	9,810	81,488	21,901	52,859	55,759	48,051	648,656
Expansion State Adults	2,365,874	2,468,709	2,439,265	3,939,764	3,532,796	2,750,712	934,965	2,837,995	2,078,565	2,620,657	1,899,733	4,213,150	32,082,187
Federal Fund	2,582,695	2,749,415	2,769,037	4,433,905	3,825,774	2,935,522	1,169,576	3,312,592	2,178,713	2,875,777	2,221,201	4,642,060	35,696,266
State Match													
TANF <1	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 1-13	-	-	-	(3)	-	-	-	-	-	-	-	-	(3)
TANF 14-44, F	28,088	18,321	37,810	36,674	10,145	19,011	(380)	77,600	(4,003)	49,200	23,889	79,754	376,111
TANF 14-44, M	10,590	37,151	44,637	22,267	19,204	14,404	66,697	29,164	29,554	6,836	38,833	47,574	366,911
TANF 45+	39,225	31,243	21,397	117,579	37,714	35,264	34,980	67,678	9,599	31,427	55,959	44,401	526,467
SSI W/ MED	11,146	6,307	12,728	12,151	23,390	435	78	2,833	135	3,748	1,142	21	74,114
SSI W/O MED	10,842	36,301	35,357	34,168	41,668	14,227	4,424	36,748	9,877	23,837	25,145	21,669	294,262
Expansion State Adults	341,695	356,547	352,295	559,224	501,458	390,446	96,095	291,686	213,633	269,348	195,253	433,023	4,000,704
State Match	441,586	485,870	504,223	782,061	633,579	473,787	201,894	505,710	258,795	384,397	340,221	626,444	5,638,566

Arizona Health Care Cost Containment System
Fiscal Year 2017
Prop 204 Reinsurance Forecast

Prop 204 SFY17	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Totals
Forecasted MM													
TANF <1	1	1	-	-	-	-	-	-	-	-	-	-	2
TANF 1-13	118	59	-	-	-	-	-	-	-	-	-	-	177
TANF 14-44, F	73,265	73,327	73,390	73,511	73,633	73,754	73,876	73,998	74,120	74,243	74,365	74,488	885,973
TANF 14-44, M	31,882	31,888	31,894	31,946	31,999	32,052	32,105	32,158	32,211	32,264	32,317	32,371	385,085
TANF 45+	31,138	31,189	31,241	31,293	31,344	31,396	31,448	31,500	31,552	31,604	31,656	31,708	377,070
SSI W/ MED	29,959	30,021	30,083	30,144	30,206	30,268	30,330	30,392	30,454	30,515	30,577	30,639	363,588
SSI W/O MED	1,629	1,632	1,636	1,639	1,642	1,646	1,649	1,652	1,656	1,659	1,663	1,666	19,769
Expansion State Adults	274,588	275,042	275,496	275,951	276,407	276,863	277,321	277,779	278,238	278,697	279,157	279,618	3,325,158
Total MM	442,580	443,159	443,739	444,485	445,232	445,980	446,729	447,479	448,230	448,983	449,736	450,491	5,356,821

Prop 204 SFY17	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	SFY17 WA
Developed PMPM													
TANF <1	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 1-13	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	-
TANF 14-44, F	1.57	1.57	1.57	1.62	1.62	1.62	1.62	1.62	1.62	1.62	1.62	1.62	1.61
TANF 14-44, M	3.44	3.44	3.44	3.54	3.54	3.54	3.54	3.54	3.54	3.54	3.54	3.54	3.52
TANF 45+	5.05	5.05	5.05	5.21	5.21	5.21	5.21	5.21	5.21	5.21	5.21	5.21	5.17
SSI W/ MED	0.57	0.57	0.57	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58
SSI W/O MED	32.22	32.22	32.22	33.22	33.22	33.22	33.22	33.22	33.22	33.22	33.22	33.22	32.97
Expansion State Adults	11.23	11.23	11.23	11.56	11.56	11.56	11.56	11.56	11.56	11.56	11.56	11.56	11.48

Prop 204 SFY17	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Totals
Expenditure Forecast													
TANF <1	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 1-13	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 14-44, F	115,200	115,300	115,400	119,100	119,300	119,500	119,700	119,900	120,100	120,300	120,500	120,700	1,425,000
TANF 14-44, M	109,600	109,600	109,600	113,200	113,400	113,600	113,700	113,900	114,100	114,300	114,500	114,700	1,354,200
TANF 45+	157,300	157,600	157,800	163,000	163,300	163,500	163,800	164,100	164,400	164,600	164,900	165,200	1,949,500
	-	-	-	-	-	-	-	-	-	-	-	-	
SSI W/ MED	16,900	17,000	17,000	17,600	17,600	17,600	17,700	17,700	17,800	17,800	17,800	17,900	210,400
SSI W/O MED	52,500	52,600	52,700	54,400	54,600	54,700	54,800	54,900	55,000	55,100	55,200	55,300	651,800
Expansion State Adults	3,082,600	3,087,700	3,092,800	3,190,900	3,196,100	3,201,400	3,206,700	3,212,000	3,217,300	3,222,600	3,227,900	3,233,300	38,171,300
Total Expenditures	3,534,100	3,539,800	3,545,300	3,658,200	3,664,300	3,670,300	3,676,400	3,682,500	3,688,700	3,694,700	3,700,800	3,707,100	43,762,200

Arizona Health Care Cost Containment System
Fiscal Year 2017
Prop 204 Reinsurance Forecast

Prop 204 SFY17	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Totals
Expenditure Forecast													
TANF <1	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 1-13	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 14-44, F	115,200	115,300	115,400	119,100	119,300	119,500	119,700	119,900	120,100	120,300	120,500	120,700	1,425,000
TANF 14-44, M	109,600	109,600	109,600	113,200	113,400	113,600	113,700	113,900	114,100	114,300	114,500	114,700	1,354,200
TANF 45+	157,300	157,600	157,800	163,000	163,300	163,500	163,800	164,100	164,400	164,600	164,900	165,200	1,949,500
SSI W/ MED	16,900	17,000	17,000	17,600	17,600	17,600	17,700	17,700	17,800	17,800	17,800	17,900	210,400
SSI W/O MED	52,500	52,600	52,700	54,400	54,600	54,700	54,800	54,900	55,000	55,100	55,200	55,300	651,800
Expansion State Adults	3,082,600	3,087,700	3,092,800	3,190,900	3,196,100	3,201,400	3,206,700	3,212,000	3,217,300	3,222,600	3,227,900	3,233,300	38,171,300
Total Fund	3,534,100	3,539,800	3,545,300	3,658,200	3,664,300	3,670,300	3,676,400	3,682,500	3,688,700	3,694,700	3,700,800	3,707,100	43,762,200
Federal Funds													
TANF <1	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 1-13	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 14-44, F	79,400	79,500	79,500	82,500	82,600	82,700	82,900	83,000	83,200	83,300	83,400	83,600	985,600
TANF 14-44, M	75,500	75,500	75,500	78,400	78,500	78,700	78,700	78,900	79,000	79,100	79,300	79,400	936,500
TANF 45+	108,400	108,600	108,800	112,900	113,100	113,200	113,400	113,600	113,800	114,000	114,200	114,400	1,348,400
SSI W/ MED	11,600	11,700	11,700	12,200	12,200	12,200	12,300	12,300	12,300	12,300	12,300	12,400	145,500
SSI W/O MED	36,200	36,300	36,300	37,700	37,800	37,900	37,900	38,000	38,100	38,200	38,200	38,300	450,900
Expansion State Adults	2,795,300	2,799,900	2,804,600	2,896,400	2,901,100	2,905,900	2,881,200	2,886,000	2,890,700	2,895,500	2,900,300	2,905,100	34,462,000
Federal Fund	3,106,400	3,111,500	3,116,400	3,220,100	3,225,300	3,230,600	3,206,400	3,211,800	3,217,100	3,222,400	3,227,700	3,233,200	38,328,900
State Match													
TANF <1	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 1-13	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 14-44, F	35,800	35,800	35,900	36,600	36,700	36,800	36,800	36,900	36,900	37,000	37,100	37,100	439,400
TANF 14-44, M	34,100	34,100	34,100	34,800	34,900	34,900	35,000	35,000	35,100	35,200	35,200	35,300	417,700
TANF 45+	48,900	49,000	49,000	50,100	50,200	50,300	50,400	50,500	50,600	50,600	50,700	50,800	601,100
SSI W/ MED	5,300	5,300	5,300	5,400	5,400	5,400	5,400	5,400	5,500	5,500	5,500	5,500	64,900
SSI W/O MED	16,300	16,300	16,400	16,700	16,800	16,800	16,900	16,900	16,900	16,900	17,000	17,000	200,900
Expansion State Adults	287,300	287,800	288,200	294,500	295,000	295,500	325,500	326,000	326,600	327,100	327,600	328,200	3,709,300
State Match	427,700	428,300	428,900	438,100	439,000	439,700	470,000	470,700	471,600	472,300	473,100	473,900	5,433,300

Arizona Health Care Cost Containment System
Fiscal Year 2018
Prop 204 Reinsurance Forecast

Prop 204 SFY18	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Totals
Forecasted MM													
TANF <1	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 1-13	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 14-44, F	74,611	74,735	74,858	74,982	75,105	75,230	75,354	75,478	75,603	75,728	75,853	75,978	903,514
TANF 14-44, M	32,424	32,478	32,531	32,585	32,639	32,693	32,747	32,801	32,855	32,909	32,964	33,018	392,644
TANF 45+	31,761	31,813	31,866	31,918	31,971	32,024	32,077	32,130	32,183	32,236	32,289	32,343	384,611
SSI W/ MED	30,701	30,763	30,825	30,886	30,948	31,010	31,072	31,134	31,196	31,257	31,319	31,381	372,492
SSI W/O MED	1,669	1,673	1,676	1,679	1,683	1,686	1,689	1,693	1,696	1,700	1,703	1,706	20,254
Expansion State Adults	280,080	280,543	281,006	281,470	281,935	282,401	282,867	283,334	283,802	284,271	284,741	285,211	3,391,661
Total MM	451,247	452,004	452,762	453,521	454,282	455,043	455,806	456,570	457,335	458,101	458,868	459,637	5,465,176

Prop 204 SFY18	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	SFY18 WA
Developed PMPM (infl by 3.3%)													
TANF <1	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 1-13	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	-
TANF 14-44, F	1.62	1.62	1.62	1.67	1.67	1.67	1.67	1.67	1.67	1.67	1.67	1.67	1.66
TANF 14-44, M	3.54	3.54	3.54	3.66	3.66	3.66	3.66	3.66	3.66	3.66	3.66	3.66	3.63
TANF 45+	5.21	5.21	5.21	5.38	5.38	5.38	5.38	5.38	5.38	5.38	5.38	5.38	5.34
SSI W/ MED	0.58	0.58	0.58	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60
SSI W/O MED	33.22	33.22	33.22	34.32	34.32	34.32	34.32	34.32	34.32	34.32	34.32	34.32	34.05
Expansion State Adults	11.56	11.56	11.56	11.94	11.94	11.94	11.94	11.94	11.94	11.94	11.94	11.94	11.85

Prop 204 SFY18	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Totals
Expenditure Forecast													
TANF <1	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 1-13	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 14-44, F	120,900	121,100	121,300	125,500	125,700	125,900	126,200	126,400	126,600	126,800	127,000	127,200	1,500,600
TANF 14-44, M	114,900	115,100	115,300	119,300	119,500	119,700	119,800	120,000	120,200	120,400	120,600	120,800	1,425,600
TANF 45+	165,400	165,700	166,000	171,800	172,000	172,300	172,600	172,900	173,200	173,500	173,700	174,000	2,053,100
	-	-	-	-	-	-	-	-	-	-	-	-	
SSI W/ MED	17,900	17,900	18,000	18,600	18,600	18,700	18,700	18,800	18,800	18,800	18,900	18,900	222,600
SSI W/O MED	55,500	55,600	55,700	57,600	57,700	57,900	58,000	58,100	58,200	58,300	58,400	58,600	689,600
Expansion State Adults	3,238,600	3,244,000	3,249,300	3,362,100	3,367,600	3,373,200	3,378,800	3,384,300	3,389,900	3,395,500	3,401,100	3,406,800	40,191,200
Total Expenditures	3,713,200	3,719,400	3,725,600	3,854,900	3,861,100	3,867,700	3,874,100	3,880,500	3,886,900	3,893,300	3,899,700	3,906,300	46,082,700

Arizona Health Care Cost Containment System
Fiscal Year 2018
Prop 204 Reinsurance Forecast

Prop 204 SFY18	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Totals
Expenditure Forecast													
TANF <1	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 1-13	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 14-44, F	120,900	121,100	121,300	125,500	125,700	125,900	126,200	126,400	126,600	126,800	127,000	127,200	1,500,600
TANF 14-44, M	114,900	115,100	115,300	119,300	119,500	119,700	119,800	120,000	120,200	120,400	120,600	120,800	1,425,600
TANF 45+	165,400	165,700	166,000	171,800	172,000	172,300	172,600	172,900	173,200	173,500	173,700	174,000	2,053,100
SSI W/ MED	17,900	17,900	18,000	18,600	18,600	18,700	18,700	18,800	18,800	18,800	18,900	18,900	222,600
SSI W/O MED	55,500	55,600	55,700	57,600	57,700	57,900	58,000	58,100	58,200	58,300	58,400	58,600	689,600
Expansion State Adults	3,238,600	3,244,000	3,249,300	3,362,100	3,367,600	3,373,200	3,378,800	3,384,300	3,389,900	3,395,500	3,401,100	3,406,800	40,191,200
Total Fund	3,713,200	3,719,400	3,725,600	3,854,900	3,861,100	3,867,700	3,874,100	3,880,500	3,886,900	3,893,300	3,899,700	3,906,300	46,082,700
Federal Funds													
TANF <1	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 1-13	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 14-44, F	83,700	83,800	84,000	87,300	87,400	87,500	87,700	87,900	88,000	88,200	88,300	88,400	1,042,200
TANF 14-44, M	79,600	79,700	79,800	82,900	83,100	83,200	83,300	83,400	83,600	83,700	83,900	84,000	990,200
TANF 45+	114,500	114,700	114,900	119,500	119,600	119,800	120,000	120,200	120,400	120,600	120,800	121,000	1,426,000
SSI W/ MED	12,400	12,400	12,500	12,900	12,900	13,000	13,000	13,100	13,100	13,100	13,100	13,100	154,600
SSI W/O MED	38,400	38,500	38,600	40,000	40,100	40,300	40,300	40,400	40,500	40,500	40,600	40,700	478,900
Expansion State Adults	2,909,900	2,914,700	2,919,500	3,022,900	3,027,800	3,032,800	3,093,300	3,098,300	3,103,500	3,108,600	3,113,700	3,118,900	36,463,900
Federal Fund	3,238,500	3,243,800	3,249,300	3,365,500	3,370,900	3,376,600	3,437,600	3,443,300	3,449,100	3,454,700	3,460,400	3,466,100	40,555,800
State Match													
TANF <1	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 1-13	-	-	-	-	-	-	-	-	-	-	-	-	-
TANF 14-44, F	37,200	37,300	37,300	38,200	38,300	38,400	38,500	38,500	38,600	38,600	38,700	38,800	458,400
TANF 14-44, M	35,300	35,400	35,500	36,400	36,400	36,500	36,500	36,600	36,600	36,700	36,700	36,800	435,400
TANF 45+	50,900	51,000	51,100	52,300	52,400	52,500	52,600	52,700	52,800	52,900	52,900	53,000	627,100
SSI W/ MED	5,500	5,500	5,500	5,700	5,700	5,700	5,700	5,700	5,700	5,700	5,800	5,800	68,000
SSI W/O MED	17,100	17,100	17,100	17,600	17,600	17,600	17,700	17,700	17,700	17,800	17,800	17,900	210,700
Expansion State Adults	328,700	329,300	329,800	339,200	339,800	340,400	285,500	286,000	286,400	286,900	287,400	287,900	3,727,300
State Match	474,700	475,600	476,300	489,400	490,200	491,100	436,500	437,200	437,800	438,600	439,300	440,200	5,526,900

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 4-4008 Proposition 204 - Reinsurance

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	16,537.6	46,676.3	(593.6)	46,082.7
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Expenditure Categories Total:	16,537.6	46,676.3	(593.6)	46,082.7
Fund Source					
Non-Appropriated Funds					
2120-N	AHCCCS Fund (Non-Appropriated)	15,895.3	40,115.2	440.6	40,555.8
2576-N	Hospital Assessment (Non-Appropriated)	642.3	6,561.1	(1,034.2)	5,526.9
		16,537.6	46,676.3	(593.6)	46,082.7
	Fund Source Total:	16,537.6	46,676.3	(593.6)	46,082.7

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4008 Proposition 204 - Reinsurance

Fund: 2120-N AHCCCS Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Non-Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	15,895.3	40,115.2	440.6	40,555.8
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Non-Appropriated Total:		15,895.3	40,115.2	440.6	40,555.8
Fund Total:		15,895.3	40,115.2	440.6	40,555.8
Program Total For Selected Funds:		15,895.3	40,115.2	440.6	40,555.8

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4008 Proposition 204 - Reinsurance

Fund: 2576-N Hospital Assessment

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Non-Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	642.3	6,561.1	(1,034.2)	5,526.9
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Non-Appropriated Total:		642.3	6,561.1	(1,034.2)	5,526.9
Fund Total:		642.3	6,561.1	(1,034.2)	5,526.9
Program Total For Selected Funds:		642.3	6,561.1	(1,034.2)	5,526.9

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4008 Proposition 204 - Reinsurance

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	0.0	0.0
Boards and Commissions	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	0.0	0.0
Attorney General Legal Services	0.0	0.0
External Legal Services	0.0	0.0
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	0.0	0.0
Hospital Services	0.0	0.0
Other Medical Services	0.0	0.0
Institutional Care	0.0	0.0
Education And Training	0.0	0.0
Vendor Travel	0.0	0.0
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0
Other Professional And Outside Services	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4008 Proposition 204 - Reinsurance

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	16,537.6	46,676.3
Expenditure Category Total	**16,537.6**	**46,676.3**

Fund Source		
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	15,895.3	40,115.2
2576-N Hospital Assessment (Non-Appropriated)	642.3	6,561.1
	16,537.6	**46,676.3**
Fund Source Total	**16,537.6**	**46,676.3**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	0.0	0.0
Information Technology Services	0.0	0.0
Utilities	0.0	0.0
Non-Building or Land Rent	0.0	0.0
Building Rent Charges to State Agencies	0.0	0.0
COP Building Rent Charges to State Agencies	0.0	0.0
Rental of Land & Buildings	0.0	0.0
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	0.0	0.0
Repair & Maintenance	0.0	0.0
Software Support and Maintenance	0.0	0.0
Operating Supplies	0.0	0.0
Resale Supplies	0.0	0.0
Sales of Assets	0.0	0.0
Conference, Education & Training	0.0	0.0
Advertising	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4008 Proposition 204 - Reinsurance

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Printing & Photography	0.0	0.0
Postage & Delivery	0.0	0.0
Miscellaneous Operating	0.0	0.0
Depreciation Expense	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	0.0	0.0
Vehicles - Non-Capital	0.0	0.0
Furniture - Non-Capital	0.0	0.0
EDP Equipment - Mainframe - Non-Capital	0.0	0.0
Telecommunication Equipment - Non Capital	0.0	0.0
Other Equipment - Non-Capital	0.0	0.0
Purchased Or Licensed Software/Website	0.0	0.0
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4008 Proposition 204 - Reinsurance

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	0.0	0.0
Expenditure Category Total	0.0	0.0

PROPOSITION 204 MEDICARE PREMIUMS

PROGRAM DESCRIPTION/BACKGROUND

AHCCCS pays Medicare Part A premiums, Hospital Insurance Benefit (HIB), and Medicare Part B premiums, Supplemental Medical Insurance Benefit (SMIB), for Title XIX members who are eligible for both Medicare and Medicaid. AHCCCS acts as a payer of last resort for medical benefits and cost avoids against Medicare for dual eligible members. This means that for these members AHCCCS only has liability for payment of Medicare coinsurance, deductibles, and the remaining medical benefits that are not covered by Medicare and all other third party payers. Health care providers must determine the extent of third party coverage and bill all private insurance carriers including HMOs and Medicare prior to billing AHCCCS. This Medicare "buy-in" program reduces the State's Medicaid costs because the Federal government, through Medicare, absorbs many of the major medical costs provided to these members, which otherwise would have been paid by AHCCCS.

METHODOLOGY:

- Medicare Part A and Part B monthly premium rates are established by the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS) for each calendar year.

- A per member per month (PMPM) cost for Medicare Part A premiums is calculated by dividing actual Medicare Part A premium expenditures for January through June 2016 by the SSI with Medicare member months for that same period. For Calendar Year 2017 and Calendar Year 2018, this PMPM cost is inflated by 2.63%. The 2.63% represents a five-year average of the percent increases (not including years in which the PMPM decreased) in the published Medicare Part A rate. The PMPM amounts are then multiplied by projected SSI with Medicare member months to estimate Medicare Part A premium expenditures for future years. Note that the projected SSI with Medicare member months used for the Medicare premium calculation includes members enrolled in the behavioral health integrated plans, therefore, it does not tie directly to the SSI with Medicare member months used in the Proposition 204 capitation forecast.

- A per member per month (PMPM) cost for Medicare Part B premiums is calculated by dividing actual Medicare Part B premium expenditures for January through June 2016 by the SSI with Medicare member months for that same period. For Calendar Year 2017 this PMPM cost is inflated by 22.33% based on the 2016 Annual Report of the Boards of Trustees of the Federal Hospital Insurance and Federal Supplementary Medical Insurance Trust Funds.

- For Calendar Year 2018 the Medicare Part B PMPM cost is inflated by 5.11% which represents a five-year average of the percent increases in the published Medicare Part B rate (excluding years in which the rate decreased and excluding the large proposed increase in Calendar Year 2017).

- The PMPM amounts are then multiplied by projected SSI with Medicare member months to estimate Medicare Part B premium expenditures for future years. Note that the projected SSI with Medicare member months used for the Medicare premium calculation includes members enrolled in the behavioral health integrated plans, therefore, it does not tie directly to the SSI with Medicare member months used in the Proposition 204 capitation forecast.

ASSUMPTIONS:

Medicare Premium Rates

The proposed 22.33% increase in Medicare Part B premiums can be modified by Congress. The 2015 Annual Report of the Boards of Trustees of the Federal Hospital Insurance and Federal Supplementary Medical Insurance Trust Funds recommended a Medicare Part B premium of $159.30 for Calendar Year 2016, a 51.86% increase. Congress stepped in and passed the Bipartisan Budget Act of 2015, reducing the Part B premium for Calendar Year 2016 to $121.80, a 16.11% increase, because of the potential adverse impact on state Medicaid agencies. It is likely that there will be pressure on Congress to reduce the Medicare Part B premiums from the proposed amount for Calendar Year 2017, however, for this budget submittal, we have assumed that the full amount of the Part B premium increase will take effect until we have further information.

The current calendar year 2016 Medicare Part A premium is $411.00 per month. The current calendar year 2016 Medicare Part B premium is $121.80. The effective Medicare premium rates paid by AHCCCS are calculated using the PMPM costs which include a 10% surcharge for late enrollment for some members over and above the published premium rates. The following table provides a historical perspective on the Medicare Part A and B premiums and annual increases.

History of Medicare Premium Rates

Calendar Year	Medicare Part A Premium	% Change
2001	$300.00	-0.33%
2002	$319.00	6.33%
2003	$316.00	-0.94%
2004	$343.00	8.54%
2005	$375.00	9.33%
2006	$393.00	4.80%
2007	$410.00	4.33%
2008	$423.00	3.17%
2009	$443.00	4.73%
2010	$461.00	4.06%
2011	$450.00	-2.39%
2012	$451.00	0.22%
2013	$441.00	-2.22%
2014	$426.00	-3.40%
2015	$407.00	-4.46%
2016	$411.00	0.98%
2017	$421.82 (1)	2.63%
2018	$432.93 (1)	2.63%

Calendar Year	Medicare Part B Premium	% Change
2001	$50.00	9.89%
2002	$54.00	8.00%
2003	$58.70	8.70%
2004	$66.60	13.46%
2005	$78.20	17.42%
2006	$88.50	13.17%
2007	$93.50	5.65%
2008	$96.40	3.10%
2009	$96.40	0.00%
2010	$110.50	14.63%
2011	$115.40	4.43%
2012	$99.90	-13.43%
2013	$104.90	5.01%
2014	$104.90	0.00%
2015	$104.90	0.00%
2016	$121.80	16.11%
2017	$149.00 (2)	22.33%
2018	$156.61 (3)	5.11%

(1) The Medicare Part A premium projected for Calendar Years 2017 and 2018 was based on an average of the most recent five years percentage increase (excluding years in which the rate decreased).

(2) The Medicare Part B premium projected for Calendar Year 2017 was based on the 2016 Annual Report of the Boards of Trustees of the Federal Hospital Insurance and Federal Supplementary Medical Insurance Trust Funds. This increase must still be approved by Congress. If Congress were not to approve this large increase for Calendar Year 2017 and instead increased rates by an average of the most recent five years percentage increase, excluding years in which the rate decreased, this would reduce SFY 2017 expenses by $5,472,400 TF ($1,683,200 SM) and SFY 2018 expenses by $11,441,400 TF ($3,494,400 SM).

(3) The Medicare Part B premium projected for Calendar Year 2018 was based on an average of the most recent five years percentage increase (excluding years in which the rate decreased and excluding the large proposed increase in Calendar Year 2018).

Member Growth

A 48-month regression model was utilized to forecast growth for the Proposition 204 SSI with Medicare population. Members who were shifted into the MMIC and Greater Arizona RBHA plans were added back for the Medicare premium calculation. The increase in FY2016 for the SSI population is related to a shift in members from Traditional to Proposition 204 which occurred in the spring of 2015. This is shift is due to the increase in FPL for 2015 being lower than the SSA cost of living increase, which results in a MAGI income adjustment that moves members from Traditional to Proposition 204. Since that time, the direction of this shift has reversed. For FY2017, member months for SSI Traditional and Prop. 204 SSI (including both SSI with Medicare and SSI without Medicare) were forecast in aggregate using a 48 month regression and then split according to the percentage that each currently represents of the total. Because of the sizeable shift from Traditional to Prop. 204 that occurred in spring 2015, this methodology results in a year-over-year decrease of 11.3% from FY2015 to FY2016, while June-over-June shows an increase of 2.7%.

Year-over-year growth rates for the Prop 204 SSI with Medicare population for Medicare premiums are shown in the table below:

SFY	MM	% Chg
2010	264,951	3.6%
2011	298,005	12.5%
2012	331,937	11.4%
2013	345,255	4.0%
2014	376,083	8.9%
2015	423,728	12.7%
2016	474,329	11.9%
2017	420,537	-11.3%
2018	431,362	2.6%

FMAP:

AHCCCS is assuming that the FMAP rate of 69.24% will increase in SFY 2017 to 69.53% based on FFIS estimates (Issue Brief 16-14, March 25, 2016).

FFY14 (Oct-Sep)	67.23%
FFY15 (Oct-Sep)	68.46%
FFY16 (Oct-Sep)	68.92%
FFY17 (Oct-Sep)	69.24%
FFY18 (Oct-Sep)	69.53%

STATUTORY AUTHORITY

ARS §36-2901.01 (Laws 2001, Chapter 344)
ARS § 36-2901, paragraph 6, subdivision (a)
ARS § 36-2911
Arizona Section 1115 Waiver for FFY 2012 through FFY 2016, CNOM #13 (April 16, 2013 Amendment)

Medicare Premium Expenditure Forecast Summary

		FY 2016 Actual	FY 2017 Allocation	FY 2017 Rebase	FY 2018 Request	FY 2018 Increase
	(SM)	20,080,300	22,701,300	21,675,800	24,841,300	2,140,000
Medicare Premium	(TF)	64,379,000	73,846,300	70,304,800	81,339,500	7,493,200

Notes:
1) For FY17, Prop 204 Medicare Premiums are appropriated as part of the Proposition 204 Services line item.
2) The FY17 Allocation above was based on FY16 Medicare Premium expenditures as a percentage of total Prop. 204 expenditures from the AHCCCS July 2017 Budget rebase.

State Fiscal Years 2016 - 2018
Proposition 204
Medicare Premium Expenditure Forecast Summary

	SFY 2016 PMMIS ACTUALS		
	Total	**Fed**	**State**
Part A	66,600	45,800	20,800
Part B	64,312,400	44,252,900	20,059,500
Total	64,379,000	44,298,700	20,080,300

	SFY 2017 7/16 REBASE		
	Total	**Fed**	**State**
Part A	50,200	34,700	15,500
Part B	70,254,600	48,594,300	21,660,300
Total	70,304,800	48,629,000	21,675,800

	SFY 2018 7/16 REQUEST		
	Total	**Fed**	**State**
Part A	51,800	36,000	15,800
Part B	81,287,700	56,462,200	24,825,500
Total	81,339,500	56,498,200	24,841,300

Arizona Health Care Cost Containment System
Proposition 204 Medicare Premium Expenditures

FY16 Actual	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Total
Part A	8,600	8,500	5,700	8,600	4,200	4,200	4,200	4,200	6,500	3,300	4,500	4,100	66,600
Part B	5,183,900	5,190,700	5,113,200	5,147,000	4,945,600	4,961,000	5,773,200	5,779,600	5,796,600	5,736,500	5,536,600	5,148,500	64,312,400
Total	5,192,500	5,199,200	5,118,900	5,155,600	4,949,800	4,965,200	5,777,400	5,783,800	5,803,100	5,739,800	5,541,100	5,152,600	64,379,000
Fed Share	3,554,800	3,559,400	3,504,400	3,553,200	3,411,400	3,422,000	3,981,800	3,986,200	3,999,500	3,955,900	3,818,900	3,551,200	44,298,700
State Share	1,637,700	1,639,800	1,614,500	1,602,400	1,538,400	1,543,200	1,795,600	1,797,600	1,803,600	1,783,900	1,722,200	1,601,400	20,080,300
Member Months	43,652	43,829	44,245	39,128	39,180	39,432	39,532	39,520	38,596	37,312	35,386	34,517	474,329
PMPM													
Part A	0.20	0.19	0.13	0.22	0.11	0.11	0.11	0.11	0.17	0.09	0.13	0.12	0.14
Part B	118.76	118.43	115.57	131.54	126.23	125.81	146.04	146.24	150.19	153.74	156.46	149.16	135.59

FY17 Rebase	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Total
Part A	4,100	4,100	4,100	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,300	50,200
Part B	5,203,800	5,212,000	5,223,300	5,234,600	5,245,900	5,257,300	6,445,000	6,458,900	6,472,700	6,486,500	6,500,400	6,514,200	70,254,600
Total	5,207,900	5,216,100	5,227,400	5,238,800	5,250,100	5,261,500	6,449,200	6,463,100	6,476,900	6,490,700	6,504,600	6,518,500	70,304,800
Fed Share	3,589,300	3,594,900	3,602,700	3,627,300	3,635,200	3,643,100	4,465,400	4,475,100	4,484,600	4,494,200	4,503,800	4,513,400	48,629,000
State Share	1,618,600	1,621,200	1,624,700	1,611,500	1,614,900	1,618,400	1,983,800	1,988,000	1,992,300	1,996,500	2,000,800	2,005,100	21,675,800
Member Months	34,649	34,704	34,779	34,855	34,930	35,005	35,081	35,156	35,231	35,307	35,382	35,457	420,537
PMPM													
Part A	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12
Part B	150.18	150.18	150.18	150.18	150.18	150.18	183.72	183.72	183.72	183.72	183.72	183.72	183.72

FY18 Request	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Total
Part A	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,400	4,400	51,800
Part B	6,528,000	6,541,900	6,555,700	6,569,600	6,583,400	6,597,200	6,949,000	6,963,500	6,978,000	6,992,600	7,007,100	7,021,700	81,287,700
Total	6,532,300	6,546,200	6,560,000	6,573,900	6,587,700	6,601,500	6,953,300	6,967,800	6,982,300	6,996,900	7,011,500	7,026,100	81,339,500
Fed Share	4,523,000	4,532,600	4,542,100	4,570,800	4,580,400	4,590,000	4,834,600	4,844,700	4,854,800	4,864,900	4,875,100	4,885,200	56,498,200
State Share	2,009,300	2,013,600	2,017,900	2,003,100	2,007,300	2,011,500	2,118,700	2,123,100	2,127,500	2,132,000	2,136,400	2,140,900	24,841,300
Member Months	35,533	35,608	35,683	35,759	35,834	35,909	35,984	36,060	36,135	36,210	36,286	36,361	431,362
PMPM													
Part A	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12
Part B	183.72	183.72	183.72	183.72	183.72	183.72	193.11	193.11	193.11	193.11	193.11	193.11	193.11

MEDICARE PREMIUM HISTORY:

	PART A	% CHG		PART B	% CHG	
1999.01 to 1999.12	$ 309.00	0.00%	Actual	$ 45.50	3.88%	Actual
2000.01 to 2000.12	$ 301.00	-2.59%	Actual	$ 45.50	0.00%	Actual
2001.01 to 2001.12	$ 300.00	-0.33%	Actual	$ 50.00	9.89%	Actual
2002.01 to 2002.12	$ 319.00	6.33%	Actual	$ 54.00	8.00%	Actual
2003.01 to 2003.12	$ 316.00	-0.94%	Actual	$ 58.70	8.70%	Actual
2004.01 to 2004.12	$ 343.00	8.54%	Actual	$ 66.60	13.46%	Actual
2005.01 to 2005.12	$ 375.00	9.33%	Actual	$ 78.20	17.42%	Actual
2006.01 to 2006.12	$ 393.00	4.80%	Actual	$ 88.50	13.17%	Actual
2007.01 to 2007.12	$ 410.00	4.33%	Actual	$ 93.50	5.65%	Actual
2008.01 to 2008.12	$ 423.00	3.17%	Actual	$ 96.40	3.10%	Actual
2009.01 to 2009.12	$ 443.00	4.73%	Actual	$ 96.40	0.00%	Actual
2010.01 to 2010.12	$ 461.00	4.06%	Actual	$ 110.50	14.63%	Actual
2011.01 to 2011.12	$ 450.00	-2.39%	Actual	$ 115.40	4.43%	Actual
2012.01 to 2012.12	$ 451.00	0.22%	Actual	$ 99.90	-13.43%	Actual
2013.01 to 2013.12	$ 441.00	-2.22%	Actual	$ 104.90	5.01%	Actual
2014.01 to 2014.12	$ 426.00	-3.40%	Actual	$ 104.90	0.00%	Actual
2015.01 to 2015.12	$ 407.00	-4.46%	Actual	$ 104.90	0.00%	Actual
2016.01 to 2016.12	$ 411.00	0.98%	Actual	$ 121.80	16.11%	Actual
2017.01 to 2017.12	$ 421.82	2.63%	Projected	$ 149.00	22.33%	Projected
2018.01 to 2018.12	$ 432.93	2.63%	Projected	$ 156.61	5.11%	Projected

0.60%	**2 Year Average**
1.76%	**3 Year Average**
2.50%	**4 Year Average**
2.63%	**5 Year Average**

8.06%	**2 Year Average**
5.37%	**3 Year Average**
5.28%	**4 Year Average**
5.11%	**5 Year Average**

MEDICARE PART A & B AVERAGE %CHANGE:

4.33%	**2 Year Average**
3.56%	**3 Year Average**
3.89%	**4 Year Average**
3.87%	**5 Year Average**

Note: Average increases above do not include years in which there was a decrease.

Arizona Health Care Cost Containment System

Prop.204 SSI With Medicare Forecast

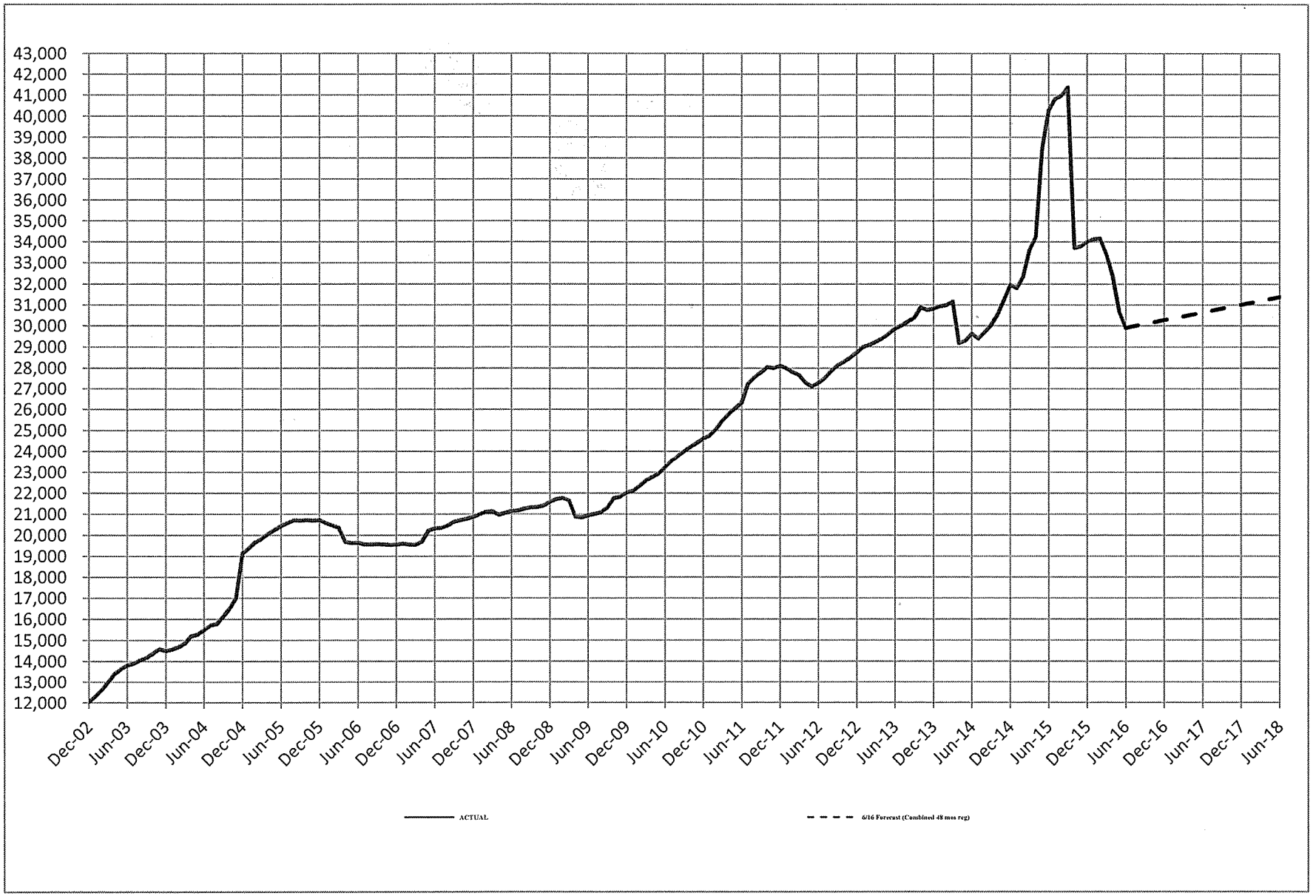
	MEMBER MONTHS ACTUAL (1)	PERCENT QTR.GROWTH	MEMBER MONTHS FORECAST (2)	SFY TOTAL	YEAR TO YEAR GROWTH %	JUNE TO JUNE GROWTH %	
2009.3	63,390	1.17%					
2009.4	65,606	3.50%					
2010.1	67,041	2.19%					
2010.2	68,914	2.79%		264,951	3.58%	10.92%	SFY 09-10
2010.3	71,299	3.46%					
2010.4	73,249	2.73%					
2011.1	75,282	2.78%					
2011.2	78,175	3.84%		298,005	12.48%	13.35%	SFY 10-11
2011.3	82,603	5.66%					
2011.4	84,150	1.87%					
2012.1	83,444	-0.84%					
2012.2	81,672	-2.12%		331,869	11.36%	3.62%	SFY 11-12
2012.3	83,518	2.26%					
2012.4	85,539	2.42%					
2013.1	87,328	2.09%					
2013.2	88,870	1.77%		345,255	4.03%	9.43%	SFY 12-13
2013.3	90,587	1.93%					
2013.4	92,446	2.05%					
2014.1	93,075	0.68%					
2014.2	88,095	-5.35%		364,203	5.49%	-0.75%	SFY 13-14
2014.3	89,113	1.16%					
2014.4	93,736	5.19%					
2015.1	97,777	4.31%					
2015.2	113,037	15.61%		393,663	8.09%	35.99%	SFY 14-15
2015.3	123,164	8.96%					
2015.4	101,496	-17.59%					
2016.1	101,678	0.18%					
2016.2	92,939	-8.59%	29,897	419,277	6.51%	-25.80%	SFY 15-16
2016.3		-3.10%	90,062				
2016.4		0.62%	90,619				
2017.1		0.61%	91,175				
2017.2		0.61%	91,732	363,588	-13.28%	2.48%	SFY 16-17
2017.3		0.61%	92,288				
2017.4		0.60%	92,845				
2018.1		0.60%	93,401				
2018.2		0.60%	93,958	372,492	2.45%	2.42%	SFY 17-18

(1) PMMIS
(2) Based on combined 48 Month Regression Forecast with Add Factor for June 2016.

Observations:	48
Adj. R Square:	0.9487
Standard Error:	1,179

June 2016 actual included in base for forecast.

PROPOSITION 204
SSI With Medicare Forecast



Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 4-4010 Proposition 204 - Medicare

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	45,967.3	73,846.3	7,493.2	81,339.5
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Expenditure Categories Total:	45,967.3	73,846.3	7,493.2	81,339.5
Fund Source					
Non-Appropriated Funds					
2120-N	AHCCCS Fund (Non-Appropriated)	44,365.2	51,145.0	5,353.2	56,498.2
2576-N	Hospital Assessment (Non-Appropriated)	1,602.1	22,701.3	2,140.0	24,841.3
		45,967.3	73,846.3	7,493.2	81,339.5
	Fund Source Total:	45,967.3	73,846.3	7,493.2	81,339.5

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4010 Proposition 204 - Medicare

Fund: 2120-N AHCCCS Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	44,365.2	51,145.0	5,353.2	56,498.2
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Non-Appropriated Total:	44,365.2	51,145.0	5,353.2	56,498.2
	Fund Total:	44,365.2	51,145.0	5,353.2	56,498.2
	Program Total For Selected Funds:	44,365.2	51,145.0	5,353.2	56,498.2

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4010 Proposition 204 - Medicare

Fund: 2576-N Hospital Assessment

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	1,602.1	22,701.3	2,140.0	24,841.3
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Non-Appropriated Total:	1,602.1	22,701.3	2,140.0	24,841.3
	Fund Total:	1,602.1	22,701.3	2,140.0	24,841.3
	Program Total For Selected Funds:	1,602.1	22,701.3	2,140.0	24,841.3

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4010 Proposition 204 - Medicare

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	0.0	0.0
Boards and Commissions	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	0.0	0.0
Attorney General Legal Services	0.0	0.0
External Legal Services	0.0	0.0
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	0.0	0.0
Hospital Services	0.0	0.0
Other Medical Services	0.0	0.0
Institutional Care	0.0	0.0
Education And Training	0.0	0.0
Vendor Travel	0.0	0.0
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0
Other Professional And Outside Services	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4010 Proposition 204 - Medicare

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	45,967.3	73,846.3
Expenditure Category Total	45,967.3	73,846.3
Fund Source		
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	44,365.2	51,145.0
2576-N Hospital Assessment (Non-Appropriated)	1,602.1	22,701.3
	45,967.3	73,846.3
Fund Source Total	45,967.3	73,846.3

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	0.0	0.0
Information Technology Services	0.0	0.0
Utilities	0.0	0.0
Non-Building or Land Rent	0.0	0.0
Building Rent Charges to State Agencies	0.0	0.0
COP Building Rent Charges to State Agencies	0.0	0.0
Rental of Land & Buildings	0.0	0.0
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	0.0	0.0
Repair & Maintenance	0.0	0.0
Software Support and Maintenance	0.0	0.0
Operating Supplies	0.0	0.0
Resale Supplies	0.0	0.0
Sales of Assets	0.0	0.0
Conference, Education & Training	0.0	0.0
Advertising	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4010 Proposition 204 - Medicare

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Printing & Photography	0.0	0.0
Postage & Delivery	0.0	0.0
Miscellaneous Operating	0.0	0.0
Depreciation Expense	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	0.0	0.0
Vehicles - Non-Capital	0.0	0.0
Furniture - Non-Capital	0.0	0.0
EDP Equipment - Mainframe - Non-Capital	0.0	0.0
Telecommunication Equipment - Non Capital	0.0	0.0
Other Equipment - Non-Capital	0.0	0.0
Purchased Or Licensed Software/Website	0.0	0.0
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4010 Proposition 204 - Medicare

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

All dollars are presented in thousands (not FTE).

PROPOSITION 204 PASS-THROUGHS

PROPOSITION 204

The Proposition 204 pass-through cost center includes a variety of programs that flow through the AHCCCS financial system, but are not part of the AHCCCS appropriated budget.

DEPARTMENT OF CORRECTIONS/COUNTIES – PASS-THROUGH

Through intergovernmental agreements, AHCCCS processes claims for Title XIX and non-Title XIX Arizona Department of Corrections Inmates, and Arizona County Inmates. The state dollars are received by AHCCCS through the IGA/ISA fund (2500) and are paid directly to providers. This arrangement is in support of the Governor's Efficiency Review initiative. AHCCCS estimates expenditures for these programs based on past trend and input from Department of Corrections.

OTHER PROPOSITION 204 PASS-THROUGHS

Other Acute care pass-through items include:

1) The distribution of Third Party recoveries to the Federal government, health plans, the Third Party Liability contractor, and other fees. No change anticipated.
2) Funding for the state's Tobacco Cessation program. No change anticipated.

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
FY2015-FY2017
PROGRAMMATIC PASS-THROUGH LINES

PROP 204 - 4006		FY16 Actual	FY17 Approp/Est	FY18 Request	FY18 DP
Behavioral Health	2500	111,298,413	-	-	-
	2120	476,563,179	-	-	-
	TF	587,861,592	-	-	-
204 TPL Contingency	3791	127,467	-	-	-
Tobacco Cessation	2500		-	-	-
DOC/Counties/JDOC	2500	1,186,830	1,279,600	1,279,600	-
Total Prop 204 - 4006					
	2500	112,485,243	1,279,600	1,279,600	-
	2120	476,563,179	-	-	-
	3791	127,467	-	-	-
	TF	589,175,889	1,279,600	1,279,600	-

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 4-4006 Programmatic Pass-Through Funding

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	589,048.4	1,279.6	0.0	1,279.6
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Expenditure Categories Total:	589,048.4	1,279.6	0.0	1,279.6
Fund Source					
Non-Appropriated Funds					
2120-N	AHCCCS Fund (Non-Appropriated)	476,563.2	0.0	0.0	0.0
2500-N	IGA and ISA Fund (Non-Appropriated)	112,485.2	1,279.6	0.0	1,279.6
3791-N	AHCCCS - 3rd Party Collection (Non-Appropriated)	0.0	0.0	0.0	0.0
		589,048.4	1,279.6	0.0	1,279.6
	Fund Source Total:	589,048.4	1,279.6	0.0	1,279.6

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4006 Programmatic Pass-Through Funding

Fund: 2120-N AHCCCS Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	476,563.2	0.0	0.0	0.0
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Non-Appropriated Total:	476,563.2	0.0	0.0	0.0
	Fund Total:	476,563.2	0.0	0.0	0.0
	Program Total For Selected Funds:	476,563.2	0.0	0.0	0.0

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4006 Programmatic Pass-Through Funding

Fund: 2500-N IGA and ISA Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	112,485.2	1,279.6	0.0	1,279.6
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Non-Appropriated Total:	112,485.2	1,279.6	0.0	1,279.6
	Fund Total:	112,485.2	1,279.6	0.0	1,279.6
	Program Total For Selected Funds:	112,485.2	1,279.6	0.0	1,279.6

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4006 Programmatic Pass-Through Funding

Fund: 3791-N AHCCCS - 3rd Party Collection Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Non-Appropriated Total:	0.0	0.0	0.0	0.0
	Fund Total:	0.0	0.0	0.0	0.0
	Program Total For Selected Funds:	0.0	0.0	0.0	0.0

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4006 Programmatic Pass-Through Funding

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	0.0	0.0
Boards and Commissions	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	0.0	0.0
Attorney General Legal Services	0.0	0.0
External Legal Services	0.0	0.0
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	0.0	0.0
Hospital Services	0.0	0.0
Other Medical Services	0.0	0.0
Institutional Care	0.0	0.0
Education And Training	0.0	0.0
Vendor Travel	0.0	0.0
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0
Other Professional And Outside Services	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4006 Programmatic Pass-Through Funding

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	589,048.4	1,279.6
Expenditure Category Total	**589,048.4**	**1,279.6**

Fund Source		
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	476,563.2	0.0
2500-N IGA and ISA Fund (Non-Appropriated)	112,485.2	1,279.6
3791-N AHCCCS - 3rd Party Collection (Non-Appropriated)	0.0	0.0
	589,048.4	1,279.6
Fund Source Total	**589,048.4**	**1,279.6**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	0.0	0.0
Information Technology Services	0.0	0.0
Utilities	0.0	0.0
Non-Building or Land Rent	0.0	0.0
Building Rent Charges to State Agencies	0.0	0.0
COP Building Rent Charges to State Agencies	0.0	0.0
Rental of Land & Buildings	0.0	0.0
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	0.0	0.0
Repair & Maintenance	0.0	0.0
Software Support and Maintenance	0.0	0.0
Operating Supplies	0.0	0.0
Resale Supplies	0.0	0.0
Sales of Assets	0.0	0.0
Conference, Education & Training	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4006 Programmatic Pass-Through Funding

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Advertising	0.0	0.0
Printing & Photography	0.0	0.0
Postage & Delivery	0.0	0.0
Miscellaneous Operating	0.0	0.0
Depreciation Expense	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	0.0	0.0
Vehicles - Non-Capital	0.0	0.0
Furniture - Non-Capital	0.0	0.0
EDP Equipment - Mainframe - Non-Capital	0.0	0.0
Telecommunication Equipment - Non Capital	0.0	0.0
Other Equipment - Non-Capital	0.0	0.0
Purchased Or Licensed Software/Website	0.0	0.0
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

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All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 4-4006 Programmatic Pass-Through Funding

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

All dollars are presented in thousands (not FTE).

Program Summary of Expenditures and Budget Request

Agency: HCA Arizona Health Care Cost Containment System
Program: 5 Non-Title XIX Behavioral Health

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Summary					
5-5001	Seriously Mentally Ill (Non-Title XIX)	0.0	187,102.5	0.0	187,102.5
5-5002	Crisis Services	0.0	16,391.3	0.0	16,391.3
5-5003	Supported Housing	0.0	9,386.0	0.0	9,386.0
	Program Summary Total:	0.0	212,879.8	0.0	212,879.8
Expenditure Categories					
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	212,879.8	0.0	212,879.8
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Expenditure Categories Total:	0.0	212,879.8	0.0	212,879.8
Fund Source					
Appropriated Funds					
1000-A	General Fund (Appropriated)	0.0	98,312.8	0.0	98,312.8
2227-A	Substance Abuse Services Fund (Appropriated)	0.0	2,250.2	0.0	2,250.2
		0.0	100,563.0	0.0	100,563.0
Non-Appropriated Funds					
2000-N	Federal Grant (Non-Appropriated)	0.0	51,617.8	0.0	51,617.8
2500-N	IGA and ISA Fund (Non-Appropriated)	0.0	58,699.0	0.0	58,699.0
2555-N	Seriously Mentally Ill Housing Trust Fund (Non-Ap	0.0	2,000.0	0.0	2,000.0
		0.0	112,316.8	0.0	112,316.8
	Fund Source Total:	0.0	212,879.8	0.0	212,879.8

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 5 Non-Title XIX Behavioral Health

Fund: 1000-A General Fund (Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
5-5001 Seriously Mentally Ill (Non-Title XIX)	0.0	78,846.9	0.0	78,846.9
5-5002 Crisis Services	0.0	14,141.1	0.0	14,141.1
5-5003 Supported Housing	0.0	5,324.8	0.0	5,324.8
Total	0.0	98,312.8	0.0	98,312.8
Appropriated Funding				
Expenditure Categories				
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	98,312.8	0.0	98,312.8
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	0.0	98,312.8	0.0	98,312.8
Fund 1000-A Total:	0.0	98,312.8	0.0	98,312.8
Program 5 Total:	0.0	98,312.8	0.0	98,312.8

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 5 Non-Title XIX Behavioral Health

Fund: 2000-N Federal Grant (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
5-5001 Seriously Mentally Ill (Non-Title XIX)	0.0	50,140.6	0.0	50,140.6
5-5003 Supported Housing	0.0	1,477.2	0.0	1,477.2
Total	0.0	51,617.8	0.0	51,617.8
Non-Appropriated Funding				
Expenditure Categories				
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	51,617.8	0.0	51,617.8
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	0.0	51,617.8	0.0	51,617.8
Fund 2000-N Total:	0.0	51,617.8	0.0	51,617.8
Program 5 Total:	0.0	51,617.8	0.0	51,617.8

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 5 Non-Title XIX Behavioral Health

Fund: 2227-A Substance Abuse Services Fund (Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
5-5002 Crisis Services	0.0	2,250.2	0.0	2,250.2
Total	0.0	2,250.2	0.0	2,250.2
Appropriated Funding				
Expenditure Categories				
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	2,250.2	0.0	2,250.2
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	0.0	2,250.2	0.0	2,250.2
Fund 2227-A Total:	0.0	2,250.2	0.0	2,250.2
Program 5 Total:	0.0	2,250.2	0.0	2,250.2

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 5 Non-Title XIX Behavioral Health

Fund: 2500-N IGA and ISA Fund (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
5-5001 Seriously Mentally Ill (Non-Title XIX)	0.0	58,115.0	0.0	58,115.0
5-5003 Supported Housing	0.0	584.0	0.0	584.0
Total	0.0	58,699.0	0.0	58,699.0
Non-Appropriated Funding				
Expenditure Categories				
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	58,699.0	0.0	58,699.0
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	0.0	58,699.0	0.0	58,699.0
Fund 2500-N Total:	0.0	58,699.0	0.0	58,699.0
Program 5 Total:	0.0	58,699.0	0.0	58,699.0

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 5 Non-Title XIX Behavioral Health

Fund: 2555-N Seriously Mentally Ill Housing Trust Fund (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
5-5003 Supported Housing	0.0	2,000.0	0.0	2,000.0
Total	0.0	2,000.0	0.0	2,000.0
Non-Appropriated Funding				
Expenditure Categories				
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	2,000.0	0.0	2,000.0
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	0.0	2,000.0	0.0	2,000.0
Fund 2555-N Total:	0.0	2,000.0	0.0	2,000.0
Program 5 Total:	0.0	2,000.0	0.0	2,000.0

SERIOUSLY MENTALLY ILL (NON-TITLE XIX)

PROGRAM DESCRIPTION:

The Seriously Mentally Ill (Non-Title XIX) program provides behavioral health services to adults with Serious Mental Illness (SMI) who are not eligible to received Medicaid Title XIX services.

Specific covered services include mental health and substance abuse related treatment, rehabilitation, medical, support, crisis intervention, inpatient, residential, and day program services. Effective July 1, 2016 this program transferred from the Arizona Department of Health Services (ADHS) to the Arizona Health Care Cost Containment System (AHCCCS).

STATUTORY AUTHORITY:

Laws 2015, Chapter 19.
Laws 2015, Chapter 195.
A.R.S Title 36, Chapter 34, Article 1.

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 5-5001 Seriously Mentally Ill (Non-Title XIX)

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	187,102.5	0.0	187,102.5
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Expenditure Categories Total:	0.0	187,102.5	0.0	187,102.5
Fund Source					
Appropriated Funds					
1000-A	General Fund (Appropriated)	0.0	78,846.9	0.0	78,846.9
		0.0	78,846.9	0.0	78,846.9
Non-Appropriated Funds					
2000-N	Federal Grant (Non-Appropriated)	0.0	50,140.6	0.0	50,140.6
2500-N	IGA and ISA Fund (Non-Appropriated)	0.0	58,115.0	0.0	58,115.0
		0.0	108,255.6	0.0	108,255.6
	Fund Source Total:	0.0	187,102.5	0.0	187,102.5

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 5-5001 Seriously Mentally Ill (Non-Title XIX)

Fund: 1000-A General Fund

Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	78,846.9	0.0	78,846.9
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Appropriated Total:	0.0	78,846.9	0.0	78,846.9
	Fund Total:	0.0	78,846.9	0.0	78,846.9
	Program Total For Selected Funds:	0.0	78,846.9	0.0	78,846.9

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 5-5001 Seriously Mentally Ill (Non-Title XIX)

Fund: 2000-N Federal Grant Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	50,140.6	0.0	50,140.6
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Non-Appropriated Total:	0.0	50,140.6	0.0	50,140.6
	Fund Total:	0.0	50,140.6	0.0	50,140.6
	Program Total For Selected Funds:	0.0	50,140.6	0.0	50,140.6

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 5-5001 Seriously Mentally Ill (Non-Title XIX)

Fund: 2500-N IGA and ISA Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	58,115.0	0.0	58,115.0
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Non-Appropriated Total:	0.0	58,115.0	0.0	58,115.0
	Fund Total:	0.0	58,115.0	0.0	58,115.0
	Program Total For Selected Funds:	0.0	58,115.0	0.0	58,115.0

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 5-5001 Seriously Mentally Ill (Non-Title XIX)

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	0.0	0.0
Boards and Commissions	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	0.0	0.0
Attorney General Legal Services	0.0	0.0
External Legal Services	0.0	0.0
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	0.0	0.0
Hospital Services	0.0	0.0
Other Medical Services	0.0	0.0
Institutional Care	0.0	0.0
Education And Training	0.0	0.0
Vendor Travel	0.0	0.0
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0
Other Professional And Outside Services	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 5-5001 Seriously Mentally Ill (Non-Title XIX)

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	0.0	187,102.5
Expenditure Category Total	**0.0**	**187,102.5**
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	0.0	78,846.9
	0.0	**78,846.9**
Non-Appropriated		
2000-N Federal Grant (Non-Appropriated)	0.0	50,140.6
2500-N IGA and ISA Fund (Non-Appropriated)	0.0	58,115.0
	0.0	**108,255.6**
Fund Source Total	**0.0**	**187,102.5**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	0.0	0.0
Information Technology Services	0.0	0.0
Utilities	0.0	0.0
Non-Building or Land Rent	0.0	0.0
Building Rent Charges to State Agencies	0.0	0.0
COP Building Rent Charges to State Agencies	0.0	0.0
Rental of Land & Buildings	0.0	0.0
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	0.0	0.0
Repair & Maintenance	0.0	0.0
Software Support and Maintenance	0.0	0.0
Operating Supplies	0.0	0.0
Resale Supplies	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 5-5001 Seriously Mentally Ill (Non-Title XIX)

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Sales of Assets	0.0	0.0
Conference, Education & Training	0.0	0.0
Advertising	0.0	0.0
Printing & Photography	0.0	0.0
Postage & Delivery	0.0	0.0
Miscellaneous Operating	0.0	0.0
Depreciation Expense	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	0.0	0.0
Vehicles - Non-Capital	0.0	0.0
Furniture - Non-Capital	0.0	0.0
EDP Equipment - Mainframe - Non-Capital	0.0	0.0
Telecommunication Equipment - Non Capital	0.0	0.0
Other Equipment - Non-Capital	0.0	0.0
Purchased Or Licensed Software/Website	0.0	0.0
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 5-5001 Seriously Mentally Ill (Non-Title XIX)

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	0.0	0.0
Expenditure Category Total	0.0	0.0

All dollars are presented in thousands (not FTE).

CRISIS SERVICES

PROGRAM DESCRIPTION:

The Crisis Services program provides emergency behavioral health assistance to persons in need, who are not eligible for the Medicaid Title XIX program. Services may include 24-hour crisis telephone lines, mobile crisis response teams, and facility-based crisis services.

Effective July 1, 2016 this program transferred from the Arizona Department of Health Services (ADHS) to the Arizona Health Care Cost Containment System (AHCCCS).

STATUTORY AUTHORITY:

Laws 2015, Chapter 19.
Laws 2015, Chapter 195.
A.R.S Title 36, Chapter 34, Article 1.

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 5-5002 Crisis Services

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	16,391.3	0.0	16,391.3
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Expenditure Categories Total:	0.0	16,391.3	0.0	16,391.3
Fund Source					
Appropriated Funds					
1000-A	General Fund (Appropriated)	0.0	14,141.1	0.0	14,141.1
2227-A	Substance Abuse Services Fund (Appropriated)	0.0	2,250.2	0.0	2,250.2
		0.0	16,391.3	0.0	16,391.3
	Fund Source Total:	0.0	16,391.3	0.0	16,391.3

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 5-5002 Crisis Services

Fund: 1000-A General Fund

Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	14,141.1	0.0	14,141.1
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Appropriated Total:	0.0	14,141.1	0.0	14,141.1
	Fund Total:	0.0	14,141.1	0.0	14,141.1
	Program Total For Selected Funds:	0.0	14,141.1	0.0	14,141.1

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 5-5002 Crisis Services

Fund: 2227-A Substance Abuse Services Fund

Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	2,250.2	0.0	2,250.2
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Appropriated Total:	0.0	2,250.2	0.0	2,250.2
	Fund Total:	0.0	2,250.2	0.0	2,250.2
	Program Total For Selected Funds:	0.0	2,250.2	0.0	2,250.2

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 5-5002 Crisis Services

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	0.0	0.0
Boards and Commissions	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	0.0	0.0
Attorney General Legal Services	0.0	0.0
External Legal Services	0.0	0.0
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	0.0	0.0
Hospital Services	0.0	0.0
Other Medical Services	0.0	0.0
Institutional Care	0.0	0.0
Education And Training	0.0	0.0
Vendor Travel	0.0	0.0
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0
Other Professional And Outside Services	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 5-5002 Crisis Services

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	0.0	16,391.3
Expenditure Category Total	0.0	16,391.3

Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	0.0	14,141.1
2227-A Substance Abuse Services Fund (Appropriated)	0.0	2,250.2
	0.0	16,391.3
Fund Source Total	0.0	16,391.3

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	0.0	0.0
Information Technology Services	0.0	0.0
Utilities	0.0	0.0
Non-Building or Land Rent	0.0	0.0
Building Rent Charges to State Agencies	0.0	0.0
COP Building Rent Charges to State Agencies	0.0	0.0
Rental of Land & Buildings	0.0	0.0
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	0.0	0.0
Repair & Maintenance	0.0	0.0
Software Support and Maintenance	0.0	0.0
Operating Supplies	0.0	0.0
Resale Supplies	0.0	0.0
Sales of Assets	0.0	0.0
Conference, Education & Training	0.0	0.0
Advertising	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 5-5002 Crisis Services

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Printing & Photography	0.0	0.0
Postage & Delivery	0.0	0.0
Miscellaneous Operating	0.0	0.0
Depreciation Expense	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	0.0	0.0
Vehicles - Non-Capital	0.0	0.0
Furniture - Non-Capital	0.0	0.0
EDP Equipment - Mainframe - Non-Capital	0.0	0.0
Telecommunication Equipment - Non Capital	0.0	0.0
Other Equipment - Non-Capital	0.0	0.0
Purchased Or Licensed Software/Website	0.0	0.0
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 5-5002 Crisis Services

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

All dollars are presented in thousands (not FTE).

SUPPORTED HOUSING

PROGRAM DESCRIPTION:

The Supported Housing program provides housing services that will enable individuals to live in the community. These funds may serve toh Medicaid and 100% state funded recipients. Medicaid does not, however, provide federal matching funds for housing assistance.

Effective July 1, 2016 this program transferred from the Arizona Department of Health Services (ADHS) to the Arizona Health Care Cost Containment System (AHCCCS).

STATUTORY AUTHORITY:

Laws 2015, Chapter 19.
Laws 2015, Chapter 195.
A.R.S Title 36, Chapter 34, Article 1.

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 5-5003 Supported Housing

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	9,386.0	0.0	9,386.0
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Expenditure Categories Total:	0.0	9,386.0	0.0	9,386.0
Fund Source					
Appropriated Funds					
1000-A	General Fund (Appropriated)	0.0	5,324.8	0.0	5,324.8
		0.0	5,324.8	0.0	5,324.8
Non-Appropriated Funds					
2000-N	Federal Grant (Non-Appropriated)	0.0	1,477.2	0.0	1,477.2
2500-N	IGA and ISA Fund (Non-Appropriated)	0.0	584.0	0.0	584.0
2555-N	Seriously Mentally Ill Housing Trust Fund (Non-Ap	0.0	2,000.0	0.0	2,000.0
		0.0	4,061.2	0.0	4,061.2
	Fund Source Total:	0.0	9,386.0	0.0	9,386.0

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 5-5003 Supported Housing

Fund: 1000-A General Fund

Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	5,324.8	0.0	5,324.8
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Appropriated Total:	0.0	5,324.8	0.0	5,324.8
	Fund Total:	0.0	5,324.8	0.0	5,324.8
	Program Total For Selected Funds:	0.0	5,324.8	0.0	5,324.8

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 5-5003 Supported Housing

Fund: 2000-N Federal Grant Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	1,477.2	0.0	1,477.2
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Non-Appropriated Total:	0.0	1,477.2	0.0	1,477.2
	Fund Total:	0.0	1,477.2	0.0	1,477.2
	Program Total For Selected Funds:	0.0	1,477.2	0.0	1,477.2

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 5-5003 Supported Housing

Fund: 2500-N IGA and ISA Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	584.0	0.0	584.0
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Non-Appropriated Total:	0.0	584.0	0.0	584.0
	Fund Total:	0.0	584.0	0.0	584.0
	Program Total For Selected Funds:	0.0	584.0	0.0	584.0

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 5-5003 Supported Housing

Fund: 2555-N Seriously Mentally Ill Housing Trust Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	2,000.0	0.0	2,000.0
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Non-Appropriated Total:	0.0	2,000.0	0.0	2,000.0
	Fund Total:	0.0	2,000.0	0.0	2,000.0
	Program Total For Selected Funds:	0.0	2,000.0	0.0	2,000.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 5-5003 Supported Housing

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	0.0	0.0
Boards and Commissions	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	0.0	0.0
Attorney General Legal Services	0.0	0.0
External Legal Services	0.0	0.0
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	0.0	0.0
Hospital Services	0.0	0.0
Other Medical Services	0.0	0.0
Institutional Care	0.0	0.0
Education And Training	0.0	0.0
Vendor Travel	0.0	0.0
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0
Other Professional And Outside Services	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 5-5003 Supported Housing

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	0.0	9,386.0
Expenditure Category Total	0.0	9,386.0

Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	0.0	5,324.8
	0.0	5,324.8
Non-Appropriated		
2000-N Federal Grant (Non-Appropriated)	0.0	1,477.2
2500-N IGA and ISA Fund (Non-Appropriated)	0.0	584.0
2555-N Seriously Mentally Ill Housing Trust Fund (Non-Appropriated	0.0	2,000.0
	0.0	4,061.2
Fund Source Total	0.0	9,386.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	0.0	0.0
Information Technology Services	0.0	0.0
Utilities	0.0	0.0
Non-Building or Land Rent	0.0	0.0
Building Rent Charges to State Agencies	0.0	0.0
COP Building Rent Charges to State Agencies	0.0	0.0
Rental of Land & Buildings	0.0	0.0
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	0.0	0.0
Repair & Maintenance	0.0	0.0
Software Support and Maintenance	0.0	0.0
Operating Supplies	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 5-5003 Supported Housing

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Resale Supplies	0.0	0.0
Sales of Assets	0.0	0.0
Conference, Education & Training	0.0	0.0
Advertising	0.0	0.0
Printing & Photography	0.0	0.0
Postage & Delivery	0.0	0.0
Miscellaneous Operating	0.0	0.0
Depreciation Expense	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	0.0	0.0
Vehicles - Non-Capital	0.0	0.0
Furniture - Non-Capital	0.0	0.0
EDP Equipment - Mainframe - Non-Capital	0.0	0.0
Telecommunication Equipment - Non Capital	0.0	0.0
Other Equipment - Non-Capital	0.0	0.0
Purchased Or Licensed Software/Website	0.0	0.0
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0

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All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 5-5003 Supported Housing

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	0.0	0.0
Expenditure Category Total	0.0	0.0

Program Summary of Expenditures and Budget Request

Agency: HCA Arizona Health Care Cost Containment System
Program: 6 Children's Health Insurance Program

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Summary					
6-6002	Children's Health Insurance Program Services	2,192.2	2,289.3	109,706.7	111,996.0
	Program Summary Total:	2,192.2	2,289.3	109,706.7	111,996.0
Expenditure Categories					
0000	FTE Positions	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	13.9	32.9	0.0	32.9
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	2,050.8	1,955.0	109,706.7	111,661.7
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	127.5	301.4	0.0	301.4
	Expenditure Categories Total:	2,192.2	2,289.3	109,706.7	111,996.0
Fund Source					
Appropriated Funds					
1000-A	General Fund (Appropriated)	25.3	0.0	0.0	0.0
2409-A	Children's Health Insurance Program (Appropriate	2,025.5	1,955.0	109,706.7	111,661.7
		2,050.8	1,955.0	109,706.7	111,661.7
Non-Appropriated Funds					
3791-N	AHCCCS - 3rd Party Collection (Non-Appropriated)	141.4	334.3	0.0	334.3
		141.4	334.3	0.0	334.3
	Fund Source Total:	2,192.2	2,289.3	109,706.7	111,996.0

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 6 Children's Health Insurance Program

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Fund: 1000-A General Fund (Appropriated)				
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
6-6002 Children's Health Insurance Program Services	25.3	0.0	0.0	0.0
Total	25.3	0.0	0.0	0.0
Appropriated Funding				
Expenditure Categories				
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	25.3	0.0	0.0	0.0
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	25.3	0.0	0.0	0.0
Fund 1000-A Total:	25.3	0.0	0.0	0.0
Program 6 Total:	25.3	0.0	0.0	0.0

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 6 Children's Health Insurance Program

Fund: 2409-A Children's Health Insurance Program (Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
6-6002 Children's Health Insurance Program Services	2,025.5	1,955.0	109,706.7	111,661.7
Total	2,025.5	1,955.0	109,706.7	111,661.7
Appropriated Funding				
Expenditure Categories				
FTE Positions	0.0	0.0	0.0	0.0
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	2,025.5	1,955.0	109,706.7	111,661.7
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	2,025.5	1,955.0	109,706.7	111,661.7
Fund 2409-A Total:	2,025.5	1,955.0	109,706.7	111,661.7
Program 6 Total:	2,025.5	1,955.0	109,706.7	111,661.7

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 6 Children's Health Insurance Program

Fund: 3791-N AHCCCS - 3rd Party Collection (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
6-6002 Children's Health Insurance Program Services	141.4	334.3	0.0	334.3
Total	141.4	334.3	0.0	334.3
Non-Appropriated Funding				
Expenditure Categories				
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	13.9	32.9	0.0	32.9
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	127.5	301.4	0.0	301.4
Expenditure Categories Total:	141.4	334.3	0.0	334.3
Fund 3791-N Total:	141.4	334.3	0.0	334.3
Program 6 Total:	141.4	334.3	0.0	334.3

CHILDREN'S HEALTH INSURANCE PROGRAM SERVICES

PROGRAM DESCRIPTION/BACKGROUND:

A.R.S. Title 36, Chapter 29, Article 4 (Laws 1998, Chapter 11) authorized the implementation of a Title XXI Children's Health Insurance Program referred to as KidsCare. The intent of this program was to provide health care services to children under the age of 19 living in families with a gross income at or below 200% of the Federal Poverty Level (FPL) guidelines, who are not eligible for Medicaid.

Arizona provides KidsCare services through established AHCCCS health plans. All children have a choice of available contractors and primary care providers in a Geographic Service Area. Additionally, Native Americans can elect to enroll with a health plan or the American Indian Health Plan (AIHP), an AHCCCS administered fee-for-service program. As established, the KidsCare benefit package offered by the contractors is the same service package offered to state employees by the least expensive commercial HMO. However, Laws 2001, Chapter 360 expanded the benefits package to include non-emergency transportation and expanded behavioral health services.

Behavioral Health Services and Children's Rehabilitative Services are available for children enrolled with health plans, as well as those children covered by the AIHP.

Based on Title XXI of the Social Security Act, a child who is Medicaid eligible cannot be approved for KidsCare.

On March 15, 2010, the Centers for Medicare and Medicaid Services (CMS) approved an enrollment freeze and cap for KidsCare with the effective date of January 1, 2010. Since the enrollment freeze State Plan Amendment (SPA) was approved prior to the President signing the Patient Protection and Affordable Care Act of 2010 (ACA), the freeze was not considered a violation of the maintenance of effort (MOE) provisions of the ACA.

On July 22, 2016, CMS approved a SPA to remove the enrollment cap on the programs, per Laws 2016, Chapter 112. Coverage for new applicants will begin effective September 1, 2016. AHCCCS provided an enrollment and financial impact analysis to CMS as part of the SPA approval process – this request reflects those estimates, and so does not include the same capitation assumptions made for other programs, as preliminary CYE 17 rates were not yet available at that time.

KidsCare expenditures are funded by Arizona's Title XXI CHIP allotment at an enhanced 100% FMAP. CMS has indicated to AHCCCS that Arizona's CHIP allotment will be sufficient to cover expenditures for both KidsCare and the Newly Eligible Child (MCHIP) populations.

KidsCare members are charged monthly premiums based on family income and the number of children covered. At no time will a Native American or an Alaska Native be charged a co-payment or a premium. A.R.S. §36-2982 requires AHCCCS to adopt rules to establish circumstances under which AHCCCS will grant a hardship to a member who cannot pay the monthly premium.

The collection rate of premiums was 92% in SFY 14 and 96% in SFY 15. Premiums offset both cost of the KidsCare program, however, for appropriation purposes, premiums are loaded into the CHIP Fund.

The following schedule shows current KidsCare premiums by income level and number of children in family:

Household Income	One Child	Two or More Children
0-149% FPL	$10 per month	$15 per month
150-175% FPL	$40 per month	$60 per month
176-200% FPL	$50 per month	$70 per month

Actual premiums paid during SFY15 through SFY16 with estimated premiums for SFY17 and SFY18 are shown in the following table.

SFY	Premiums Paid
SFY15 Actual	$539,500
SFY16 Actual	$305,200
SFY17 Estimate	$9,622,000
SFY18 Actual	$14,486,300

Premiums are forecast based on the average premium per member estimated to be $35.21 in CYE 17 and $35.74 in CYE 18.

METHODOLOGY:

MEMBER GROWTH

AHCCCS projected member growth in KidsCare by estimating the number of children in Arizona who are without health insurance coverage, do not qualify for other Medicaid programs, and would likely be eligible for KidsCare. Census and health insurance data was reviewed and analyzed from the U.S. Census Bureau's 2014 Annual Social and Economic Supplement (ASEC) of the Current Population Survey (CPS) to estimate the number of children, by household income level, that were uninsured in 2014. AHCCCS then assumed that a portion of those individuals became insured via the Federally Facilitated Marketplace (FFM) and Arizona's overall population experienced underlying annual average growth of 1.5%.

As of July 2016, AHCCCS estimates that 43,155 children could be eligible for KidsCare. Assuming a presentation rate of 80% and a 9 month phase-in for enrollment beginning September 2016, it is estimated that 33,922 members will be enrolled by June 2017. The KidsCare population is assumed to increase at an annual average rate of 1.5% thereafter, reflecting underlying population growth.

SFY 2017

	Phase-In	Members
Sep-16	20.37%	6,901
Oct-16	61.91%	20,975
Nov-16	79.71%	27,007
Dec-16	81.93%	27,759
Jan-17	86.04%	29,151
Feb-17	88.52%	29,990
Mar-17	90.65%	30,711
Apr-17	95.37%	32,311
May-17	100.00%	33,880
Jun-17	-	33,922

SFY 2018

	Phase-In	Members
Jul-17	-	33,964
Aug-17	-	34,006
Sep-17	-	34,049
Oct-17	-	34,091
Nov-17	-	34,133
Dec-17	-	34,176
Jan-18	-	34,218
Feb-18	-	34,260
Mar-18	-	34,303
Apr-18	-	34,346
May-18	-	34,388
Jun-18	-	34,431

OTHER ENROLLMENT

KidsCare enrollment in Children's Rehabilitative Services and IHS were projected based on historical averages as a proportion of total KidsCare enrollment.

CRS ENROLLMENT

SFY 2017		SFY 2018	
Jul-16	26	Jul-17	1,341
Aug-16	25	Aug-17	1,342
Sep-16	293	Sep-17	1,343
Oct-16	839	Oct-17	1,345
Nov-16	1,073	Nov-17	1,346
Dec-16	1,101	Dec-17	1,348
Jan-17	1,155	Jan-18	1,349
Feb-17	1,188	Feb-18	1,351
Mar-17	1,215	Mar-18	1,352
Apr-17	1,277	Apr-18	1,353
May-17	1,338	May-18	1,355
Jun-17	1,339	Jun-18	1,356

IHS ENROLLMENT

SFY 2017		SFY 2018	
Jul-16	13	Jul-17	839
Aug-16	12	Aug-17	840
Sep-16	183	Sep-17	841
Oct-16	525	Oct-17	842
Nov-16	671	Nov-17	842
Dec-16	689	Dec-17	843
Jan-17	723	Jan-18	844
Feb-17	743	Feb-18	845
Mar-17	761	Mar-18	846
Apr-17	799	Apr-18	847
May-17	837	May-18	848
Jun-17	838	Jun-18	849

RATES

Average KidsCare PMPM rates were developed for capitation, behavioral health, CRS, IHS FFS, and reinsurance based on historical experience. Rates were trended up by 1.5% from CYE 17 to CYE 18.

	Capitation	Behavioral Health	CRS	FFS	Reins.
2016.3	$125.33	$41.42	$830.84	$579.34	$12.80
2016.4	$127.74	$42.04	$843.30	$596.72	$12.80
2017.1	$127.74	$42.04	$843.30	$596.72	$12.80
2017.2	$127.74	$42.04	$843.30	$596.72	$12.80
2017.3	$127.74	$42.04	$843.30	$596.72	$12.80
2017.4	$129.66	$42.67	$855.95	$605.67	$12.99
2018.1	$129.66	$42.67	$855.95	$605.67	$12.99
2018.2	$129.66	$42.67	$855.95	$605.67	$12.99

ACA HEALTH INSURER FEE

The ACA includes an $8.0 billion fee on the health insurance industry beginning in 2014. This health insurer fee (HIF) increases to $14.3 billion by 2018 and is then indexed to the rate of premium growth thereafter as shown in the table below. The previous 2017 fee amount does not shift to 2018; the applicable amount for fee year 2018 remains at $14.3 billion (see Treas. Reg. § 57.4(a)(3)).

Fee Year	Applicable Amount
2014	$ 8,000,000,000
2015	$11,300,000,000
2016	$11,300,000,000
2017 (Moratorium)	$13,900,000,000
2018	$14,300,000,000
2019 and thereafter	The applicable amount in the preceding fee year increased by the rate of premium growth (within the meaning of section 36B(b)(3)(A)(ii).

The fee is considered an excise tax and is nondeductible for income tax purposes. CMS mandates actuarially sound Medicaid managed care capitation rates that allow participating insurers to cover projected expenses. Therefore this fee impacts Medicaid managed care expenditures.

The CMS currently approved payment methodology for this fee is a mass adjustment to capitation payments. It is anticipated that, most if not all, health plans will get tax filing extensions. As a result, AHCCCS makes one payment in the fall that includes an estimate for the tax liability. If there is a material difference in the final tax filings an additional adjustment is made.

The FMAP applied is the FMAP in effect for the month of the capitation adjustment. The payments made in FY 2017 (for the Calendar Year 2016 fee) will adjust capitation for October 2015 and use the FMAP in effect on that date. There will be no payment in FY 2018 because the Consolidated Appropriations Act of 2016, Title II, § 201, Moratorium on Annual Fee on Health Insurance Providers, suspends collection of the health insurance provider fee for the 2017 calendar year. Thus, health insurers are not required to pay these fees for calendar year 2017.

In total funds, the Medicaid system paid $90.4 million in FY 2016 for the 2015 Fee Year. In FY 2017, the fee is projected to increase to $103.1 million due to caseload increases which will increase revenue for Medicaid health plans and, thus, increase the amount required in reimbursement.

The allocation by program for FY 2017 (Acute, CRS, EDP, DD, and BHS, etc.) is based on the corresponding percentage of total FY 2016 actual HIF payments.

Based on projected amounts and allocation methodology, the FY 2017 impact of this fee for KidsCare is $105,000 CHIP Fund. However, the FY 2017 budget rebase amount includes an estimate of $43,200 for HIF, which reflects an anticipated decrease due to declining membership over the prior years.

No health insurer provider fees will be paid in FY 2018 generating a one-time cost savings of $129,100 CHIP Fund. This fee will be back in effect for FY 2019 and generate a cost increase of $132,900 CHIP Fund.

ADHS/AIPO

The Arizona Immunization Program Office (AIPO) of ADHS has an interagency service agreement to provide immunizations to children enrolled in KidsCare under which AHCCCS is invoiced for immunizations performed.

In the past, payments for ADHS/AIPO have been approximately 3.0% of capitation payments excluding behavioral health and CRS. This percentage was use to estimate payments for ADHS/AIPO for SFY 17 and SFY 18.

FMAP

The KidsCare program is eligible for the enhanced Title XXI Federal Matching Assistance Percentage (FMAP). Effective October 1,2015, KidsCare is 100% federally funded under the ACA due to an increase of 23 percentage points, which continues through September 30, 2019.

FFY	Period	Enhanced
2016	October 15 – September 16	100.00%
2017	October 15 – September 16	100.00%
2018	October 15 – September 16	100.00%

STATUTORY AUTHORITY:

Social Security Act, Title XXI.
A.R.S. Title 36, Chapter 29, Article 4.
A.R.S. 36-2985(A)
Laws 2016, Chapter 112

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
CHILDREN'S HEALTH INSURANCE PROGRAM

	FY16 Actual	FY17 Approp	FY17 Rebase	FY18 Request	FY18 Inc./(Dec)
General Fund	$25,261	$0	$0	$0	$0
CHIP Fund	$2,025,463	$1,955,000	$74,172,100	$111,661,700	$109,706,700
Total	$2,050,724	$1,955,000	$74,172,100	$111,661,700	$109,706,700

ARIZONA HEALTHCARE COST CONTAINMENT SYSTEM
KIDSCARE EXPENDITURES - SFY 2017

	Capitation	Behavioral Health	CRS	FFS	Reins.	HIF	ADHS/AIPO	Total
Member Months								
2016.3	8,649	8,649	344	208	8,857	-	-	-
2016.4	75,755	75,755	3,013	1,885	77,640	-	-	-
2017.1	89,468	89,468	3,558	2,227	91,695	-	-	-
2017.2	99,427	99,427	3,954	2,474	101,901	-	-	-
PMPM								
2016.3	$160.54	$41.42	$830.84	$579.34	$12.80	-	-	-
2016.4	$162.95	$42.04	$843.30	$596.72	$12.80	-	-	-
2017.1	$162.95	$42.04	$843.30	$596.72	$12.80	-	-	-
2017.2	$162.95	$42.04	$843.30	$596.72	$12.80	-	-	-
Expenditures								
2016.3	$1,388,500	$358,200	$285,800	$120,700	$113,400	$0	$41,700	$2,308,300
2016.4	$12,343,900	$3,184,800	$2,540,700	$1,125,000	$993,600	$43,200	$370,300	$20,601,500
2017.1	$14,578,500	$3,761,400	$3,000,600	$1,328,600	$1,173,400	$0	$437,400	$24,279,900
2017.2	$16,201,200	$4,180,000	$3,334,600	$1,476,500	$1,304,100	$0	$486,000	$26,982,400
	$44,512,100	$11,484,400	$9,161,700	$4,050,800	$3,584,500	$43,200	$1,335,400	$74,172,100
Premiums								
2016.3	$35.21							
2016.4	$35.21							
2017.1	$35.21							
2017.2	$35.21							
Premiums Offset								
2016.3	$304,500							$304,500
2016.4	$2,667,100							$2,667,100
2017.1	$3,149,900							$3,149,900
2017.2	$3,500,500							$3,500,500
	$9,622,000							$9,622,000

Note: Expenditures are 100% Federal Title XXI CHIP funding.

ARIZONA HEALTHCARE COST CONTAINMENT SYSTEM
KIDSCARE EXPENDITURES - SFY 2018

	Capitation	Behavioral Health	CRS	FFS	Reins.	HIF	ADHS/AIPO	Total
Member Months								
2017.3	101,234	101,234	4,026	2,519	103,754	-	-	-
2017.4	101,555	101,555	4,039	2,527	104,082	-	-	-
2018.1	101,879	101,879	4,052	2,535	104,414	-	-	-
2018.2	102,206	102,206	4,065	2,544	104,749	-	-	-
PMPM								
2017.3	$162.95	$42.04	$843.30	$596.72	$12.80	-	-	-
2017.4	$165.39	$42.67	$855.95	$605.67	$12.99	-	-	-
2018.1	$165.39	$42.67	$855.95	$605.67	$12.99	-	-	-
2018.2	$165.39	$42.67	$855.95	$605.67	$12.99	-	-	-
Expenditures								
2017.3	$16,495,700	$4,256,000	$3,395,200	$1,503,400	$1,327,800	$0	$494,900	$27,473,000
2017.4	$16,796,200	$4,333,500	$3,457,100	$1,530,800	$1,351,900	$0	$503,900	$27,973,400
2018.1	$16,849,800	$4,347,400	$3,468,100	$1,535,600	$1,356,300	$0	$505,500	$28,062,700
2018.2	$16,903,800	$4,361,300	$3,479,200	$1,540,600	$1,360,600	$0	$507,100	$28,152,600
	$67,045,500	$17,298,200	$13,799,600	$6,110,400	$5,396,600	$0	$2,011,400	$111,661,700
Premiums								
2017.3	$35.21							
2017.4	$35.74							
2018.1	$35.74							
2018.2	$35.74							
Premiums Offset								
2017.3	$3,564,200							$3,564,200
2017.4	$3,629,100							$3,629,100
2018.1	$3,640,700							$3,640,700
2018.2	$3,652,300							$3,652,300
	$14,486,300							$14,486,300

Note: Expenditures are 100% Federal Title XXI CHIP funding.

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 6-6002 Children's Health Insurance Program Services

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	13.9	32.9	0.0	32.9
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	2,050.8	1,955.0	109,706.7	111,661.7
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	127.5	301.4	0.0	301.4
	Expenditure Categories Total:	2,192.2	2,289.3	109,706.7	111,996.0
Fund Source					
Appropriated Funds					
1000-A	General Fund (Appropriated)	25.3	0.0	0.0	0.0
2409-A	Children's Health Insurance Program (Appropriate	2,025.5	1,955.0	109,706.7	111,661.7
		2,050.8	1,955.0	109,706.7	111,661.7
Non-Appropriated Funds					
3791-N	AHCCCS - 3rd Party Collection (Non-Appropriated)	141.4	334.3	0.0	334.3
		141.4	334.3	0.0	334.3
	Fund Source Total:	2,192.2	2,289.3	109,706.7	111,996.0

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 6-6002 Children's Health Insurance Program Services

Fund: 1000-A General Fund

Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	25.3	0.0	0.0	0.0
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Appropriated Total:	25.3	0.0	0.0	0.0
	Fund Total:	25.3	0.0	0.0	0.0
	Program Total For Selected Funds:	25.3	0.0	0.0	0.0

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 6-6002 Children's Health Insurance Program Services

Fund: 2409-A Children's Health Insurance Program Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	2,025.5	1,955.0	109,706.7	111,661.7
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Appropriated Total:		2,025.5	1,955.0	109,706.7	111,661.7
Fund Total:		2,025.5	1,955.0	109,706.7	111,661.7
Program Total For Selected Funds:		2,025.5	1,955.0	109,706.7	111,661.7

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 6-6002 Children's Health Insurance Program Services

Fund: 3791-N AHCCCS - 3rd Party Collection Fund

Non-Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	13.9	32.9	0.0	32.9
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	127.5	301.4	0.0	301.4
	Non-Appropriated Total:	141.4	334.3	0.0	334.3
	Fund Total:	141.4	334.3	0.0	334.3
	Program Total For Selected Funds:	141.4	334.3	0.0	334.3

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 6-6002 Children's Health Insurance Program Services

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	0.0	0.0
Boards and Commissions	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	13.9	32.9
Attorney General Legal Services	0.0	0.0
External Legal Services	0.0	0.0
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	0.0	0.0
Hospital Services	0.0	0.0
Other Medical Services	0.0	0.0
Institutional Care	0.0	0.0
Education And Training	0.0	0.0
Vendor Travel	0.0	0.0
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0
Other Professional And Outside Services	0.0	0.0
Expenditure Category Total	**13.9**	**32.9**

Fund Source		
Non-Appropriated		
3791-N AHCCCS - 3rd Party Collection (Non-Appropriated)	13.9	32.9
	13.9	**32.9**
Fund Source Total	**13.9**	**32.9**

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All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 6-6002 Children's Health Insurance Program Services

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	2,050.8	1,955.0
Expenditure Category Total	**2,050.8**	**1,955.0**
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	25.3	0.0
2409-A Children's Health Insurance Program (Appropriated)	2,025.5	1,955.0
	2,050.8	**1,955.0**
Fund Source Total	**2,050.8**	**1,955.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	0.0	0.0
Information Technology Services	0.0	0.0
Utilities	0.0	0.0
Non-Building or Land Rent	0.0	0.0
Building Rent Charges to State Agencies	0.0	0.0
COP Building Rent Charges to State Agencies	0.0	0.0
Rental of Land & Buildings	0.0	0.0
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	0.0	0.0
Repair & Maintenance	0.0	0.0
Software Support and Maintenance	0.0	0.0
Operating Supplies	0.0	0.0
Resale Supplies	0.0	0.0
Sales of Assets	0.0	0.0
Conference, Education & Training	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 6-6002 Children's Health Insurance Program Services

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Advertising	0.0	0.0
Printing & Photography	0.0	0.0
Postage & Delivery	0.0	0.0
Miscellaneous Operating	0.0	0.0
Depreciation Expense	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	0.0	0.0
Vehicles - Non-Capital	0.0	0.0
Furniture - Non-Capital	0.0	0.0
EDP Equipment - Mainframe - Non-Capital	0.0	0.0
Telecommunication Equipment - Non Capital	0.0	0.0
Other Equipment - Non-Capital	0.0	0.0
Purchased Or Licensed Software/Website	0.0	0.0
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 6-6002 Children's Health Insurance Program Services

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	127.5	301.4
Expenditure Category Total	**127.5**	**301.4**
Fund Source		
Non-Appropriated		
3791-N AHCCCS - 3rd Party Collection (Non-Appropriated)	127.5	301.4
	127.5	**301.4**
Fund Source Total	**127.5**	**301.4**

CHILDREN'S REHABILITATIVE SERVICES

PROGRAM DESCRIPTION:

The Children's Rehabilitative Services (CRS) program provides medical treatment, rehabilitation, and related support services to medically and financially qualified individuals who have certain medical, disabling or potentially disabling conditions that have the potential for functional improvement. CRS is primarily a children's program for Arizona residents under the age of 21 with chronic and disabling, or potentially disabling, conditions.

AHCCCS has implemented an integrated health model for children with rehabilitative service needs. The previous CRS program was "carved out" from the AHCCCS Acute managed care model. Previously, AHCCCS children receiving CRS services were enrolled in a minimum of three separate systems of care. Children with overlying conditions, including developmental disabilities or behavioral health needs, potentially required care delivered by four or five separate systems. Effective October 1, 2013, the old model was replaced by a payer integration model that requires one contractor/payer to assume responsibility for the delivery, care management, and payment of multiple services (i.e. services related specifically to CRS conditions as well as services related to primary care and, potentially, other needs like behavioral health). Ultimately, the purpose of such a model is to ensure optimal access to important specialty care as well as effective coordination of all service delivery.

It is worth noting that not all CRS members are fully integrated. The four levels of integration are described below:

- **Fully Integrated** – 68.5% of the population (based on FY 2016 actuals) - These members will receive physical health, behavioral health, and CRS services from the integrated contractor.
- **Acute Semi-Integrated** – 0.7% of the population (based on FY 2016 actuals) – These members are Native Americans who elect to continue receiving behavioral health services from the Tribal Regional Behavioral Health Authority (TRBHA) network. They will receive physical health and CRS services from the integrated contractor.
- **CRS Behavioral Health Semi-Integrated** – 26.2% of the population (based on FY 2016 actuals) – These are primarily Comprehensive Medical and Dental Program (CMDP) members who will continue to receive physical health through CMDP, but will have their behavioral health and CRS services provided by the integrated contractor.
- **CRS Only** – 4.6% of the population (based on FY 2016 actuals) – These members are Native Americans who elect to continue receiving physical health services from the Fee-for-Service network and behavioral health services through the TRBHA network. They only receive CRS services from the integrated provider.

CRS Budget Methodology:

Member Growth

The following table shows actual and projected member months for CRS as of June of each year for FY 2016 through FY 2018.

Fiscal Year	Fully Integrated	BHS Semi-Integrated	Acute Semi-Integrated	CRS only	Total CRS
June 2016 (actual)	16,931	6,567	181	1,149	24,828
June 2017 (projected)	17,387	6,655	186	1,176	25,404
June 2018 (projected)	17,703	6,776	189	1,198	25,866

Member months are forecast based on the proportion that CRS represents of various programs, applied to the projected growth for these programs.

CRS Rates

The changes in rates for SFY 2017 through SFY 2018 are shown below.

	1/1/16-9/30/16 Rates	10/1/16-12/31/16 Rates	1/1/17-9/30/17 Rates		10/1/17-9/30/18 Rates	
			Rate	Chg %	Rate	Chg %
Fully Integrated	$830.84	$841.21	$851.82	1.26	$877.37	3.00
BHS Partially-Integrated	$755.20	$793.20	$801.25	1.02	$825.29	3.00
Acute Partially-Integrated	$800.81	$587.16	$587.16	0.00	$604.77	3.00
CRS only	$477.12	$475.31	$481.28	1.26	$495.72	3.00

Rates were increased on April 1, 2015 to incorporate Federally Qualified Health Center/Rural Health Clinic (FQHC/RHC) services into the capitation rate. Prior to this, FQHC/RHC services were reimbursed by a combination of fee-for-service claims payments and quarterly supplemental payments, along with an annual reconciliation to the Prospective Payment System (PPS) rates.

On January 1, 2016, AHCCCS addressed the costs associated with high-acuity pediatric cases by using an adjustment factor of 1.60 in place of the above pediatric policy adjustor in the following instances only: for inpatient stays, where an APR-DRG assignment of level 3 or 4 Severity of Illness is indicated. Effective January 1, 2017, AHCCCS will change the adjustment factor of 1.60 established January 1, 2016 to 1.945. The estimated nine month impact to the CRS program is an increase of approximately $4.3 million.

Reinsurance

Beginning in CYE 2009, a CRS reinsurance (RI) offset was added to the capitation rate, and CRS members became eligible for reinsurance payments. The reinsurance arrangement covers inpatient claims exceeding $75,000 at 75 percent reimbursement. It also covers the high-cost biotech drugs Aldurazyme, Elaprase, Fabrazyme, Kuvan, Myozyme and Orfadin at 85 percent reimbursement (with no deductible). The integration of physical health effective October 1, 2013 contributed to an increase in reinsurance costs.

The PMPM for CYE 2017 Acute CRS RI is calculated based on October 2015 through June 2016 actuals inflated by 3% in October 2016, resulting in an overall PMPM of $73.71 for CYE 2017. In October 2018, the PMPMs are inflated by an additional 3% and used to project the final three quarters of FY 2017. The overall PMPM projected for FY 2018 is $75.92.

ACA HEALTH INSURER FEE

The ACA includes an $8.0 billion fee on the health insurance industry beginning in 2014. This health insurer fee (HIF) increases to $14.3 billion by 2018 and is then indexed to the rate of premium growth thereafter as shown in the table below. The previous 2017 fee amount does not shift to 2018; the applicable amount for fee year 2018 remains at $14.3 billion (see Treas. Reg. § 57.4(a)(3)).

Fee Year	Applicable Amount
2014	$ 8,000,000,000
2015	$11,300,000,000
2016	$11,300,000,000
2017 (Moratorium)	$13,900,000,000
2018	$14,300,000,000
2019 and thereafter	The applicable amount in the preceding fee year increased by the rate of premium growth (within the meaning of section 36B(b)(3)(A)(ii).

The fee is considered an excise tax and is nondeductible for income tax purposes. CMS mandates actuarially sound Medicaid managed care capitation rates that allow participating insurers to cover projected expenses. Therefore this fee impacts Medicaid managed care expenditures.

The CMS currently approved payment methodology for this fee is a mass adjustment to capitation payments. It is anticipated that, most if not all, health plans will get tax filing extensions. As a result, AHCCCS makes one payment in the fall that includes an estimate for the tax liability. If there is a material difference in the final tax filings an additional adjustment is made.

The FMAP applied is the FMAP in effect for the month of the capitation adjustment. The payments made in FY 2017 (for the Calendar Year 2016 fee) will adjust capitation for October 2015 and use the FMAP in effect on that date. There will be no payment in FY 2018 because the Consolidated Appropriations Act of 2016, Title II, § 201, Moratorium on Annual Fee on Health Insurance Providers, suspends collection of the health insurance provider fee for the 2017 calendar year. Thus, health insurers are not required to pay these fees for calendar year 2017.

In total funds, the Medicaid system paid $90.4 million in FY 2016 for the 2015 Fee Year. In FY 2017, the fee is projected to increase to $103.1 million due to caseload increases which will increase revenue for Medicaid health plans and, thus, increase the amount required in reimbursement.

The allocation by program for FY 2017 (Acute, CRS, EDP, DD, and BHS, etc.) is based on the corresponding percentage of total FY 2016 actual HIF payments.

Based on projected amounts and allocation methodology, the FY 2017 impact of this fee for CRS is $6,806,400 Total Fund ($1,994,100 General Fund).

No health insurer provider fees will be paid in FY 2018 generating a one-time cost savings of $8,372,400 ($2,419,600 General Fund). This fee will be back in effect for FY 2019 and generate a cost increase of $8,613,400 ($2,469,100 General Fund).

The Consolidated Appropriations Act of 2016, Title II, § 201, Moratorium on Annual Fee on Health Insurance Providers, suspends collection of the health insurance provider fee for the 2017 calendar year. Thus, health insurance issuers are not required to pay these fees for 2017.

FMAP

It is assumed that the FMAP will increase from 69.24% in FFY 2017 to 69.53% in FFY 2018 based on Federal Funds Information for States (FFIS) in Issue Brief 16-14 (March 25, 2016).

FFY	FMAP
Oct. 2015 – Sept. 2016	68.92%
Oct. 2016 – Sept. 2017	69.24%
Oct. 2017 – Sept. 2018	68.53%

PROPOSED SOLUTION:

AHCCCS is requesting an increase of $5,963,100 Total Fund ($984,300 General Fund) for the Children's Rehabilitative Services (CRS) compared to the FY 2018 appropriation.

Performance Measures to quantify the success of the solution:

- AHCCCS member enrollment in Newly Eligible Adults.
- Maintain the % of overall Health Plan compliance with key indicators at ≥99%.

Statutory Authority:

A.R.S Title 36, Chapter 2, Article 3.

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
CHILDREN'S REHABILITATIVE SERVICES
FISCAL YEAR 2016-2018

CRS Services		FY16 Actual	FY17 Approp	FY17 Rebase	FY18 Request	FY18 DP
	SM	$80,048,951	$84,937,900	$88,648,600	$85,922,200	$984,300
	Fed	$177,011,520	$190,437,800	$199,052,500	$195,416,600	$4,978,800
	TF	$257,060,470	$275,375,700	$287,701,100	$281,338,800	$5,963,100

Children's Rehabilitative Services SFY 2016 - SFY 2018

	Fully Integrated	BHS Semi-Int.	Acute Semi-Int.	CRS Only	Total Cap.	RI	Total	FMAP	GF
2015.3	40,544,400	9,768,100	353,600	1,443,400	52,109,500	5,557,600	57,667,100	68.46%	18,188,200
2015.4	41,726,600	14,327,400	448,900	1,634,400	58,137,300	5,905,200	64,042,500	68.92%	19,904,400
2016.1	42,623,300	14,750,600	427,900	1,654,200	59,456,000	4,735,200	64,191,200	68.92%	19,950,600
2016.2	42,370,600	14,818,500	446,900	1,648,000	59,284,000	5,555,300	64,839,300	68.92%	20,152,100
SFY16 TOTAL:	167,264,900	53,664,600	1,677,300	6,380,000	228,986,800	21,753,300	250,740,100	68.81%	78,195,300
PCP Parity:							349,370	93.09%	24,151
ACA Health Insurer Fee:							5,971,000	69.36%	1,829,500
Grand Total SFY16:							257,060,470	68.86%	80,048,951

	Fully Integrated	BHS Semi-Int.	Acute Semi-Int.	CRS Only	Total Cap.	RI	Total	FMAP	GF
2016.3	42,678,200	14,848,900	439,800	1,658,300	59,625,200	5,410,400	65,035,600	68.92%	20,213,100
2016.4	43,410,700	15,668,300	324,000	1,659,600	61,062,600	5,598,500	66,661,100	69.24%	20,505,000
2017.1	44,160,300	15,900,200	325,500	1,688,200	62,074,200	5,624,200	67,698,400	69.24%	20,824,000
2017.2	44,362,600	15,973,000	327,000	1,695,900	62,358,500	5,650,000	68,008,500	69.24%	20,919,400
SFY17 TOTAL:	174,611,800	62,390,400	1,416,300	6,702,000	245,120,500	22,283,100	267,403,600	69.16%	82,461,500
PPC Recon.							13,491,100	NA	4,193,000
ACA Health Insurer Fee:							6,806,400	70.70%	1,994,100
Grand Total SFY17:							287,701,100	69.19%	88,648,600

	Fully Integrated	BHS Semi-Int.	Acute Semi-Int.	CRS Only	Total Cap.	RI	Total	FMAP	GF
2017.3	44,564,800	16,045,800	328,500	1,703,600	62,642,700	5,675,800	68,318,500	69.24%	21,014,800
2017.4	46,110,100	16,602,200	339,800	1,762,700	64,814,800	5,872,600	70,687,400	69.53%	21,538,500
2018.1	46,318,400	16,677,200	341,400	1,770,700	65,107,700	5,899,100	71,006,800	69.53%	21,635,800
2018.2	46,526,800	16,752,200	342,900	1,778,600	65,400,500	5,925,600	71,326,100	69.53%	21,733,100
SFY18 TOTAL:	183,520,100	66,077,400	1,352,600	7,015,600	257,965,700	23,373,100	281,338,800	69.46%	85,922,200
PPC Recon.							0	NA	0
ACA Health Insurer Fee:							0	NA	0
Grand Total SFY18:							281,338,800	69.46%	85,922,200

Arizona Health Care Cost Containment System

CRS Capitation Budget (FY 2016 - FY 2018)

SFY16	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
Capitation Expenditures													
Fully Integrated	13,474,972	13,492,633	13,576,772	13,943,463	13,889,831	13,893,335	14,238,273	14,161,860	14,223,154	14,156,916	14,144,609	14,069,050	167,264,867
BHS Semi-Integrated	3,253,163	3,256,188	3,258,709	4,767,214	4,765,739	4,794,489	4,916,352	4,920,883	4,913,331	4,920,128	4,939,008	4,959,398	53,664,603
Acute Semi-Integrated	122,252	115,316	116,070	130,768	127,797	190,317	138,461	145,302	144,121	154,144	147,586	145,170	1,677,305
CRS Only	476,979	481,149	485,318	546,356	545,429	542,646	556,799	547,734	549,642	548,211	551,551	548,211	6,380,025
Total Cap Expenditures	17,327,366	17,345,286	17,436,869	19,387,801	19,328,796	19,420,786	19,849,886	19,775,779	19,830,249	19,779,399	19,782,754	19,721,830	228,986,801
Member Months													
Fully Integrated	17,063	17,085	17,193	17,271	17,202	17,268	17,137	17,043	17,118	17,038	17,022	16,931	205,372
BHS Semi-Integrated	6,452	6,458	6,463	6,467	6,465	6,504	6,510	6,516	6,506	6,515	6,540	6,567	77,963
Acute Semi-Integrated	174	164	165	168	164	179	173	182	180	194	184	181	2,109
CRS Only	1,144	1,154	1,164	1,178	1,176	1,170	1,167	1,148	1,152	1,149	1,156	1,149	13,907
Total CRS Member Months	24,833	24,862	24,985	25,084	25,008	25,121	24,987	24,889	24,956	24,895	24,903	24,828	299,351
PMPM's													
Fully Integrated	$ 789.71	$ 789.71	$ 789.67	$ 807.34	$ 807.44	$ 804.56	$ 830.83	$ 830.94	$ 830.91	$ 830.92	$ 830.94	$ 830.95	$ 814.45
BHS Semi-Integrated	$ 504.21	$ 504.21	$ 504.21	$ 737.16	$ 737.16	$ 737.16	$ 755.20	$ 755.20	$ 755.20	$ 755.20	$ 755.20	$ 755.20	$ 688.33
Acute Semi-Integrated	$ 702.48	$ 702.55	$ 702.43	$ 777.41	$ 777.21	$ 1,063.05	$ 801.19	$ 799.11	$ 800.67	$ 795.79	$ 801.31	$ 801.25	$ 795.39
CRS Only	$ 416.94	$ 416.94	$ 416.94	$ 463.80	$ 463.80	$ 463.80	$ 477.12	$ 477.12	$ 477.12	$ 477.12	$ 477.12	$ 477.12	$ 458.76
Overal PMPM	$ 697.75	$ 697.67	$ 697.89	$ 772.91	$ 772.91	$ 773.08	$ 794.40	$ 794.56	$ 794.62	$ 794.50	$ 794.41	$ 794.32	$ 764.94

Arizona Health Care Cost Containment System
CRS Capitation Budget (FY 2016 - FY 2018)

SFY17

	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
Capitation Expenditures													
Fully Integrated	14,204,141	14,226,061	14,247,982	14,448,025	14,470,219	14,492,413	14,697,625	14,720,099	14,742,573	14,765,048	14,787,522	14,809,996	174,611,703
BHS Semi-Integrated	4,942,014	4,949,640	4,957,267	5,214,749	5,222,759	5,230,770	5,291,962	5,300,054	5,308,145	5,316,237	5,324,329	5,332,421	62,390,347
Acute Semi-Integrated	146,386	146,612	146,838	107,828	107,993	108,159	108,325	108,490	108,656	108,821	108,987	109,153	1,416,247
CRS Only	551,909	552,761	553,612	552,352	553,200	554,049	561,868	562,728	563,587	564,446	565,305	566,164	6,701,980
Total Cap Expenditures	19,844,449	19,875,074	19,905,699	20,322,952	20,354,171	20,385,390	20,659,780	20,691,371	20,722,961	20,754,552	20,786,143	20,817,734	245,120,278
Member Months													
Fully Integrated	17,096	17,123	17,149	17,175	17,202	17,228	17,254	17,281	17,307	17,334	17,360	17,386	206,895
BHS Semi-Integrated	6,544	6,554	6,564	6,574	6,584	6,594	6,605	6,615	6,625	6,635	6,645	6,655	79,195
Acute Semi-Integrated	183	183	183	184	184	184	184	185	185	185	186	186	2,212
CRS Only	1,157	1,159	1,160	1,162	1,164	1,166	1,167	1,169	1,171	1,173	1,175	1,176	13,999
Total CRS Member Months	24,980	25,018	25,057	25,095	25,134	25,172	25,211	25,250	25,288	25,327	25,365	25,404	302,300
PMPM's													
Fully Integrated	$ 830.84	$ 830.84	$ 830.84	$ 841.21	$ 841.21	$ 841.21	$ 851.82	$ 851.82	$ 851.82	$ 851.82	$ 851.82	$ 851.82	$ 843.96
BHS Semi-Integrated	$ 755.20	$ 755.20	$ 755.20	$ 793.20	$ 793.20	$ 793.20	$ 801.25	$ 801.25	$ 801.25	$ 801.25	$ 801.25	$ 801.25	$ 787.81
Acute Semi-Integrated	$ 800.81	$ 800.81	$ 800.81	$ 587.16	$ 587.16	$ 587.16	$ 587.16	$ 587.16	$ 587.16	$ 587.16	$ 587.16	$ 587.16	$ 640.20
CRS Only	$ 477.12	$ 477.12	$ 477.12	$ 475.31	$ 475.31	$ 475.31	$ 481.28	$ 481.28	$ 481.28	$ 481.28	$ 481.28	$ 481.28	$ 478.76
Overal PMPM	$ 794.42	$ 794.42	$ 794.42	$ 809.83	$ 809.83	$ 809.83	$ 819.48	$ 819.48	$ 819.48	$ 819.48	$ 819.48	$ 819.48	$ 810.85

SFY18

	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
Capitation Expenditures													
Fully Integrated	14,832,470	14,854,944	14,877,418	15,346,889	15,370,037	15,393,186	15,416,334	15,439,482	15,462,631	15,485,779	15,508,928	15,532,076	183,520,175
BHS Semi-Integrated	5,340,513	5,348,605	5,356,697	5,525,733	5,534,067	5,542,402	5,550,737	5,559,071	5,567,406	5,575,741	5,584,076	5,592,410	66,077,458
Acute Semi-Integrated	109,318	109,484	109,650	113,110	113,280	113,451	113,622	113,792	113,963	114,133	114,304	114,475	1,352,582
CRS Only	567,023	567,882	568,742	586,689	587,574	588,459	589,344	590,228	591,113	591,998	592,883	593,768	7,015,704
Total Cap Expenditures	20,849,325	20,880,916	20,912,507	21,572,420	21,604,959	21,637,497	21,670,036	21,702,575	21,735,113	21,767,652	21,800,190	21,832,729	257,965,918
Member Months													
Fully Integrated	17,413	17,439	17,465	17,492	17,518	17,545	17,571	17,597	17,624	17,650	17,677	17,703	210,694
BHS Semi-Integrated	6,665	6,675	6,685	6,695	6,706	6,716	6,726	6,736	6,746	6,756	6,766	6,776	80,649
Acute Semi-Integrated	186	186	187	187	187	188	188	188	188	189	189	189	2,253
CRS Only	1,178	1,180	1,182	1,184	1,185	1,187	1,189	1,191	1,192	1,194	1,196	1,198	14,256
Total CRS Member Months	25,442	25,481	25,519	25,558	25,596	25,635	25,674	25,712	25,751	25,789	25,828	25,866	307,851
PMPM's													
Fully Integrated	$ 851.82	$ 851.82	$ 851.82	$ 877.37	$ 877.37	$ 877.37	$ 877.37	$ 877.37	$ 877.37	$ 877.37	$ 877.37	$ 877.37	$ 871.03
BHS Semi-Integrated	$ 801.25	$ 801.25	$ 801.25	$ 825.29	$ 825.29	$ 825.29	$ 825.29	$ 825.29	$ 825.29	$ 825.29	$ 825.29	$ 825.29	$ 819.32
Acute Semi-Integrated	$ 587.16	$ 587.16	$ 587.16	$ 604.77	$ 604.77	$ 604.77	$ 604.77	$ 604.77	$ 604.77	$ 604.77	$ 604.77	$ 604.77	$ 600.40
CRS Only	$ 481.28	$ 481.28	$ 481.28	$ 495.72	$ 495.72	$ 495.72	$ 495.72	$ 495.72	$ 495.72	$ 495.72	$ 495.72	$ 495.72	$ 492.13
Overal PMPM	$ 819.48	$ 819.48	$ 819.48	$ 844.06	$ 844.06	$ 844.06	$ 844.06	$ 844.06	$ 844.06	$ 844.06	$ 844.06	$ 844.06	$ 837.96

Arizona Health Care Cost Containment System

CRS Reinsurance Budget (FY 2016 - FY 2018)

SFY16	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
CRS RI Expenditures	2,189,498	1,498,470	1,869,623	2,006,971	934,360	2,963,908	189,912	3,233,118	1,312,151	1,912,964	1,817,805	1,824,545	21,753,325
CRS MM	24,833	24,862	24,985	25,084	25,008	25,121	24,987	24,889	24,956	24,895	24,903	24,828	299,351
PMPM	88.17	60.27	74.83	80.01	37.36	117.98	7.60	129.90	52.58	76.84	73.00	73.49	72.67

SFY17	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
CRS RI Expenditures	1,800,693	1,803,472	1,806,251	1,863,301	1,866,163	1,869,025	1,871,888	1,874,750	1,877,612	1,880,474	1,883,337	1,886,199	22,283,164
CRS MM	24,980	25,018	25,057	25,095	25,134	25,172	25,211	25,250	25,288	25,327	25,365	25,404	302,300
PMPM	72.09	72.09	72.09	74.25	74.25	74.25	74.25	74.25	74.25	74.25	74.25	74.25	73.71

SFY18	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
CRS RI Expenditures	1,889,061	1,891,924	1,894,786	1,954,578	1,957,526	1,960,474	1,963,422	1,966,370	1,969,319	1,972,267	1,975,215	1,978,163	23,373,104
CRS MM	25,442	25,481	25,519	25,558	25,596	25,635	25,674	25,712	25,751	25,789	25,828	25,866	307,851
PMPM	74.25	74.25	74.25	76.48	76.48	76.48	76.48	76.48	76.48	76.48	76.48	76.48	75.92

*Actuals through June 2016. July 2016 rate based on weighted average of October 2015 through June 2016 and inflated by 3% in October 2017 and by another 3% in October 2018.

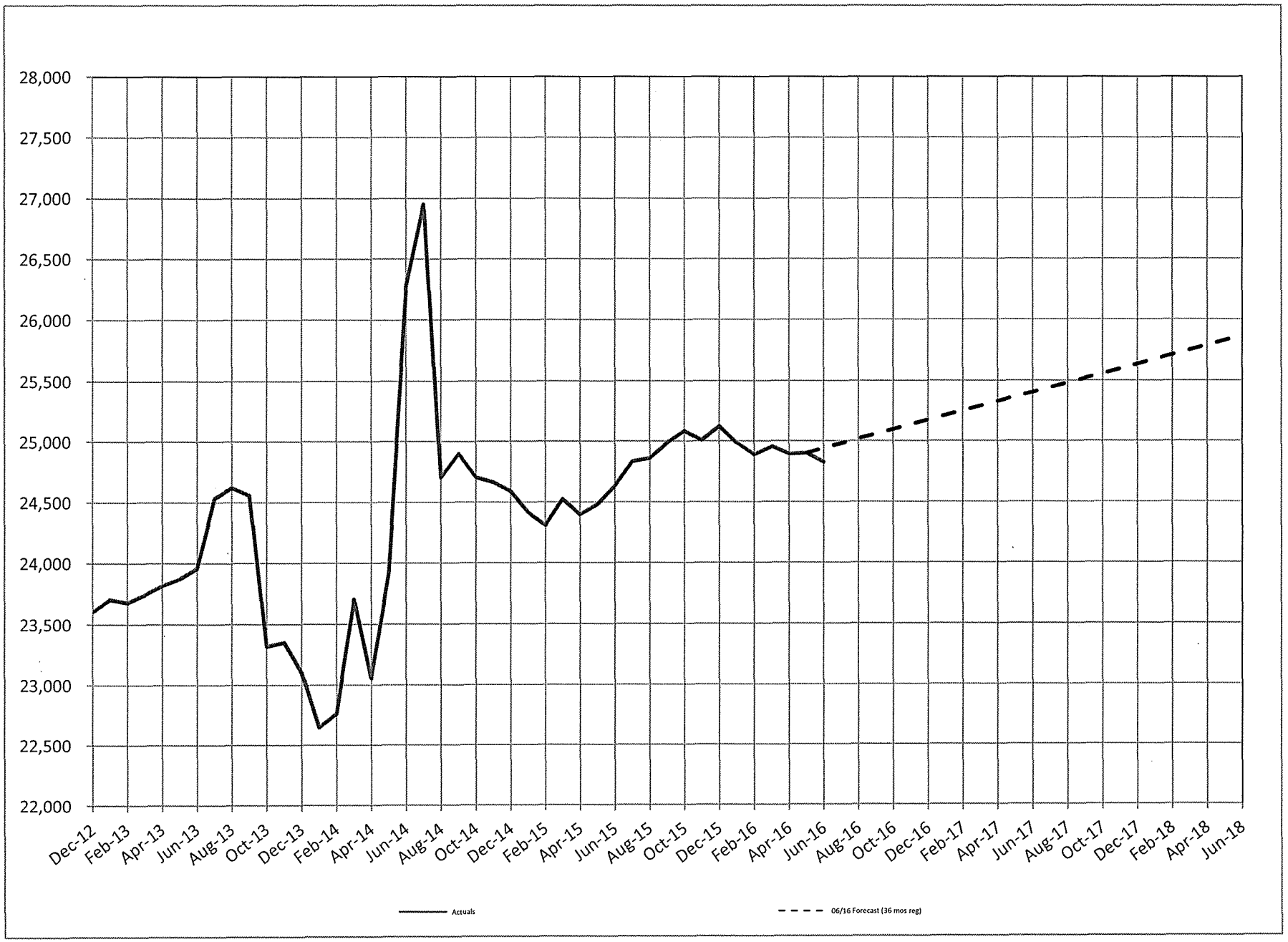
CRS Member Months

	MEMBER MONTHS ACTUAL (1)	PERCENT QTR.GROWTH	MEMBER MONTHS FORECAST (2)	SFY TOTAL	YEAR TO YEAR GROWTH %	JUNE TO JUNE GROWTH %	
2012.3	70,866	-0.51%					
2012.4	70,662	-0.29%					
2013.1	71,126	0.66%					
2013.2	71,644	0.73%		284,297	1.08%	1.50%	SFY 12-13
2013.3	73,709	2.88%					
2013.4	69,766	-5.35%					
2014.1	69,116	-0.93%					
2014.2	73,241	5.97%		285,833	0.54%	9.65%	SFY 13-14
2014.3	76,557	4.53%					
2014.4	73,955	-3.40%					
2015.1	73,251	-0.95%					
2015.2	73,507	0.35%		297,270	4.00%	-6.23%	SFY 14-15
2015.3	74,680	1.60%					
2015.4	75,213	0.71%					
2016.1	74,832	-0.51%					
2016.2	74,626	-0.27%		299,351	0.70%	1.25%	SFY 15-16
2016.3		0.57%	75,055				
2016.4		0.46%	75,402				
2017.1		0.46%	75,749				
2017.2		0.46%	76,095	302,300	0.99%	1.85%	SFY 16-17
2017.3		0.46%	76,442				
2017.4		0.45%	76,789				
2018.1		0.45%	77,136				
2018.2		0.45%	77,483	307,851	1.84%	1.82%	SFY 17-18

Observations:	36
Adj. R Square:	0.1959
Standard Error:	779

(1) PMMIS
(2) Based on 36 Month Regression Forecast
May 2016 actuals included in base for forecast.

Total CRS Member Months



Program Summary of Expenditures and Budget Request

Agency: HCA Arizona Health Care Cost Containment System
Program: 7 Children's Rehabilitative Services

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Summary					
7-7	SLI Children's Rehabilitative Services	250,423.1	275,375.7	5,963.1	281,338.8
	Program Summary Total:	250,423.1	275,375.7	5,963.1	281,338.8
Expenditure Categories					
0000	FTE Positions	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	249,229.9	273,974.8	5,932.8	279,907.6
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	1,193.2	1,400.9	30.3	1,431.2
	Expenditure Categories Total:	250,423.1	275,375.7	5,963.1	281,338.8
Fund Source					
Appropriated Funds					
1000-A	General Fund (Appropriated)	72,346.9	84,937.9	984.3	85,922.2
		72,346.9	84,937.9	984.3	85,922.2
Non-Appropriated Funds					
2120-N	AHCCCS Fund (Non-Appropriated)	178,076.2	190,437.8	4,978.8	195,416.6
		178,076.2	190,437.8	4,978.8	195,416.6
	Fund Source Total:	250,423.1	275,375.7	5,963.1	281,338.8

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 7 Children's Rehabilitative Services

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Fund: 1000-A General Fund (Appropriated)				
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
7-7 SLI Children's Rehabilitative Services	72,346.9	84,937.9	984.3	85,922.2
Total	72,346.9	84,937.9	984.3	85,922.2
Appropriated Funding				
Expenditure Categories				
FTE Positions	0.0	0.0	0.0	0.0
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	71,153.7	83,537.0	979.3	84,516.3
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	1,193.2	1,400.9	5.0	1,405.9
Expenditure Categories Total:	72,346.9	84,937.9	984.3	85,922.2
Fund 1000-A Total:	72,346.9	84,937.9	984.3	85,922.2
Program 7 Total:	72,346.9	84,937.9	984.3	85,922.2

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 7 Children's Rehabilitative Services

Fund: 2120-N AHCCCS Fund (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
7-7 SLI Children's Rehabilitative Services	178,076.2	190,437.8	4,978.8	195,416.6
Total	178,076.2	190,437.8	4,978.8	195,416.6
Non-Appropriated Funding				
Expenditure Categories				
FTE Positions	0.0	0.0	0.0	0.0
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	178,076.2	190,437.8	4,953.5	195,391.3
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	25.3	25.3
Expenditure Categories Total:	178,076.2	190,437.8	4,978.8	195,416.6
Fund 2120-N Total:	178,076.2	190,437.8	4,978.8	195,416.6
Program 7 Total:	178,076.2	190,437.8	4,978.8	195,416.6

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 7-1 SLI Children's Rehabilitative Services

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	249,229.9	273,974.8	5,932.8	279,907.6
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	1,193.2	1,400.9	30.3	1,431.2
	Expenditure Categories Total:	250,423.1	275,375.7	5,963.1	281,338.8
Fund Source					
Appropriated Funds					
1000-A	General Fund (Appropriated)	72,346.9	84,937.9	984.3	85,922.2
		72,346.9	84,937.9	984.3	85,922.2
Non-Appropriated Funds					
2120-N	AHCCCS Fund (Non-Appropriated)	178,076.2	190,437.8	4,978.8	195,416.6
		178,076.2	190,437.8	4,978.8	195,416.6
	Fund Source Total:	250,423.1	275,375.7	5,963.1	281,338.8

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 7-1 SLI Children's Rehabilitative Services

Fund: 1000-A General Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	71,153.7	83,537.0	979.3	84,516.3
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	1,193.2	1,400.9	5.0	1,405.9
	Appropriated Total:	72,346.9	84,937.9	984.3	85,922.2
Fund Total:		72,346.9	84,937.9	984.3	85,922.2
Program Total For Selected Funds:		72,346.9	84,937.9	984.3	85,922.2

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 7-1 SLI Children's Rehabilitative Services

Fund: 2120-N AHCCCS Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Non-Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	178,076.2	190,437.8	4,953.5	195,391.3
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	25.3	25.3
Non-Appropriated Total:		178,076.2	190,437.8	4,978.8	195,416.6
Fund Total:		178,076.2	190,437.8	4,978.8	195,416.6
Program Total For Selected Funds:		178,076.2	190,437.8	4,978.8	195,416.6

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 7-7 SLI Children's Rehabilitative Services

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	0.0	0.0
Boards and Commissions	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	0.0	0.0
Attorney General Legal Services	0.0	0.0
External Legal Services	0.0	0.0
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	0.0	0.0
Hospital Services	0.0	0.0
Other Medical Services	0.0	0.0
Institutional Care	0.0	0.0
Education And Training	0.0	0.0
Vendor Travel	0.0	0.0
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0
Other Professional And Outside Services	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 7-7 SLI Children's Rehabilitative Services

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	249,229.9	273,974.8
Expenditure Category Total	249,229.9	273,974.8
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	71,153.7	83,537.0
	71,153.7	83,537.0
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	178,076.2	190,437.8
	178,076.2	190,437.8
Fund Source Total	249,229.9	273,974.8

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	0.0	0.0
Information Technology Services	0.0	0.0
Utilities	0.0	0.0
Non-Building or Land Rent	0.0	0.0
Building Rent Charges to State Agencies	0.0	0.0
COP Building Rent Charges to State Agencies	0.0	0.0
Rental of Land & Buildings	0.0	0.0
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	0.0	0.0
Repair & Maintenance	0.0	0.0
Software Support and Maintenance	0.0	0.0
Operating Supplies	0.0	0.0
Resale Supplies	0.0	0.0
Sales of Assets	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 7-7 SLI Children's Rehabilitative Services

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Conference, Education & Training	0.0	0.0
Advertising	0.0	0.0
Printing & Photography	0.0	0.0
Postage & Delivery	0.0	0.0
Miscellaneous Operating	0.0	0.0
Depreciation Expense	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	0.0	0.0
Vehicles - Non-Capital	0.0	0.0
Furniture - Non-Capital	0.0	0.0
EDP Equipment - Mainframe - Non-Capital	0.0	0.0
Telecommunication Equipment - Non Capital	0.0	0.0
Other Equipment - Non-Capital	0.0	0.0
Purchased Or Licensed Software/Website	0.0	0.0
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 7-7 SLI Children's Rehabilitative Services

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	1,193.2	1,400.9
Expenditure Category Total	**1,193.2**	**1,400.9**
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	1,193.2	1,400.9
	1,193.2	**1,400.9**
Fund Source Total	**1,193.2**	**1,400.9**

SCHOOL BASED SERVICES – PROGRAMMATIC PASS-THROUGH

DIRECT SERVICE CLAIMS (DSC) PROGRAM DESCRIPTION/BACKGROUND

Under the Individuals with Disabilities Education Act (IDEA), Part B, states are required to make available special education and related services that are necessary for students with disabilities to obtain a free and appropriate public education. Some of these services provided to Title XIX eligible children by the school under IDEA are covered by Title XIX, which reimburses schools as qualified providers.

AHCCCS, in cooperation with the Arizona Department of Education (ADOE), launched the program in January 2001. Under the program, the local education agencies (LEAs) which include public school districts, certain charter schools and the Arizona School for the Deaf and Blind, are allowed to bill AHCCCS directly on a cost-based methodology for the provision of certain AHCCCS covered services. These services must be provided to Title XIX and IDEA eligible children.

As a result of the CMS approved Arizona State Plan Amendment (SPA) No. 11-007, the reimbursement methodology for school-based claiming was revised in order to enhance the identification of actual costs and improve the accuracy of claims reimbursement. Prior to July 1, 2011, LEAs billed AHCCCS using a fee-for-service fee schedule; it is now paid on a cost-based methodology. The cost-based methodology includes an interim fee-for-service payment and a reconciliation of final costs versus estimated costs within a two-year period after the end of a fiscal year. The SFY2016 reconciliation payment estimate is $32,834,000; this includes the FY2013 reconciliation payment of $15,966,000 and the FY 2014 reconciliation payment estimate of $16,868,000. The SFY2017 reconciliation payment estimate related to SFY2015 claims is $16,158,000.

At the end of June 2015, there were roughly 104 LEAs participating in the program. The LEAs submit their claims through a third party vendor. The Centers for Medicare and Medicaid Services (CMS) reimburses LEAs according to the applicable FMAP for the contract year the Medicaid services are provided and also 50% of the third party vendor's administrative charges.

It is assumed that the FMAP will increase from 69.24% in FFY 2017 to 69.53% in FFY 2018 based on Federal Funds Information for States (FFIS) in Issue Brief 16-14 (March 25, 2016).

FFY	FMAP
Oct. 2015 – Sept. 2016	68.92%
Oct. 2016 – Sept. 2017	69.24%
Oct. 2017 – Sept. 2018	69.53%

As the single state Medicaid Agency for Arizona, AHCCCS draws down the Title XIX Federal Match for this program and passes those dollars through to the LEAs. Although AHCCCS only passes-through the Federal portion of the claims to the LEAs, by contract, each LEA must certify that it has met the state match requirement.

DSC METHODOLOGY

Based on recent data collections, AHCCCS assumes that the DSC program expenditures will grow but at a 2.5% annual rate for FY2017 and FY2018.

FY 2018 DSC EXPENDITURES

The DSC program Federal share expenditures are expected to decrease by $15,454,900 compared to the FY2016 estimate. The primary cause of the decrease is the later-than-expected payment of the 2013 Reconciliation in FY2016. See the table below for further explanation.

	FY 2016 Actual	FY 2017 Rebase	FY 2018 Request	FY 2018 Change
Direct Service	22,504,308	23,066,900	23,643,600	576,700
TPA Fee	2,179,146	2,233,600	2,289,500	55,900
Reconciliation Pymnts	15,542,590	16,435,900	17,180,000	744,100
DSC Total	40,226,044	41,736,400	43,113,100	1,376,700

MEDICAID ADMINISTRATIVE CLAIMING (MAC) PROGRAM DESCRIPTION/BACKGROUND

The Federal government permits state Medicaid agencies to claim reimbursement for activities that are necessary for the proper and efficient administration of the Medicaid state plan. Children receiving appropriate health services are better prepared to succeed in school, and in life, since poor health can interfere with the learning process.

The program, which was initiated in May 1997, reimburses LEAs for the cost of administrative activities, such as outreach, which support the Medicaid program. Schools are often involved in informing families of their potential eligibility for Medicaid or in helping them arrange medical appointments for the children. These activities are considered "administrative," and schools are able to receive reimbursement through Medicaid.

In May 2003, CMS published a comprehensive guide, entitled: "Medicaid School-Based Administrative Claiming Guide." The purpose of the guide was to inform schools, state Medicaid agencies, and other interested parties on the appropriate methods for claiming federal reimbursement for the costs of Medicaid administrative activities performed in the school setting.

The CMS guide, which was effective October 1, 2003, contains many significant changes related to the definition of claimable administrative costs and the time study procedure. AHCCCS experienced a significant decrease in claims following implementation of the guide.

MAC METHODOLOGY

MAC expenditures have been volatile since FY2005; therefore, AHCCCS assumed the MAC cost to be maintained at the FY2016 amount for both FY2017 and FY2018.

FY 2018 MAC EXPENDITURES

The following table summarizes cost estimates (Federal share only):

	FY 2016 Actual	FY 2017 Rebase	FY 2018 Request	FY 2018 Change
MAC	4,089,662	4,089,700	4,089,700	-

STATUTORY AUTHORITY

Individuals with Disabilities Education Act (IDEA)
Section 504 of the Rehabilitation Act of 1973
EPSDT (42 CFR Part 441, subpart B)
Allowable administrative claiming procedures (45 CFR parts 74 and 75)
SPA Amendment No. 11-007

- Attachment 3.1-A Limitations, pages 3-5(b)
- Attachment 4.19-B, pages 10-16

Arizona Health Care Cost Containment System
Fiscal Year 2018 Budget Submittal
School Based Services Program

	FY 2016 Actual	FY 2017 Rebase	FY 2018 Request	FY 2018 Change
Direct Service	22,504,308	23,066,900	23,643,600	576,700
TPA Fee	2,179,146	2,233,600	2,289,500	55,900
Reconciliation Pymnts	15,542,590	16,435,900	17,180,000	744,100
DSC Total	40,226,044	41,736,400	43,113,100	1,376,700
MAC	4,089,662	4,089,700	4,089,700	-
Total	44,315,705	45,826,100	47,202,800	1,376,700

Notes:
1) Budget is federal funds only.

Arizona Health Care Cost Containment System
Fiscal Year 2018
School Based Services Program

		Direct Services	TPA Fee	Reconciliation	DSC Total	MAC	Total
SFY 16	Q1	4,575,587	653,779	-	5,229,366	948,184	6,177,550
	Q2	4,575,174	407,923	15,542,590	20,525,687	1,197,939	21,723,626
	Q3	6,045,356	475,825	-	6,521,180	600,491	7,121,671
	Q4	7,308,191	641,620	-	7,949,810	1,343,048	9,292,858
	Total	22,504,308	2,179,146	15,542,590	40,226,044	4,089,662	44,315,705
SFY 17	Q1	4,690,000	670,100	16,435,900	21,796,000	948,200	22,744,200
	Q2	4,689,600	418,100	-	5,107,700	1,198,000	6,305,700
	Q3	6,196,500	487,700	-	6,684,200	600,500	7,284,700
	Q4	7,490,800	657,700	-	8,148,500	1,343,000	9,491,500
	Total	23,066,900	2,233,600	16,435,900	41,736,400	4,089,700	45,826,100
SFY 18	Q1	4,807,200	686,800	17,180,000	22,674,000	948,200	23,622,200
	Q2	4,806,800	428,500	-	5,235,300	1,198,000	6,433,300
	Q3	6,351,400	499,900	-	6,851,300	600,500	7,451,800
	Q4	7,678,200	674,300	-	8,352,500	1,343,000	9,695,500
	Total	23,643,600	2,289,500	17,180,000	43,113,100	4,089,700	47,202,800

Notes:

(1) DSC (Direct Service Claims)
Beginning SFY 16, Direct Services for Acute and LTC are both paid as AHCCCS Fund 2120. PMMIS actuals may not match AFIS.
SFY17-18 expenditure forecasts assume a 2.5% increase from the previous year due to recent data collections and audit experience.

(2) MAC (Medicaid Administrative Claiming)
SFY16-17 estimates assume a 0.0% annual change due to continued volatility in the expenditure trend.

(3) Reconciliation payments are related to the reimbursement methodology change on July 1, 2011 and are expected to occur annually.

(4) Amounts are Federal Funds only.

Program Summary of Expenditures and Budget Request

Agency: HCA Arizona Health Care Cost Containment System
Program: 8 Medicaid in the Public Schools

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Summary					
8-8	Medicaid in the Public Schools	44,315.7	45,826.1	1,376.7	47,202.8
	Program Summary Total:	44,315.7	45,826.1	1,376.7	47,202.8
Expenditure Categories					
0000	FTE Positions	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	6,268.8	6,323.3	0.0	6,323.3
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	38,046.9	39,502.8	1,376.7	40,879.5
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Expenditure Categories Total:	44,315.7	45,826.1	1,376.7	47,202.8
Fund Source					
Non-Appropriated Funds					
2120-N	AHCCCS Fund (Non-Appropriated)	44,315.7	45,826.1	1,376.7	47,202.8
		44,315.7	45,826.1	1,376.7	47,202.8
	Fund Source Total:	44,315.7	45,826.1	1,376.7	47,202.8

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 8 Medicaid in the Public Schools

Fund: 2120-N AHCCCS Fund (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
8-8 Medicaid in the Public Schools	44,315.7	45,826.1	1,376.7	47,202.8
Total	44,315.7	45,826.1	1,376.7	47,202.8
Non-Appropriated Funding				
Expenditure Categories				
FTE Positions	0.0	0.0	0.0	0.0
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	6,268.8	6,323.3	0.0	6,323.3
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	38,046.9	39,502.8	1,376.7	40,879.5
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	44,315.7	45,826.1	1,376.7	47,202.8
Fund 2120-N Total:	44,315.7	45,826.1	1,376.7	47,202.8
Program 8 Total:	44,315.7	45,826.1	1,376.7	47,202.8

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 8-1 Medicaid in the Public Schools

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	6,268.8	6,323.3	0.0	6,323.3
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	38,046.9	39,502.8	1,376.7	40,879.5
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Expenditure Categories Total:	44,315.7	45,826.1	1,376.7	47,202.8

Fund Source				
Non-Appropriated Funds				
2120-N AHCCCS Fund (Non-Appropriated)	44,315.7	45,826.1	1,376.7	47,202.8
	44,315.7	45,826.1	1,376.7	47,202.8
Fund Source Total:	44,315.7	45,826.1	1,376.7	47,202.8

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 8-1 Medicaid in the Public Schools

Fund: 2120-N AHCCCS Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Non-Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	6,268.8	6,323.3	0.0	6,323.3
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	38,046.9	39,502.8	1,376.7	40,879.5
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Non-Appropriated Total:		44,315.7	45,826.1	1,376.7	47,202.8
Fund Total:		44,315.7	45,826.1	1,376.7	47,202.8
Program Total For Selected Funds:		44,315.7	45,826.1	1,376.7	47,202.8

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 8-8 Medicaid in the Public Schools

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	0.0	0.0
Boards and Commissions	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	0.0	0.0
Attorney General Legal Services	0.0	0.0
External Legal Services	0.0	0.0
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	0.0	0.0
Hospital Services	0.0	0.0
Other Medical Services	0.0	0.0
Institutional Care	0.0	0.0
Education And Training	0.0	0.0
Vendor Travel	0.0	0.0
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0
Other Professional And Outside Services	6,268.8	6,323.3
Expenditure Category Total	**6,268.8**	**6,323.3**

Fund Source		
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	6,268.8	6,323.3
	6,268.8	**6,323.3**
Fund Source Total	**6,268.8**	**6,323.3**

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All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 8-8 Medicaid in the Public Schools

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	38,046.9	39,502.8
Expenditure Category Total	**38,046.9**	**39,502.8**
Fund Source		
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	38,046.9	39,502.8
	38,046.9	39,502.8
Fund Source Total	**38,046.9**	**39,502.8**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	0.0	0.0
Information Technology Services	0.0	0.0
Utilities	0.0	0.0
Non-Building or Land Rent	0.0	0.0
Building Rent Charges to State Agencies	0.0	0.0
COP Building Rent Charges to State Agencies	0.0	0.0
Rental of Land & Buildings	0.0	0.0
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	0.0	0.0
Repair & Maintenance	0.0	0.0
Software Support and Maintenance	0.0	0.0
Operating Supplies	0.0	0.0
Resale Supplies	0.0	0.0
Sales of Assets	0.0	0.0
Conference, Education & Training	0.0	0.0
Advertising	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 8-8 Medicaid in the Public Schools

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Printing & Photography	0.0	0.0
Postage & Delivery	0.0	0.0
Miscellaneous Operating	0.0	0.0
Depreciation Expense	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	0.0	0.0
Vehicles - Non-Capital	0.0	0.0
Furniture - Non-Capital	0.0	0.0
EDP Equipment - Mainframe - Non-Capital	0.0	0.0
Telecommunication Equipment - Non Capital	0.0	0.0
Other Equipment - Non-Capital	0.0	0.0
Purchased Or Licensed Software/Website	0.0	0.0
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 8-8 Medicaid in the Public Schools

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

All dollars are presented in thousands (not FTE).

AFFORDABLE CARE ACT

MEDICAID ELIGIBILITY EXPANSION – NEWLY ELIGIBLE ADULTS

On March 23, 2010, President Obama signed into law the Patient Protection and Affordable Care Act (ACA). The ACA includes the largest eligibility expansion in the history of the Medicaid program. Beginning in 2014, the ACA extends Medicaid coverage to all individuals between ages 19 and 64 with incomes up to 133% of FPL. Note that the ACA also includes an eligibility "simplification" by relying on a single "Modified Adjusted Gross Income" (MAGI) standard for determining eligibility which, in the case of Arizona, effectively makes the new standard 138% of FPL.

Laws 2013, First Special Session, Chapter 10 established a new a new category of eligibility for persons between 100%-133% FPL and established the Hospital Assessment Fund as the state match source for the Proposition 204 and Newly Eligible Adult populations, when necessary.

The estimated cost of adult expansion for SFY 2016 was $405,687,600 Total Fund. This program is funded 100% with federal funds through December 31, 2016. Beginning January 1, 2017, the federal matching rate decreases to 95%. For SFY 2017 costs are estimated at $467,867,300 of which $11,463,900 will be State Match paid from the Hospital Assessment. For SFY 2018, the cost of this program is estimated at $514,001,900 Total Fund ($27,183,700 SM from Hospital Assessment).

STATUTORY AUTHORITY:

Patient Protection and Affordable Care Act (ACA)
Laws 2013, First Special Session, Chapter 10

Newly Eligible Adults - Methodology

MEMBER GROWTH

After a lower than anticipated initial presentation rate, this program continues to grow rapidly. From June 2015 to June 2016 capitated members grew from 60,543 to 79,895, an increase of 32.0%. This is far slower than the growth during the period from June 2014 to June 2015 of 182.6%, but still far exceeding our initial expectations. Still, growth has slowed in recent months and even declined from 82,697 in May 2016 to 79,895 in June 2016. We believe that this population has reached saturation and therefore feel comfortable using a conservative exponential smoothing method (Holt-Winters) which forecasts an annual growth rate of 6.40% from June 2016 to June 2017 and an annual growth rate of 6.56% from June 2017 to June 2018.

During the period of rapid growth during phase-in, the ratio of prior period to regular member months was also far higher than usual. Since this time, prior period member months have reverted to a more usual 2.8% of prospective member months. This percentage was applied to prospective member month projections for this population in order to project prior period member months through FY 2018.

The original forecast assumed a 70% presentation of the total uninsured adults between 100% and 133% of the federal poverty level based on US Census Bureau, Current Population Survey (CPS) Annual Social and Economic Supplement, 2009-2011 (adjusted for citizenship using the CPS "Nativity" indicator). The presentation rate resulted in a total presentation of 58,030. Approximately 92.71% of these new enrollees were expected to be capitated in Managed Care Organizations, with the remaining 7.29% enrolling in the fee-for-service American Indian Health Plan (AIHP). Because of the growth experienced in this population, it is now believed that the presentation rate is much higher than 70%, perhaps as high as 90%. Also, income disregards under MAGI increase the effective eligibility level for this program to 138% of the federal poverty level per 42 CFR §435.603(d)(1).

CAPITATION RATES

AHCCCS anticipates the Newly Eligible Adults population to differ from the current risk groups, thus AHCCCS actuaries established a new risk group and capitation rate for this population. Capitation rates for this program are shown in the table below:

	Prospective	Prop %	PPC	PPC%
Jan. 2016-Sept. 2016	370.43		330.86	
CY 17 estimate	389.40	5.12%	330.43	-0.13%
CY 18 estimate	401.08	3.00%	340.34	3.00%

The following assumptions were employed in the FY18 Budget Development:

1) AHCCCS has experienced some births within this population, even though, once reported, the individual will be shifted to the SOBRA Pregnant women category. These births were projected by using historical ratios of births per one thousand for the childless adult population and distributing them according to seasonal factors from CY 14 and CY 15.

2) The Fee-for-Service costs for newly eligible adults being served through the AIHP are based on the average PMPMs for both IHS Facilities and Non-Facilities for October 2015 through June 2016. The average IHS Facility rate of $408.31 is increased by 4.71%, the weighted inpatient/outpatient Prop. 204 IHS Facility inflation rate, in January of FY 2017 and FY 2018. The average Non-Facility rate of $261.03 is increased by 2.71% in October FY 2017 and by 2.81% in October 2018; these percentages are based on the weighted inpatient/outpatient Prop. 204 IHS Non-Facility inflation rates for Prop. 204. The total FFS estimate includes Prior Quarter.

3) Childless Adult FES is included in this eligibility category since this population was not previously eligible for services prior to the expansion. Total expenditures are based on the combined monthly forecast growth rates of NEA member months and medical cost inflation.

4) The reinsurance portion of the NEA population are based on the average PMPM for this population for CY 2016 of $5.39 inflated by 3.9% in October 2016 to $5.60 and by an additional 3.9% to $5.82 in October 2017. CY 17 and CY 18 inflation rates are based on DHCM estimates.

ACA HEALTH INSURER FEE

The ACA includes an $8.0 billion fee on the health insurance industry beginning in 2014. This health insurer fee (HIF) increases to $14.3 billion by 2018 and is then indexed to the rate of premium growth thereafter as shown in the table below. The previous 2017 fee amount does not shift to 2018; the applicable amount for fee year 2018 remains at $14.3 billion (see Treas. Reg. § 57.4(a)(3)).

Fee Year	Applicable Amount
2014	$ 8,000,000,000
2015	$11,300,000,000
2016	$11,300,000,000
2017 (Moratorium)	$13,900,000,000
2018	$14,300,000,000
2019 and thereafter	The applicable amount in the preceding fee year increased by the rate of premium growth (within the meaning of section 36B(b)(3)(A)(ii).

The fee is considered an excise tax and is nondeductible for income tax purposes. CMS mandates actuarially sound Medicaid managed care capitation rates that allow participating insurers to cover projected expenses. Therefore this fee impacts Medicaid managed care expenditures.

The CMS currently approved payment methodology for this fee is a mass adjustment to capitation payments. It is anticipated that, most if not all, health plans will get tax filing extensions. As a result, AHCCCS makes one payment in the fall that includes an estimate for the tax liability. If there is a material difference in the final tax filings an additional adjustment is made.

The FMAP applied is the FMAP in effect for the month of the capitation adjustment. The payments made in FY 2017 (for the Calendar Year 2016 fee) will adjust capitation for October 2015 and use the FMAP in effect on that date. There will be no payment in FY 2018 because the Consolidated Appropriations Act of 2016, Title II, § 201, Moratorium on Annual Fee on Health Insurance Providers, suspends collection of the health insurance provider fee for the 2017 calendar year. Thus, health insurers are not required to pay these fees for calendar year 2017.

In total funds, the Medicaid system paid $90.4 million in FY 2016 for the 2015 Fee Year. In FY 2017, the fee is projected to increase to $103.1 million due to caseload increases which will increase revenue for Medicaid health plans and, thus, increase the amount required in reimbursement.

The allocation by program for FY 2017 (Acute, CRS, EDP, DD, and BHS, etc.) is based on the corresponding percentage of total FY 2016 actual HIF payments.

Based on projected amounts and allocation methodology, the FY 2017 impact of this fee for Newly Eligible Adults is $2,348,500 Total Fund (100% Federal Funds).

No health insurer provider fees will be paid in FY 2018 generating a one-time cost savings of $2,888,900 100% Federal Funds). This fee will be back in effect for FY 2019 and generate a cost increase of $2,972,000 ($148,600 General Fund).

The Consolidated Appropriations Act of 2016, Title II, § 201, Moratorium on Annual Fee on Health Insurance Providers, suspends collection of the health insurance provider fee for the 2017 calendar year. Thus, health insurance issuers are not required to pay these fees for 2017.

Newly Eligible FMAP

Beginning in January 2017 the Newly Eligible FMAP will no longer be 100%. For each Calendar Year after 2007, the Newly Eligible FMAP is decremented by 1 percentage point, until 2020 when it has a final reduction of 3 percentage points to a floor of 90%.

PROPOSED SOLUTION

AHCCCS is requesting an additional $51,717,300 in Total Funds ($20,922,200 State Match is funded by the Hospital Assessment) for ACA Newly Eligible Adult population over the FY 2017 Appropriation.

		FY 2016 Actual	FY 2017 Appropriation	FY 2017 Rebase	FY 2018 Request	FY 2018 Increase
Capitation	(SM)	-	5,320,600	10,153,900	24,076,300	18,755,700
	(TF)	333,338,300	392,817,700	395,565,900	436,910,300	44,092,600
Fee-for-Service	(SM)	-	867,000	1,169,000	2,771,500	1,904,500
	(TF)	59,951,700	64,011,800	64,459,600	70,998,600	6,986,800
Reinsurance	(SM)	-	73,900	141,000	335,900	262,000
	(TF)	4,871,500	5,455,100	5,493,300	6,093,000	637,900
Integrated Phys. Health	(SM)	-	-	-	-	-
	(TF)	5,121,000	-	-	-	-
Reconciliations	(SM)	-	-	-	-	-
	(TF)	-	-	-	-	-
Medicare PCP Rate Incrase	(SM)	-	-	-	-	-
	(TF)	344,800	-	-	-	-
ACA Health Insurer Fee	(SM)	-	-	-	-	-
	(TF)	2,060,300	-	2,348,500	-	-
	(SM)	-	6,261,500	11,463,900	27,183,700	20,922,200
Grand Total	(TF)	405,687,600	462,284,600	467,867,300	514,001,900	51,717,300

Note: The FY17 appropriation was allocated based on the percentage of each expenditure line in the SFY 17 rebase excluding reconciliations, HIF, and Medicare PCP Rate Increase.

Performance Measures to quantify the success of the solution:

- AHCCCS member enrollment in Newly Eligible Adults.
- Maintain the % of overall Health Plan compliance with key indicators at ≥99%.

Arizona Health Care Cost Containment System
Fiscal Year 2018 Budget
ACA Newly Eligible Adults

		FY 2016 Actual	FY 2017 Appropriation	FY 2017 Rebase	FY 2018 Request	FY 2018 Increase
Capitation	(SM)	-	5,320,600	10,153,900	24,076,300	18,755,700
	(TF)	333,338,300	392,817,700	395,565,900	436,910,300	44,092,600
Fee-for-Service	(SM)	-	867,000	1,169,000	2,771,500	1,904,500
	(TF)	59,951,700	64,011,800	64,459,600	70,998,600	6,986,800
Reinsurance	(SM)	-	73,900	141,000	335,900	262,000
	(TF)	4,871,500	5,455,100	5,493,300	6,093,000	637,900
Integrated Phys. Health	(SM)	-	-	-	-	-
	(TF)	5,121,000	-	-	-	-
Reconciliations	(SM)	-	-	-	-	-
	(TF)	-	-	-	-	-
Medicare PCP Rate Incrase	(SM)	-	-	-	-	-
	(TF)	344,800	-	-	-	-
ACA Health Insurer Fee	(SM)	-	-	-	-	-
	(TF)	2,060,300	-	2,348,500	-	-
	(SM)	-	6,261,500	11,463,900	27,183,700	20,922,200
Grand Total	(TF)	405,687,600	462,284,600	467,867,300	514,001,900	51,717,300

Note: The FY17 appropriation was allocated based on the percentage of each expenditure line in the SFY 17 rebase excluding reconciliations, HIF, and Medicare PCP Rate Increase.

ACA NEWLY ELIGIBLE ADULTS, ARIZONA FISCAL YEAR 2017 Actuals

	Prospective Capitation	Prior Period Capitation	Capitation Subtotal	FFS	Reinsurance	Medicare PCP Rate Increase	Total
Federal:							
2015.3	$62,991,800	$598,100	$63,589,900	$13,551,200	$1,100,200	$172,400	$78,413,700
2015.4	$82,901,300	$1,223,700	$84,125,000	$13,798,600	$982,200	$120,700	$99,026,500
2016.1	$89,834,500	$1,183,800	$91,018,300	$15,061,100	$1,209,100	$51,700	$107,340,200
2016.2	$92,320,200	$2,284,900	$94,605,100	$17,540,800	$1,580,000	$0	$113,725,900
Total:	$328,047,800	$5,290,500	$333,338,300	$59,951,700	$4,871,500	$344,800	$398,506,300
ACA Health Insurer Fee:							$2,060,300
Integrated Physical Health:							$5,120,978
Federal Grand Total:							$405,687,578
State and Other:							
2015.3	$0	$0	$0	$0	$0	$0	$0
2015.4	$0	$0	$0	$0	$0	$0	$0
2016.1	$0	$0	$0	$0	$0	$0	$0
2016.2	$0	$0	$0	$0	$0	$0	$0
Total:	$0	$0	$0	$0	$0	$0	$0
ACA Health Insurer Fee:							$0
Integrated Physical Health:							$0
GF Grand Total:							$0
Total Cost:							
2015.3	$62,991,800	$598,100	$63,589,900	$13,551,200	$1,100,200	$172,400	$78,413,700
2015.4	$82,901,300	$1,223,700	$84,125,000	$13,798,600	$982,200	$120,700	$99,026,500
2016.1	$89,834,500	$1,183,800	$91,018,300	$15,061,100	$1,209,100	$51,700	$107,340,200
2016.2	$92,320,200	$2,284,900	$94,605,100	$17,540,800	$1,580,000	$0	$113,725,900
Total:	$328,047,800	$5,290,500	$333,338,300	$59,951,700	$4,871,500	$344,800	$398,506,300
ACA Health Insurer Fee:							$2,060,300
Integrated Physical Health:							$5,120,978
TF Grand Total:							$405,687,578

ACA NEWLY ELIGIBLE ADULTS, ARIZONA FISCAL YEAR 2017 Rebase

	Prospective Capitation	Prior Period Capitation	Capitation Subtotal	FFS	Reinsurance	Medicare PCP Rate Increase	Total
Federal:							
2016.3	$91,008,500	$2,248,000	$93,256,500	$15,572,800	$1,300,200	$0	$110,129,500
2016.4	$96,945,900	$2,284,000	$99,229,900	$15,887,800	$1,374,300	$0	$116,492,000
2017.1	$93,423,900	$2,206,800	$95,630,700	$15,786,200	$1,327,800	$0	$112,744,700
2017.2	$95,051,100	$2,243,800	$97,294,900	$16,043,800	$1,350,000	$0	$114,688,700
Total:	$376,429,400	$8,982,600	$385,412,000	$63,290,600	$5,352,300	$0	$454,054,900
ACA Health Insurer Fee:							$2,348,500
Federal Grand Total:							$456,403,400
State and Other:							
2016.3	$0	$0	$0	$0	$0	$0	$0
2016.4	$0	$0	$0	$0	$0	$0	$0
2017.1	$4,917,000	$116,100	$5,033,100	$579,800	$69,900	$0	$5,682,800
2017.2	$5,002,700	$118,100	$5,120,800	$589,200	$71,100	$0	$5,781,100
Total:	$9,919,700	$234,200	$10,153,900	$1,169,000	$141,000	$0	$11,463,900
ACA Health Insurer Fee:							$0
GF Grand Total:							$11,463,900
Total Cost:							
2016.3	$91,008,500	$2,248,000	$93,256,500	$15,572,800	$1,300,200	$0	$110,129,500
2016.4	$96,945,900	$2,284,000	$99,229,900	$15,887,800	$1,374,300	$0	$116,492,000
2017.1	$98,340,900	$2,322,900	$100,663,800	$16,366,000	$1,397,700	$0	$118,427,500
2017.2	$100,053,800	$2,361,900	$102,415,700	$16,633,000	$1,421,100	$0	$120,469,800
Total:	$386,349,100	$9,216,800	$395,565,900	$64,459,600	$5,493,300	$0	$465,518,800
ACA Health Insurer Fee:							$2,348,500
TF Grand Total:							$467,867,300

ACA NEWLY ELIGIBLE ADULTS, ARIZONA FISCAL YEAR 2018 Request

	Prospective Capitation	Prior Period Capitation	Capitation Subtotal	FFS	Reinsurance	Medicare PCP Rate Increase	Total
Federal:							
2017.3	$97,137,800	$2,280,800	$99,418,600	$16,563,600	$1,372,300	$0	$117,354,500
2017.4	$101,329,600	$2,387,400	$103,717,000	$16,882,500	$1,448,900	$0	$122,048,400
2018.1	$101,598,600	$2,399,900	$103,998,500	$17,258,100	$1,456,500	$0	$122,713,100
2018.2	$103,262,300	$2,437,600	$105,699,900	$17,522,900	$1,479,400	$0	$124,702,200
Total:	$403,328,300	$9,505,700	$412,834,000	$68,227,100	$5,757,100	$0	$486,818,200
Federal Grand Total:							$486,818,200
State and Other:							
2017.3	$5,112,500	$120,000	$5,232,500	$612,200	$72,200	$0	$5,916,900
2017.4	$5,333,100	$125,700	$5,458,800	$624,900	$76,300	$0	$6,160,000
2018.1	$6,485,000	$153,200	$6,638,200	$761,400	$93,000	$0	$7,492,600
2018.2	$6,591,200	$155,600	$6,746,800	$773,000	$94,400	$0	$7,614,200
Total:	$23,521,800	$554,500	$24,076,300	$2,771,500	$335,900	$0	$27,183,700
GF Grand Total:							$27,183,700
Total Cost:							
2017.3	$102,250,300	$2,400,800	$104,651,100	$17,175,800	$1,444,500	$0	$123,271,400
2017.4	$106,662,700	$2,513,100	$109,175,800	$17,507,400	$1,525,200	$0	$128,208,400
2018.1	$108,083,600	$2,553,100	$110,636,700	$18,019,500	$1,549,500	$0	$130,205,700
2018.2	$109,853,500	$2,593,200	$112,446,700	$18,295,900	$1,573,800	$0	$132,316,400
Total:	$426,850,100	$10,060,200	$436,910,300	$70,998,600	$6,093,000	$0	$514,001,900
TF Grand Total:							$514,001,900

ACA NEWLY ELIGIBLE ADULTS REGULAR CAPITATION, ARIZONA FISCAL YEAR 2016-2018

Quarter	Member Months		Growth	Inflation	Rate	FMAP Rate	Federal	Other		Total
2013.3	NA	ACTUAL	NA		NA	NA	NA	NA	ACTUAL	NA
2013.4	NA		NA		NA	NA	NA	NA		NA
2014.1	16,008		NA		$295.37	100.00%	$4,728,323	$0		$4,728,323
2014.2	54,241		238.84%		$295.37	100.00%	$16,021,244	$0		$16,021,244
	70,250		NA		$295.37		$20,749,566	$0		$20,749,566
2014.3	80,869	ACTUAL	49.09%		$295.37	100.00%	$23,886,247	$0	ACTUAL	$23,886,247
2014.4	92,876		14.85%	2.69%	$303.32	100.00%	$28,170,689	$0		$28,170,689
2015.1	119,350		28.50%		$303.32	100.00%	$36,200,647	$0		$36,200,647
2015.2	166,302		39.34%		$310.76	100.00%	$51,680,679	$0		$51,680,679
	459,397		553.95%		$304.61		$139,938,261	$0		$139,938,261
2015.3	200,176	ACTUAL	20.37%		$310.76	100.00%	$62,207,601	$0	ACTUAL	$62,207,601
2015.4	220,158		9.98%	20.32%	$370.64	100.00%	$81,598,883	$0		$81,598,883
2016.1	238,396		8.28%		$370.43	100.00%	$88,308,472	$0		$88,308,472
2016.2	245,045		2.79%		$370.43	100.00%	$90,771,217	$0		$90,771,217
	903,776		96.73%		$357.26		$322,886,174	$0		$322,886,174
2016.3	241,080	REBASE	-1.62%		$370.43	100.00%	$89,302,767	$0	REBASE	$89,302,767
2016.4	245,263		1.74%	5.11%	$389.40	100.00%	$95,505,894	$0		$95,505,894
2017.1	249,446		1.71%		$389.40	95.00%	$92,277,977	$4,856,736		$97,134,713
2017.2	253,629		1.68%		$389.40	95.00%	$93,825,355	$4,938,177		$98,763,531
	989,419		9.48%		$384.78		$370,911,993	$9,794,912		$380,706,905
2017.3	257,812	REQUEST	1.65%		$389.40	95.00%	$95,372,733	$5,019,618	REQUEST	$100,392,350
2017.4	261,995		1.62%	3.00%	$401.08	95.00%	$99,826,847	$5,254,045		$105,080,892
2018.1	266,178		1.60%		$401.08	94.00%	$100,353,047	$6,405,514		$106,758,560
2018.2	270,361		1.57%		$401.08	94.00%	$101,930,055	$6,506,174		$108,436,229
	1,056,345		6.76%		$398.23		$397,482,682	$23,185,349		$420,668,032

ACA NEWLY ELIGIBLE ADULTS PRIOR PERIOD CAPITATION, ARIZONA FISCAL YEAR 2015-2018

Quarter	Member Months		Growth	Inflation	Rate	FMAP Rate	Federal	Other		Total
2013.3	NA	ACTUAL	NA		NA	NA	NA	NA	ACTUAL	NA
2013.4	NA		NA		NA	NA	NA	NA		NA
2014.1	7,972		NA		$328.65	100.00%	$2,619,854	$0		$2,619,854
2014.2	4,648		-41.70%		$328.65	100.00%	$1,527,505	$0		$1,527,505
	12,619		NA		$328.65		$4,147,359	$0		$4,147,359
2014.3	6,453	ACTUAL	38.83%		$328.65	100.00%	$2,120,640	$0	ACTUAL	$2,120,640
2014.4	4,616		-28.46%	1.13%	$332.36	100.00%	$1,534,158	$0		$1,534,158
2015.1	11,489		148.89%		$332.36	100.00%	$3,818,381	$0		$3,818,381
2015.2	1,470	REBASE	-87.21%		$332.80	100.00%	$489,148	$0	REQUEST	$489,148
	24,027		90.40%		$331.39		$7,962,327	$0		$7,962,327
2015.3	1,797	REQUEST	22.28%		$332.80	100.00%	$598,106	$0	REBASE	$598,106
2015.4	3,699		105.79%	-0.47%	$330.86	100.00%	$1,223,688	$0		$1,223,688
2016.1	3,578		-3.26%		$330.86	100.00%	$1,183,766	$0		$1,183,766
2016.2	6,906		93.02%		$330.86	100.00%	$2,284,934	$0		$2,284,934
	15,980		-33.49%		$331.08		$5,290,494	$0		$5,290,494
2016.3	6,794	REQUEST	-1.62%		$330.86	100.00%	$2,247,969	$0	REQUEST	$2,247,969
2016.4	6,912		1.74%	-0.13%	$330.43	100.00%	$2,284,007	$0		$2,284,007
2017.1	7,030		1.71%		$330.43	95.00%	$2,206,812	$116,148		$2,322,960
2017.2	7,148		1.68%		$330.43	95.00%	$2,243,817	$118,096		$2,361,913
	27,885		74.50%		$330.53		$8,982,605	$234,244		$9,216,848
2017.3	7,266	REQUEST	1.65%		$330.43	95.00%	$2,280,822	$120,043		$2,400,865
2017.4	7,384		1.62%	3.00%	$340.34	95.00%	$2,387,351	$125,650		$2,513,001
2018.1	7,502		1.60%		$340.34	94.00%	$2,399,935	$153,187		$2,553,122
2018.2	7,620		1.57%		$340.34	94.00%	$2,437,649	$155,595		$2,593,244
	29,771		6.76%				$9,505,757	$554,475		$10,060,232

ACA NEWLY ELIGIBLE ADULTS BIRTHS FORECAST, ARIZONA FISCAL YEAR 2014-2016

Quarter	Births		Growth	Inflation	Rate	FMAP Rate	Federal	Other		Total
2013.3	NA	ACTUAL	NA		NA	NA	NA	NA	ACTUAL	NA
2013.4	NA		NA		NA	NA	NA	NA		NA
2014.1	-		NA		$5,925.72	100.00%	$0	$0		$0
2014.2	4		NA		$5,925.72	100.00%	$23,703	$0		$23,703
	4		NA		$5,925.72		$23,703	$0		$23,703
2014.3	16	ACTUAL	NA		$5,925.72	100.00%	$94,812	$0	ACTUAL	$94,812
2014.4	40		NA	2.59%	$6,079.39	100.00%	$243,175	$0		$243,175
2015.1	67		67.50%		$6,079.39	100.00%	$407,319	$0		$407,319
2015.2	102		52.24%		$6,079.39	100.00%	$620,097	$0		$620,097
	225		NA		$6,068.46		$1,365,403	$0		$1,365,403
2015.3	129	ACTUAL	26.47%		$6,079.39	100.00%	$784,241	$0	ACTUAL	$784,241
2015.4	208		61.24%	3.00%	$6,261.77	100.00%	$1,302,448	$0		$1,302,448
2016.1	250		20.19%		$6,104.30	100.00%	$1,526,075	$0		$1,526,075
2016.2	254		1.50%		$6,104.30	100.00%	$1,548,957	$0		$1,548,957
	841		273.67%		$6,139.44		$5,161,721	$0		$5,161,721
2016.3	279	REBASE	10.12%		$6,104.30	100.00%	$1,705,763	$0	REBASE	$1,705,763
2016.4	233		-16.69%	0.79%	$6,185.53	100.00%	$1,439,960	$0		$1,439,960
2017.1	195		-16.23%		$6,185.53	95.00%	$1,145,889	$60,310		$1,206,199
2017.2	209		6.96%		$6,185.53	95.00%	$1,225,697	$64,510		$1,290,207
	916		8.93%		$6,160.74		$5,517,309	$124,820		$5,642,129
2017.3	300	REQUEST	44.01%		$6,185.53	95.00%	$1,765,091	$92,900	REQUEST	$1,857,991
2017.4	248		-17.34%	3.00%	$6,371.09	95.00%	$1,502,722	$79,091		$1,581,812
2018.1	208		-16.23%		$6,371.09	94.00%	$1,245,522	$79,501		$1,325,023
2018.2	222		6.96%		$6,371.09	94.00%	$1,332,269	$85,038		$1,417,307
	979		6.91%		$6,314.16		$5,845,604	$336,530		$6,182,134

Arizona Health Care Cost Containment System

Newly Eligible Adults Total FFS Expenditures

FY 16 Actual

	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
Enrollment													
Newly Eligible Adults	2,678	2,812	3,016	3,161	3,355	3,411	3,417	3,587	3,622	3,788	3,795	3,689	40,331
PMPM													
Newly Eligible Adults	$1,341.72	$1,459.70	$1,940.77	$1,429.38	$1,232.35	$1,508.60	$1,279.85	$1,179.48	$1,782.74	$1,525.81	$1,582.13	$1,560.54	$1,486.49
Expenditures													
Newly Eligible Adults	$3,593,130	$4,104,683	$5,853,370	$4,518,257	$4,134,519	$5,145,821	$4,373,237	$4,230,781	$6,457,087	$5,779,786	$6,004,187	$5,756,826	$59,951,684

FY 17 Rebase

	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
Enrollment													
Newly Eligible Adults	3,573	3,594	3,615	3,635	3,656	3,677	3,698	3,718	3,739	3,760	3,781	3,802	44,248
PMPM													
Newly Eligible Adults	$1,444.64	$1,444.44	$1,444.18	$1,448.74	$1,448.50	$1,448.28	$1,467.31	$1,467.07	$1,466.86	$1,466.65	$1,466.42	$1,466.21	$1,456.79
Expenditures													
Newly Eligible Adults	$5,161,698	$5,191,000	$5,220,100	$5,266,700	$5,295,900	$5,325,200	$5,425,700	$5,455,300	$5,485,000	$5,514,700	$5,544,300	$5,574,000	$64,459,598
Federal Authority	$5,161,698	$5,191,000	$5,220,100	$5,266,700	$5,295,900	$5,325,200	$5,233,500	$5,262,100	$5,290,600	$5,319,300	$5,347,900	$5,376,600	$63,290,598
State Match	$0	$0	$0	$0	$0	$0	$192,200	$193,200	$194,400	$195,400	$196,400	$197,400	$1,169,000

FY 18 Request

	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
Enrollment													
Newly Eligible Adults	3,822	3,843	3,864	3,885	3,906	3,926	3,947	3,968	3,989	4,009	4,030	4,051	47,241
PMPM													
Newly Eligible Adults	$1,489.90	$1,489.72	$1,489.52	$1,494.43	$1,494.23	$1,494.04	$1,513.96	$1,513.77	$1,513.58	$1,513.39	$1,513.20	$1,513.04	$1,502.91
Expenditures													
Newly Eligible Adults	$5,695,000	$5,725,300	$5,755,500	$5,805,500	$5,835,800	$5,866,100	$5,975,800	$6,006,500	$6,037,200	$6,067,900	$6,098,600	$6,129,400	$70,998,600
Federal Authority	$5,492,000	$5,521,200	$5,550,400	$5,598,300	$5,627,500	$5,656,700	$5,723,200	$5,752,700	$5,782,200	$5,811,500	$5,840,900	$5,870,500	$68,227,100
State Match	$203,000	$204,100	$205,100	$207,200	$208,300	$209,400	$252,600	$253,800	$255,000	$256,400	$257,700	$258,900	$2,771,500

Arizona Health Care Cost Containment System

Newly Eligible Adults IHS Facility Expenditures

FY 16 Actual

	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
Inflation:													
Enrollment													
Newly Eligible Adults	2,678	2,812	3,016	3,161	3,355	3,411	3,417	3,587	3,622	3,788	3,795	3,689	40,331
PMPM													
Newly Eligible Adults	$440.95	$441.57	$530.39	$401.59	$362.87	$447.62	$330.94	$378.21	$421.15	$397.88	$455.41	$469.65	$421.93
Expenditures													
Newly Eligible Adults	1,180,866.48	1,241,698.82	1,599,657.76	1,269,425.19	1,217,414.63	1,526,832.20	1,130,819.52	1,356,634.44	1,525,403.00	1,507,180.24	1,728,270.73	1,732,523.60	$17,016,727

FY 17 Rebase

	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
Inflation: 4.71%													
Enrollment													
Newly Eligible Adults	3,573	3,594	3,615	3,635	3,656	3,677	3,698	3,718	3,739	3,760	3,781	3,802	44,248
PMPM													
Newly Eligible Adults	$408.31	$408.31	$408.31	$408.31	$408.31	$408.31	$427.56	$427.56	$427.56	$427.56	$427.56	$427.56	$418.10
Expenditures													
Newly Eligible Adults	$1,458,900	$1,467,400	$1,475,900	$1,484,400	$1,492,800	$1,501,300	$1,581,000	$1,589,900	$1,598,800	$1,607,700	$1,616,500	$1,625,400	$18,500,000

FY 18 Request

	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
Inflation: 4.71%													
Enrollment													
Newly Eligible Adults	3,822	3,843	3,864	3,885	3,906	3,926	3,947	3,968	3,989	4,009	4,030	4,051	47,241
PMPM													
Newly Eligible Adults	$427.56	$427.56	$427.56	$427.56	$427.56	$427.56	$447.72	$447.72	$447.72	$447.72	$447.72	$447.72	$437.80
Expenditures													
Newly Eligible Adults	$1,634,300	$1,643,200	$1,652,100	$1,661,000	$1,669,900	$1,678,800	$1,767,200	$1,776,500	$1,785,800	$1,795,100	$1,804,400	$1,813,700	$20,682,000

Arizona Health Care Cost Containment System

Newly Eligible Adults IHS Non-Facility Expenditures

FY 16 Actual

Inflation: 2.80%	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
Enrollment													
Newly Eligible Adults	2,678	2,812	3,016	3,161	3,355	3,411	3,417	3,587	3,622	3,788	3,795	3,689	40,331
PMPM													
Newly Eligible Adults	$198.85	$214.37	$248.67	$184.22	$191.66	$227.69	$167.65	$127.51	$211.12	$165.93	$143.96	$179.14	$186.41
Expenditures													
Newly Eligible Adults	$532,522	$602,815	$749,988	$582,308	$643,013	$776,656	$572,869	$457,382	$764,676	$628,551	$546,340	$660,841	$7,517,962

FY 17 Rebase

Inflation: 2.71%	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
Enrollment													
Newly Eligible Adults	3,573	3,594	3,615	3,635	3,656	3,677	3,698	3,718	3,739	3,760	3,781	3,802	44,248
PMPM													
Newly Eligible Adults	$176.99	$176.99	$176.99	$181.78	$181.78	$181.78	$181.78	$181.78	$181.78	$181.78	$181.78	$181.78	$180.61
Expenditures													
Newly Eligible Adults	$632,400	$636,100	$639,700	$660,800	$664,600	$668,400	$672,200	$675,900	$679,700	$683,500	$687,300	$691,100	$7,991,700
Federal Authority	$632,400	$636,100	$639,700	$660,800	$664,600	$668,400	$638,600	$642,100	$645,700	$649,300	$652,900	$656,500	$7,787,100
State Match	$0	$0	$0	$0	$0	$0	$33,600	$33,800	$34,000	$34,200	$34,400	$34,600	$204,600

FY 18 Request

Inflation: 2.81%	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
Enrollment													
Newly Eligible Adults	3,822	3,843	3,864	3,885	3,906	3,926	3,947	3,968	3,989	4,009	4,030	4,051	47,241
PMPM													
Newly Eligible Adults	$181.78	$181.78	$181.78	$186.88	$186.88	$186.88	$186.88	$186.88	$186.88	$186.88	$186.88	$186.88	$185.64
Expenditures													
Newly Eligible Adults	$694,800	$698,600	$702,400	$726,000	$729,900	$733,800	$737,600	$741,500	$745,400	$749,300	$753,200	$757,100	$8,769,600
Federal Authority	$660,100	$663,700	$667,300	$689,700	$693,400	$697,100	$693,300	$697,000	$700,700	$704,300	$708,000	$711,700	$8,286,300
State Match	$34,700	$34,900	$35,100	$36,300	$36,500	$36,700	$44,300	$44,500	$44,700	$45,000	$45,200	$45,400	$483,300

Arizona Health Care Cost Containment System

Newly Eligible Adults FES Forecast

FY 16 Actual	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
Expenditures	$1,719,147	$2,044,669	$3,187,451	$2,403,845	$1,939,403	$2,591,243	$2,499,731	$2,255,150	$3,889,883	$3,407,174	$3,547,018	$3,195,131	$32,679,845
Federal Authority	$1,719,147	$2,044,669	$3,187,451	$2,403,845	$1,939,403	$2,591,243	$2,499,731	$2,255,150	$3,889,883	$3,407,174	$3,547,018	$3,195,131	$32,679,845
State Match	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0

FY 17 Rebase	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
Expenditures	$2,843,200	$2,859,800	$2,876,300	$2,892,800	$2,909,300	$2,925,800	$2,942,300	$2,958,800	$2,975,300	$2,991,800	$3,008,300	$3,024,800	$35,208,500
Federal Authority	$2,843,200	$2,859,800	$2,876,300	$2,892,800	$2,909,300	$2,925,800	$2,795,200	$2,810,900	$2,826,500	$2,842,200	$2,857,900	$2,873,600	$34,313,500
State Match	$0	$0	$0	$0	$0	$0	$147,100	$147,900	$148,800	$149,600	$150,400	$151,200	$895,000

FY 18 Request	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
Expenditures	$3,132,700	$3,149,800	$3,166,800	$3,183,800	$3,200,800	$3,217,800	$3,234,800	$3,251,800	$3,268,800	$3,285,800	$3,302,800	$3,319,800	$38,715,500
Federal Authority	$2,976,100	$2,992,300	$3,008,500	$3,024,600	$3,040,800	$3,056,900	$3,040,700	$3,056,700	$3,072,700	$3,088,700	$3,104,600	$3,120,600	$36,583,200
State Match	$156,600	$157,500	$158,300	$159,200	$160,000	$160,900	$194,100	$195,100	$196,100	$197,100	$198,200	$199,200	$2,132,300

Arizona Health Care Cost Containment System

Newly Eligible Adults Prior Quarter FFS Forecast

FY 16 Actual	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
Expenditures	$160,594	$215,500	$316,274	$262,679	$334,688	$251,090	$169,817	$161,614	$277,124	$236,881	$182,560	$168,329	$2,737,150
Federal Authority	$160,594	$215,500	$316,274	$262,679	$334,688	$251,090	$169,817	$161,614	$277,124	$236,881	$182,560	$168,329	$2,737,150
State Match	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0

FY 17 Rebase	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
Expenditures	$227,198	$227,700	$228,200	$228,700	$229,200	$229,700	$230,200	$230,700	$231,200	$231,700	$232,200	$232,700	$2,759,398
Federal Authority	$227,198	$227,700	$228,200	$228,700	$229,200	$229,700	$218,700	$219,200	$219,600	$220,100	$220,600	$221,100	$2,689,998
State Match	$0	$0	$0	$0	$0	$0	$11,500	$11,500	$11,600	$11,600	$11,600	$11,600	$69,400

FY 18 Request	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
Expenditures	$233,200	$233,700	$234,200	$234,700	$235,200	$235,700	$236,200	$236,700	$237,200	$237,700	$238,200	$238,800	$2,831,500
Federal Authority	$221,500	$222,000	$222,500	$223,000	$223,400	$223,900	$222,000	$222,500	$223,000	$223,400	$223,900	$224,500	$2,675,600
State Match	$11,700	$11,700	$11,700	$11,700	$11,800	$11,800	$14,200	$14,200	$14,200	$14,300	$14,300	$14,300	$155,900

Arizona Health Care Cost Containment System

Newly Eligible Adults Reinsurance Forecast

FY 16 Actual

	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTAL
Member Months													
Newly Eligible Adults	63,954	66,794	69,420	70,703	73,381	76,063	77,124	80,382	80,855	82,438	82,673	79,563	903,350
PMPM													
Newly Eligible Adults	4.32	7.17	4.97	5.62	4.90	2.96	1.95	7.66	5.48	4.94	4.97	9.58	5.39
Expenditures													
Newly Eligible Adults	$276,372	$479,010	$344,794	$397,029	$359,861	$225,309	$150,630	$615,514	$442,999	$406,924	$410,947	$762,143	$4,871,532

FY 17 Rebase

Inflation: 3.90%

	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTAL
Member Months													
Newly Eligible Adults	79,895	80,360	80,825	81,290	81,754	82,219	82,684	83,149	83,614	84,078	84,543	85,008	989,419
PMPM													
Newly Eligible Adults	$5.39	$5.39	$5.39	$5.60	$5.60	$5.60	$5.60	$5.60	$5.60	$5.60	$5.60	$5.60	$5.55
Expenditures													
Newly Eligible Adults	$430,900	$433,400	$435,900	$455,500	$458,100	$460,700	$463,300	$465,900	$468,500	$471,100	$473,700	$476,300	$5,493,300
Federal Authority	$430,900	$433,400	$435,900	$455,500	$458,100	$460,700	$440,100	$442,600	$445,100	$447,500	$450,000	$452,500	$5,352,300
State Match	$0	$0	$0	$0	$0	$0	$23,200	$23,300	$23,400	$23,600	$23,700	$23,800	$141,000

FY 18 Request

Inflation: 3.90%

	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
Member Months													
Newly Eligible Adults	85,473	85,937	86,402	86,867	87,332	87,796	88,261	88,726	89,191	89,655	90,120	90,585	1,056,345
PMPM													
Newly Eligible Adults	$5.60	$5.60	$5.60	$5.82	$5.82	$5.82	$5.82	$5.82	$5.82	$5.82	$5.82	$5.82	$5.77
Expenditures													
Newly Eligible Adults	$478,900	$481,500	$484,100	$505,700	$508,400	$511,100	$513,800	$516,500	$519,200	$521,900	$524,600	$527,300	$6,093,000
Federal Authority	$455,000	$457,400	$459,900	$480,400	$483,000	$485,500	$483,000	$485,500	$488,000	$490,600	$493,100	$495,700	$5,757,100
State Match	$23,900	$24,100	$24,200	$25,300	$25,400	$25,600	$30,800	$31,000	$31,200	$31,300	$31,500	$31,600	$335,900

Footnotes:

1) July 2016 PMPM is the 2016.2 weighted average PMPM.

2) FY17-18 inflation rates are based on DHCM estimates.

3) This program is 100% federally funded to 12/31/16. The FMAP is reduced to 95% beginning 1/1/2017 and 94% beginning in 1/1/2018

Arizona Health Care Cost Containment System

Newly Eligible Adult MM Forecast

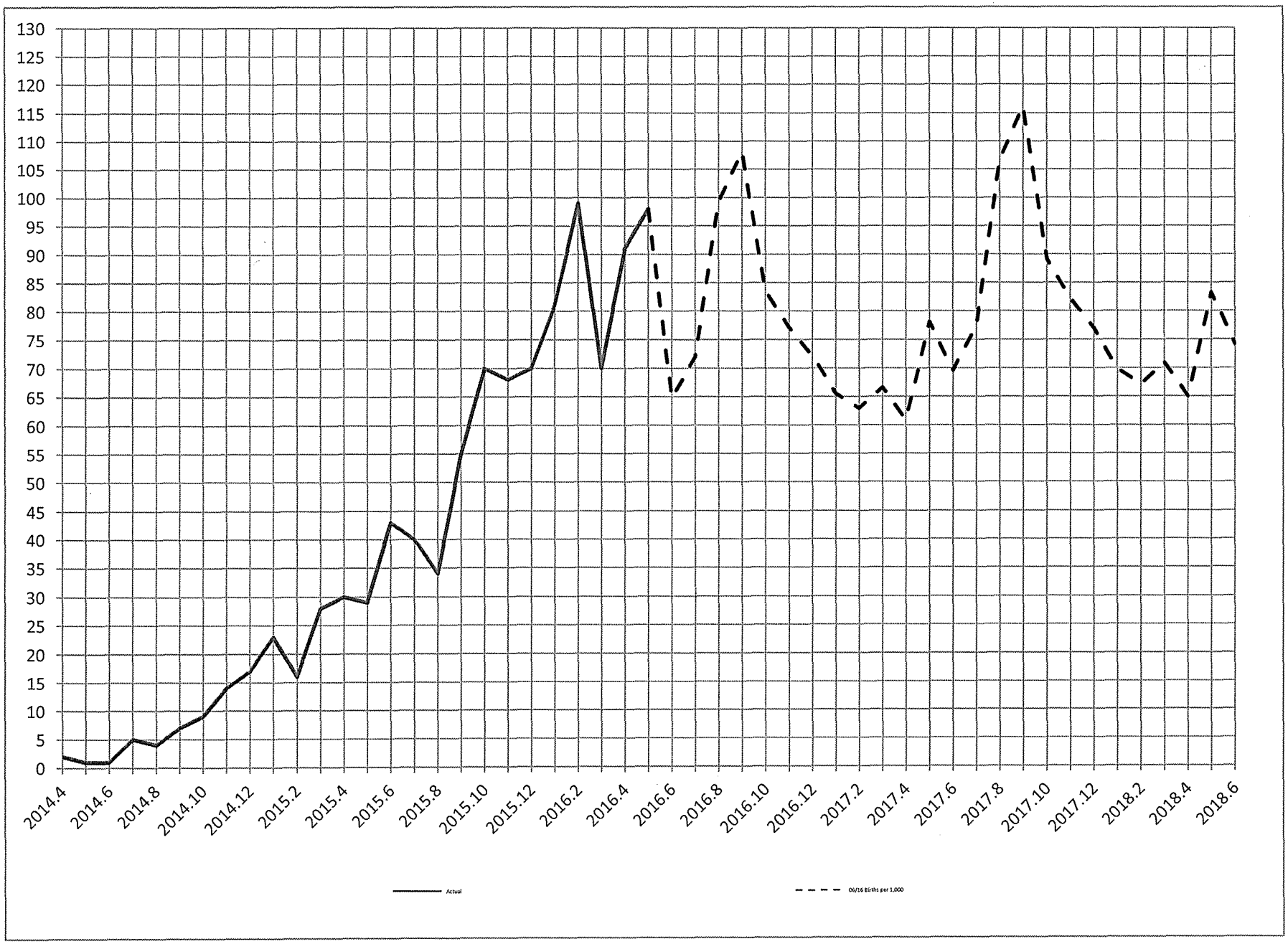
	MEMBER MONTHS ACTUAL	PERCENT QTR.GROWTH	MEMBER MONTHS FORECAST	SFY TOTAL	YEAR TO YEAR GROWTH %	JUNE TO JUNE GROWTH %	
2013.3		NA					
2013.4		NA					
2014.1	16,008	NA					
2014.2	54,241	238.84%		70,250	NA	NA	SFY 13-14
2014.3	80,869	49.09%					
2014.4	92,876	14.85%					
2015.1	119,350	28.50%					
2015.2	166,302	39.34%		459,397	553.95%	182.55%	SFY 14-15
2015.3	200,176	20.37%					
2015.4	220,158	9.98%					
2016.1	238,396	8.28%					
2016.2	245,045	2.79%		903,776	96.73%	31.96%	SFY 15-16
2016.3		-1.62%	241,080				
2016.4		1.74%	245,263				
2017.1		1.71%	249,446				
2017.2		1.68%	253,629	989,419	9.48%	6.40%	SFY 16-17
2017.3		1.65%	257,812				
2017.4		1.62%	261,995				
2018.1		1.60%	266,178				
2018.2		1.57%	270,361	1,056,345	6.76%	6.56%	SFY 17-18

(1) PMMIS
(2) Holt-Winters exponential smoothing model

Observations:	29
Stationary R Square:	0.3550
RMSE	1721

June 2016 data point was omited as an outlier because of a correction in this month for a previous enrollment error.

ACA Newly Eligible Adult Births



Program Summary of Expenditures and Budget Request

Agency: HCA Arizona Health Care Cost Containment System
Program: 9 ACA Expansion

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Summary				
9-9001 ACA Expansion	403,212.0	462,284.6	53,114.5	515,399.1
Program Summary Total:	403,212.0	462,284.6	53,114.5	515,399.1
Expenditure Categories				
0000 FTE Positions	0.0	0.0	0.0	0.0
6000 Personal Services	0.0	0.0	0.0	0.0
6100 Employee Related Expenses	0.0	0.0	0.0	0.0
6200 Professional and Outside Services	0.0	0.0	0.0	0.0
6500 Travel In-State	0.0	0.0	0.0	0.0
6600 Travel Out of State	0.0	0.0	0.0	0.0
6700 Food (Library for Universities)	0.0	0.0	0.0	0.0
6800 Aid to Organizations and Individuals	403,212.0	462,284.6	53,114.5	515,399.1
7000 Other Operating Expenses	0.0	0.0	0.0	0.0
8000 Equipment	0.0	0.0	0.0	0.0
8100 Capital Outlay	0.0	0.0	0.0	0.0
8600 Debt Service	0.0	0.0	0.0	0.0
9000 Cost Allocation	0.0	0.0	0.0	0.0
9100 Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	403,212.0	462,284.6	53,114.5	515,399.1
Fund Source				
Non-Appropriated Funds				
2120-N AHCCCS Fund (Non-Appropriated)	403,212.0	456,023.1	32,113.1	488,136.2
2576-N Hospital Assessment (Non-Appropriated)	0.0	6,261.5	21,001.4	27,262.9
	403,212.0	462,284.6	53,114.5	515,399.1
Fund Source Total:	403,212.0	462,284.6	53,114.5	515,399.1

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 9 ACA Expansion

Fund: 2120-N AHCCCS Fund (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
9-9001 ACA Expansion	403,212.0	456,023.1	32,113.1	488,136.2
Total	403,212.0	456,023.1	32,113.1	488,136.2
Non-Appropriated Funding				
Expenditure Categories				
FTE Positions	0.0	0.0	0.0	0.0
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	403,212.0	456,023.1	32,113.1	488,136.2
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	403,212.0	456,023.1	32,113.1	488,136.2
Fund 2120-N Total:	403,212.0	456,023.1	32,113.1	488,136.2
Program 9 Total:	403,212.0	456,023.1	32,113.1	488,136.2

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 9 ACA Expansion

Fund: 2576-N Hospital Assessment (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
9-9001 ACA Expansion	0.0	6,261.5	21,001.4	27,262.9
Total	0.0	6,261.5	21,001.4	27,262.9
Non-Appropriated Funding				
Expenditure Categories				
FTE Positions	0.0	0.0	0.0	0.0
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	6,261.5	21,001.4	27,262.9
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	0.0	6,261.5	21,001.4	27,262.9
Fund 2576-N Total:	0.0	6,261.5	21,001.4	27,262.9
Program 9 Total:	0.0	6,261.5	21,001.4	27,262.9

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 9-9001 ACA Expansion

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	403,212.0	462,284.6	53,114.5	515,399.1
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Expenditure Categories Total:	403,212.0	462,284.6	53,114.5	515,399.1

Fund Source				
Non-Appropriated Funds				
2120-N AHCCCS Fund (Non-Appropriated)	403,212.0	456,023.1	32,113.1	488,136.2
2576-N Hospital Assessment (Non-Appropriated)	0.0	6,261.5	21,001.4	27,262.9
	403,212.0	462,284.6	53,114.5	515,399.1
Fund Source Total:	403,212.0	462,284.6	53,114.5	515,399.1

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 9-9001 ACA Expansion

Fund: 2120-N AHCCCS Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Non-Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	403,212.0	456,023.1	32,113.1	488,136.2
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Non-Appropriated Total:		403,212.0	456,023.1	32,113.1	488,136.2
Fund Total:		403,212.0	456,023.1	32,113.1	488,136.2
Program Total For Selected Funds:		403,212.0	456,023.1	32,113.1	488,136.2

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 9-9001 ACA Expansion

Fund: 2576-N Hospital Assessment

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Non-Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	6,261.5	21,001.4	27,262.9
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Non-Appropriated Total:		0.0	6,261.5	21,001.4	27,262.9
Fund Total:		0.0	6,261.5	21,001.4	27,262.9
Program Total For Selected Funds:		0.0	6,261.5	21,001.4	27,262.9

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 9-9001 ACA Expansion

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	0.0	0.0
Boards and Commissions	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	0.0	0.0
Attorney General Legal Services	0.0	0.0
External Legal Services	0.0	0.0
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	0.0	0.0
Hospital Services	0.0	0.0
Other Medical Services	0.0	0.0
Institutional Care	0.0	0.0
Education And Training	0.0	0.0
Vendor Travel	0.0	0.0
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0
Other Professional And Outside Services	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 9-9001 ACA Expansion

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0
Expenditure Category Total	0.0	0.0

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	403,212.0	462,284.6
Expenditure Category Total	403,212.0	462,284.6

Fund Source		
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	403,212.0	456,023.1
2576-N Hospital Assessment (Non-Appropriated)	0.0	6,261.5
	403,212.0	462,284.6
Fund Source Total	403,212.0	462,284.6

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	0.0	0.0
Information Technology Services	0.0	0.0
Utilities	0.0	0.0
Non-Building or Land Rent	0.0	0.0
Building Rent Charges to State Agencies	0.0	0.0
COP Building Rent Charges to State Agencies	0.0	0.0
Rental of Land & Buildings	0.0	0.0
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	0.0	0.0
Repair & Maintenance	0.0	0.0
Software Support and Maintenance	0.0	0.0
Operating Supplies	0.0	0.0
Resale Supplies	0.0	0.0
Sales of Assets	0.0	0.0
Conference, Education & Training	0.0	0.0
Advertising	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 9-9001 ACA Expansion

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Printing & Photography	0.0	0.0
Postage & Delivery	0.0	0.0
Miscellaneous Operating	0.0	0.0
Depreciation Expense	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	0.0	0.0
Vehicles - Non-Capital	0.0	0.0
Furniture - Non-Capital	0.0	0.0
EDP Equipment - Mainframe - Non-Capital	0.0	0.0
Telecommunication Equipment - Non Capital	0.0	0.0
Other Equipment - Non-Capital	0.0	0.0
Purchased Or Licensed Software/Website	0.0	0.0
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 9-9001 ACA Expansion

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

All dollars are presented in thousands (not FTE).

Program Summary of Expenditures and Budget Request

Agency: HCA Arizona Health Care Cost Containment System
Program: 10 Medicaid Behavioral Health Services

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Summary					
10-100	Medicaid Behavioral Health - Traditional	0.0	960,228.1	207,218.1	1,167,446.2
10-100	Medicaid Behavioral Health - CMDP	0.0	208,027.4	23,094.0	231,121.4
10-100	Medicaid Behavioral Health - Prop 204	0.0	612,844.8	186,081.3	798,926.1
10-100	Medicaid Behavioral Health - Expansion	0.0	77,702.3	17,820.7	95,523.0
	Program Summary Total:	0.0	1,858,802.6	434,214.1	2,293,016.7
Expenditure Categories					
0000	FTE Positions	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	1,823,236.8	426,542.9	2,249,779.7
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	35,565.8	7,671.2	43,237.0
	Expenditure Categories Total:	0.0	1,858,802.6	434,214.1	2,293,016.7
Fund Source					
Appropriated Funds					
1000-A	General Fund (Appropriated)	0.0	433,209.8	89,556.6	522,766.4
1306-A	Tobacco Tax and Health Care Fund (Appropriated)	0.0	35,565.8	0.0	35,565.8
		0.0	468,775.6	89,556.6	558,332.2
Non-Appropriated Funds					
1303-N	Proposition 204 Protection Account (TPTF) (Non-A	0.0	0.0	22,105.5	22,105.5
2120-N	AHCCCS Fund (Non-Appropriated)	0.0	1,390,027.0	322,193.5	1,712,220.5
2576-N	Hospital Assessment (Non-Appropriated)	0.0	0.0	358.5	358.5
		0.0	1,390,027.0	344,657.5	1,734,684.5
	Fund Source Total:	0.0	1,858,802.6	434,214.1	2,293,016.7

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 10 Medicaid Behavioral Health Services

Fund: 1000-A General Fund (Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
10-100 Medicaid Behavioral Health - Traditional	0.0	259,356.9	69,208.1	328,565.0
10-100 Medicaid Behavioral Health - CMDP	0.0	63,770.5	6,810.8	70,581.3
10-100 Medicaid Behavioral Health - Prop 204	0.0	109,250.5	9,467.3	118,717.8
10-100 Medicaid Behavioral Health - Expansion	0.0	831.9	4,070.4	4,902.3
Total	0.0	433,209.8	89,556.6	522,766.4
Appropriated Funding				
Expenditure Categories				
FTE Positions	0.0	0.0	0.0	0.0
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	433,209.8	86,994.4	520,204.2
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	2,562.2	2,562.2
Expenditure Categories Total:	0.0	433,209.8	89,556.6	522,766.4
Fund 1000-A Total:	0.0	433,209.8	89,556.6	522,766.4
Program 10 Total:	0.0	433,209.8	89,556.6	522,766.4

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 10 Medicaid Behavioral Health Services

Fund: 1303-N Proposition 204 Protection Account (TPTF) (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
10-100 Medicaid Behavioral Health - Prop 204	0.0	0.0	22,105.5	22,105.5
Total	0.0	0.0	22,105.5	22,105.5
Non-Appropriated Funding				
Expenditure Categories				
FTE Positions	0.0	0.0	0.0	0.0
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	0.0	22,105.5	22,105.5
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	0.0	0.0	22,105.5	22,105.5
Fund 1303-N Total:	0.0	0.0	22,105.5	22,105.5
Program 10 Total:	0.0	0.0	22,105.5	22,105.5

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 10 Medicaid Behavioral Health Services

Fund: 1306-A Tobacco Tax and Health Care Fund (Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
10-100 Medicaid Behavioral Health - Traditional	0.0	35,565.8	0.0	35,565.8
Total	0.0	35,565.8	0.0	35,565.8
Appropriated Funding				
Expenditure Categories				
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	35,565.8	0.0	35,565.8
Expenditure Categories Total:	0.0	35,565.8	0.0	35,565.8
Fund 1306-A Total:	0.0	35,565.8	0.0	35,565.8
Program 10 Total:	0.0	35,565.8	0.0	35,565.8

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 10 Medicaid Behavioral Health Services

Fund: 2120-N AHCCCS Fund (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
10-100 Medicaid Behavioral Health - Traditional	0.0	665,305.4	138,010.0	803,315.4
10-100 Medicaid Behavioral Health - CMDP	0.0	144,256.9	16,283.2	160,540.1
10-100 Medicaid Behavioral Health - Prop 204	0.0	503,594.3	154,508.5	658,102.8
10-100 Medicaid Behavioral Health - Expansion	0.0	76,870.4	13,391.8	90,262.2
Total	0.0	1,390,027.0	322,193.5	1,712,220.5
Non-Appropriated Funding				
Expenditure Categories				
FTE Positions	0.0	0.0	0.0	0.0
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	1,390,027.0	317,084.5	1,707,111.5
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	5,109.0	5,109.0
Expenditure Categories Total:	0.0	1,390,027.0	322,193.5	1,712,220.5
Fund 2120-N Total:	0.0	1,390,027.0	322,193.5	1,712,220.5
Program 10 Total:	0.0	1,390,027.0	322,193.5	1,712,220.5

All dollars are presented in thousands (not FTE).

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 10 Medicaid Behavioral Health Services

Fund: 2576-N Hospital Assessment (Non-Appropriated)

	FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Program Expenditures				
COST CENTER/PROGRAM BUDGET UNIT				
10-100 Medicaid Behavioral Health - Expansion	0.0	0.0	358.5	358.5
Total	0.0	0.0	358.5	358.5
Non-Appropriated Funding				
Expenditure Categories				
FTE Positions	0.0	0.0	0.0	0.0
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food (Library for Universities)	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	0.0	358.5	358.5
Other Operating Expenses	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	0.0	0.0	358.5	358.5
Fund 2576-N Total:	0.0	0.0	358.5	358.5
Program 10 Total:	0.0	0.0	358.5	358.5

MEDICAID BEHAVIORAL HEALTH - TRADITIONAL

TRADITIONAL

PROGRAM DESCRIPTION:

The Medicaid Behavioral Health – Traditional program provides behavioral health services to Title XIX-eligible clients. The program includes the following populations:

- Children less than 1, up to 140% Federal Poverty Level (FPL)
- Children aged 1-18%, up to 133% FPL
- Pregnant women, up to 150% FPL
- Aged, blind, and disabled adults, up to 75% FPL
- Parents, up to 22% FPL
- Women diagnosed with breast or cervical cancer, up to 250% FPL
- Individuals aged 16-64 receiving Supplemental Security Income, up to 250% FPL

Funding is included for three different service categories:

- Serious Mental Illness (SMI)
- Children's Behavioral Health (CBH) or Serious Emotional Disturbance (SED)
- General Mental Health and Substance Abuse (GMH/SA)

Specific covered services include mental health and substance abuse related treatment, rehabilitation, medical, support, crisis intervention, inpatient, residential, and day program services. Effective July 1, 2016 this program transferred from the Arizona Department of Health Services (ADHS) to the Arizona Health Care Cost Containment System (AHCCCS).

STATUTORY AUTHORITY:

Laws 2015, Chapter 19.
Laws 2015, Chapter 195.
A.R.S Title 36, Chapter 34, Article 1.

CLAWBACK

PROGRAM DESCRIPTION:

The Medicaid Behavioral Health – Clawback program is appropriated within the Traditional Behavioral Health line item and provides funding for prescription drug coverage to Medicaid recipients who are Medicare eligible (dual eligible members). The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA) established the Medicare Part D prescription drug program for this population. The new benefit resulted in a reduction to capitation rates and fee-for-service payments by offsetting the cost of drugs covered by states, but states have to reimburse the federal government for the savings according to a prescribed formula via "clawback" payments.

The Centers for Medicare and Medicaid Services (CMS) only bills one rate for all full benefit dual eligible members, regardless of the program within which members are enrolled. The cost of the clawback payments is allocated to each program, including Acute Care, Behavioral Health, Arizona Long Term Care System (ALTCS), and the Division of Developmental Disabilities (DDD).

Effective July 1, 2016 this program transferred from the Arizona Department of Health Services (ADHS) to the Arizona Health Care Cost Containment System (AHCCCS).

STATUTORY AUTHORITY:

Laws 2015, Chapter 19.
Laws 2015, Chapter 195.
Section 103(f), Medicare Prescription Drug, Improvement, and Modernization Act (MMA) of 2003 (P.L. 108-173).
Social Security Act, Section 1935 (42 U.S.C. § 1396u-5).

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
BEHAVIORAL HEALTH TITLE XIX SUMMARY

Appropriation:		FY16 Actual	FY17 Approp	FY17 Rebase	FY18 Request	FY18 Increase
	(SM)	-	294,922,700	346,367,600	364,097,900	69,175,200
BHS Traditional	(TF)	-	960,228,100	1,105,701,800	1,167,338,400	207,110,300
	(SM)	-	63,770,500	65,122,200	70,581,300	6,810,800
BHS CMDP	(TF)	-	208,027,400	211,148,900	231,121,400	23,094,000
	(SM)	-	109,250,500	135,191,500	140,770,800	31,520,300
BHS Prop 204	(TF)	-	612,844,800	750,461,400	798,640,800	185,796,000
	(SM)	-	831,900	2,287,000	5,260,000	4,428,100
BHS NEA	(TF)	-	77,702,300	88,207,400	95,508,400	17,806,100
	(SM)	-	468,775,600	548,968,300	580,710,000	111,934,400
TOTAL	(TF)	-	1,858,802,600	2,155,519,500	2,292,609,000	433,806,400

Notes:

1. Appropriations transferred to AHCCCS in FY17, previously appropriated to ADHS/DBHS.
2. BHS Traditional includes BHS Clawback and ALTCS DD BHS.
3. Includes all payments to RBHAs for SMI Integrated, including physical health.
4. Does not include payments to Acute MCOs for GMH/SA dual eligible behavioral health.
5. Effective 10/1/16, PPC member months are paid using same PMPMs as regular member months.
6. FY17 Rebase includes HIF; FY18 Request does not include HIF, which is not in effect for CY 2017.

Behavioral Health Regular Member Month Forecast

	Traditional								CMDP	Prop 204						NEA		
MONTH	Child	Child Exp	Adult	MMIC Reg	MMIC NEC	GAZ Reg	GAZ NEC	DD	Child	Adult Reg	Adult ESA	MMIC Reg	MMIC ESA	GAZ Reg	GAZ ESA	Adult	MMIC	GAZ
2015.7	615,911	33,331	313,744	10,864	2	-	-	28,433	16,417	126,348	255,644	3,295	4,895	-	-	66,635	353	0
2015.8	640,792	28,999	310,026	10,907	2	-	-	28,521	16,599	113,290	258,508	3,308	4,914	-	-	69,679	354	0
2015.9	670,282	26,603	315,395	11,000	2	-	-	28,634	16,807	104,375	265,596	3,336	4,956	-	-	72,508	357	0
2015.10	615,412	70,701	262,013	11,056	2	10,091	1	28,710	16,910	168,864	265,274	3,353	4,981	3,420	5,107	73,968	359	529
2015.11	625,344	73,614	256,499	11,105	2	10,048	1	28,781	17,166	167,253	269,384	3,368	5,003	3,405	5,085	76,654	360	527
2015.12	635,058	75,630	246,908	11,217	2	10,029	1	28,852	17,419	173,219	274,866	3,402	5,054	3,399	5,075	79,342	364	526
2016.1	640,341	76,837	237,827	11,207	2	9,941	1	28,933	17,366	174,608	274,448	3,399	5,049	3,369	5,031	80,413	364	522
2016.2	642,355	78,226	232,011	11,180	2	9,886	1	29,022	17,355	173,253	274,501	3,391	5,037	3,350	5,003	83,680	363	519
2016.3	644,182	78,563	228,722	11,242	2	9,879	1	29,112	17,450	174,750	276,204	3,410	5,065	3,348	4,999	84,157	365	518
2016.4	640,951	77,660	222,919	11,144	2	9,777	1	29,185	17,520	174,024	275,500	3,380	5,021	3,314	4,948	85,748	362	513
2016.5	640,097	77,307	223,874	11,168	2	9,773	1	29,251	17,725	172,957	275,116	3,387	5,032	3,312	4,946	85,998	362	513
2016.6	646,793	74,742	232,426	11,245	2	9,800	1	29,249	17,789	174,452	275,893	3,410	5,066	3,321	4,959	83,202	365	514
2016.7	648,037	74,910	232,837	11,339	2	9,877	1	29,350	17,917	174,645	276,349	3,439	5,108	3,348	4,999	83,207	368	518
2016.8	649,283	75,077	233,248	11,371	2	9,910	1	29,451	18,046	174,837	276,806	3,449	5,123	3,359	5,015	83,678	369	520
2016.9	650,532	75,245	233,660	11,404	2	9,938	1	29,552	18,176	175,030	277,264	3,459	5,138	3,368	5,030	84,148	370	521
2016.10	651,775	75,413	234,067	11,437	2	9,967	1	29,653	18,307	175,398	277,723	3,469	5,153	3,378	5,044	84,618	371	523
2016.11	653,020	75,582	234,475	11,470	2	9,995	1	29,754	18,439	175,766	278,182	3,478	5,167	3,388	5,058	85,088	372	524
2016.12	654,267	75,750	234,884	11,502	2	10,024	1	29,856	18,572	176,135	278,642	3,488	5,182	3,397	5,073	85,559	373	526
2017.1	655,517	75,919	235,293	11,535	2	10,052	1	29,957	18,706	176,504	279,103	3,498	5,197	3,407	5,087	86,029	374	527
2017.2	656,768	76,088	235,703	11,568	2	10,081	1	30,058	18,841	176,874	279,565	3,508	5,212	3,417	5,102	86,499	375	529
2017.3	658,023	76,257	236,113	11,600	2	10,110	1	30,159	18,977	177,244	280,028	3,518	5,226	3,426	5,116	86,969	376	530
2017.4	659,279	76,426	236,524	11,633	2	10,138	1	30,260	19,114	177,614	280,491	3,528	5,241	3,436	5,131	87,440	377	532
2017.5	660,538	76,595	236,935	11,666	2	10,167	1	30,361	19,251	177,985	280,955	3,538	5,256	3,446	5,145	87,910	379	533
2017.6	661,799	76,765	237,347	11,699	2	10,195	1	30,462	19,390	178,356	281,420	3,548	5,271	3,455	5,159	88,380	380	535
2017.7	663,063	76,935	237,760	11,731	2	10,224	1	30,563	19,530	178,727	281,885	3,558	5,285	3,465	5,174	88,851	381	536
2017.8	664,328	77,105	238,173	11,764	2	10,252	1	30,665	19,671	179,099	282,351	3,568	5,300	3,475	5,188	89,321	382	538
2017.9	665,597	77,275	238,586	11,797	2	10,281	1	30,766	19,812	179,472	282,818	3,578	5,315	3,484	5,203	89,791	383	539
2017.10	666,867	73,298	239,000	11,830	2	10,309	1	30,867	19,955	179,844	283,286	3,588	5,330	3,494	5,217	86,867	384	541
2017.11	668,140	73,419	239,415	11,862	2	10,338	1	30,968	20,099	180,218	283,755	3,598	5,344	3,504	5,232	87,332	385	542
2017.12	669,415	73,540	239,830	11,895	2	10,366	1	31,069	20,244	180,591	284,224	3,608	5,359	3,513	5,246	87,796	386	544
2018.1	670,693	73,661	240,246	11,928	2	10,395	1	31,170	20,390	180,965	284,695	3,617	5,374	3,523	5,260	88,261	387	545
2018.2	671,972	73,783	240,663	11,960	2	10,423	1	31,271	20,537	181,339	285,165	3,627	5,389	3,533	5,275	88,726	388	547
2018.3	673,255	73,905	241,080	11,993	2	10,452	1	31,372	20,685	181,714	285,637	3,637	5,403	3,542	5,289	89,191	389	548
2018.4	674,539	74,027	241,497	12,026	2	10,480	1	31,474	20,834	182,089	286,110	3,647	5,418	3,552	5,304	89,655	390	550
2018.5	675,826	74,149	241,915	12,059	2	10,509	1	31,575	20,984	182,465	286,583	3,657	5,433	3,562	5,318	90,120	391	551
2018.6	677,116	74,272	242,334	12,091	2	10,537	1	31,676	21,135	182,841	287,057	3,667	5,448	3,571	5,333	90,585	392	553

Arizona Health Care Cost Containment System
Behavioral Health Regular State Match

	Traditional								CMDP	Prop 204						NEA		
MONTH	Child	Child Exp	Adult	MMIC Reg	MMIC NEC	GAZ Reg	GAZ NEC	DD	Child	Adult Reg	Adult ESA	MMIC Reg	MMIC ESA	GAZ Reg	GAZ ESA	Adult	MMIC	GAZ
2015.10	7,922,400	-	4,874,600	6,450,700	-	5,887,800	-	1,256,800	5,303,600	3,141,600	1,973,800	1,956,400	1,162,300	1,995,500	1,191,700	-	-	-
2015.11	8,050,300	-	4,772,000	6,479,700	-	5,862,600	-	1,259,900	5,384,100	3,111,600	2,004,400	1,965,200	1,167,500	1,986,900	1,186,600	-	-	-
2015.12	8,175,300	-	4,593,600	6,544,700	-	5,851,500	-	1,263,000	5,463,100	3,222,700	2,045,200	1,984,900	1,179,200	1,983,200	1,184,300	-	-	-
2016.1	8,243,300	-	4,424,600	6,538,800	-	5,800,500	-	1,266,600	5,446,600	3,248,500	1,531,100	1,983,100	883,400	1,965,900	880,300	-	-	-
2016.2	8,269,200	-	4,316,500	6,522,900	-	5,768,000	-	1,270,500	5,443,200	3,223,300	1,531,400	1,978,300	881,300	1,954,900	875,300	-	-	-
2016.3	8,292,800	-	4,255,300	6,559,400	-	5,763,900	-	1,274,400	5,473,000	3,251,100	1,540,900	1,989,300	886,200	1,953,500	874,700	-	-	-
2016.4	8,251,200	-	4,147,300	6,502,200	-	5,704,500	-	1,277,600	5,495,000	3,237,600	1,537,000	1,972,000	878,500	1,933,400	865,700	-	-	-
2016.5	8,240,200	-	4,165,100	6,516,400	-	5,702,400	-	1,280,500	5,559,100	3,217,800	1,534,900	1,976,300	880,400	1,932,700	865,400	-	-	-
2016.6	8,326,400	-	4,324,200	6,561,000	-	5,717,800	-	1,280,400	5,579,300	3,245,600	1,539,200	1,989,800	886,400	1,937,900	867,700	-	-	-
2016.7	8,244,500	-	4,281,000	6,538,100	-	5,695,500	-	1,269,700	5,553,600	3,211,100	1,523,700	1,982,900	883,300	1,930,300	864,300	-	-	-
2016.8	8,260,400	-	4,288,600	6,556,900	-	5,714,200	-	1,274,100	5,593,700	3,214,600	1,526,200	1,988,600	885,900	1,936,700	867,200	-	-	-
2016.9	8,276,300	-	4,296,100	6,575,800	-	5,730,700	-	1,278,500	5,634,000	3,218,100	1,528,700	1,994,300	888,400	1,942,300	869,700	-	-	-
2016.10	8,576,000	-	4,755,600	6,611,600	-	5,761,900	-	1,235,600	5,088,200	3,563,600	1,693,100	2,005,200	893,800	1,952,800	875,000	-	-	-
2016.11	8,592,400	-	4,763,900	6,630,600	-	5,778,400	-	1,239,800	5,124,900	3,571,100	1,695,900	2,010,900	896,400	1,958,400	877,500	-	-	-
2016.12	8,608,800	-	4,772,200	6,649,500	-	5,794,900	-	1,244,000	5,161,800	3,578,600	1,698,800	2,016,700	898,900	1,964,000	880,000	-	-	-
2017.1	8,625,300	-	4,780,500	6,668,400	-	5,811,400	-	1,248,200	5,199,000	3,586,100	1,871,200	2,022,400	991,400	1,969,600	970,400	284,100	35,200	49,600
2017.2	8,641,700	-	4,788,900	6,687,300	-	5,827,900	-	1,252,500	5,236,500	3,593,600	1,874,300	2,028,100	994,200	1,975,200	973,200	285,700	35,300	49,700
2017.3	8,658,200	-	4,797,200	6,706,200	-	5,844,300	-	1,256,700	5,274,300	3,601,100	1,877,400	2,033,900	997,000	1,980,800	975,900	287,200	35,400	49,800
2017.4	8,674,800	-	4,805,500	6,725,200	-	5,860,800	-	1,260,900	5,312,300	3,608,600	1,880,500	2,039,600	999,800	1,986,400	978,700	288,800	35,500	50,000
2017.5	8,691,300	-	4,813,900	6,744,100	-	5,877,300	-	1,265,100	5,350,500	3,616,200	1,883,600	2,045,400	1,002,600	1,992,000	981,500	290,300	35,600	50,100
2017.6	8,707,900	-	4,822,300	6,763,000	-	5,893,800	-	1,269,300	5,389,100	3,623,700	1,886,700	2,051,100	1,005,400	1,997,600	984,200	291,900	35,700	50,300
2017.7	8,724,600	-	4,830,600	6,781,900	-	5,910,300	-	1,273,500	5,427,900	3,631,300	1,889,800	2,056,800	1,008,200	2,003,100	987,000	293,400	35,800	50,400
2017.8	8,741,200	-	4,839,000	6,800,900	-	5,926,800	-	1,277,700	5,467,100	3,638,800	1,892,900	2,062,600	1,011,000	2,008,700	989,700	295,000	35,900	50,500
2017.9	8,757,900	-	4,847,400	6,819,800	-	5,943,300	-	1,282,000	5,506,500	3,646,400	1,896,100	2,068,300	1,013,900	2,014,300	992,500	296,500	36,000	50,700
2017.10	8,952,600	-	4,954,400	6,977,400	-	6,080,700	-	1,312,300	5,658,700	3,728,100	1,944,600	2,116,100	1,041,000	2,060,900	1,019,000	295,500	37,100	52,300
2017.11	8,969,700	-	4,963,000	6,996,800	-	6,097,500	-	1,316,600	5,699,500	3,735,800	1,947,800	2,122,000	1,043,900	2,066,600	1,021,800	297,100	37,300	52,500
2017.12	8,986,900	-	4,971,600	7,016,100	-	6,114,300	-	1,320,900	5,740,500	3,743,600	1,951,100	2,127,800	1,046,700	2,072,300	1,024,600	298,600	37,400	52,600
2018.1	9,004,000	-	4,980,200	7,035,400	-	6,131,100	-	1,325,200	5,781,900	3,751,300	1,636,600	2,133,700	879,000	2,078,000	860,500	360,300	45,000	63,300
2018.2	9,021,200	-	4,988,800	7,054,700	-	6,148,000	-	1,329,500	5,823,600	3,759,100	1,639,400	2,139,500	881,400	2,083,700	862,800	362,200	45,100	63,500
2018.3	9,038,400	-	4,997,500	7,074,000	-	6,164,800	-	1,333,800	5,865,600	3,766,900	1,642,100	2,145,400	883,800	2,089,400	865,200	364,100	45,200	63,700
2018.4	9,055,600	-	5,006,100	7,093,300	-	6,181,600	-	1,338,100	5,907,900	3,774,600	1,644,800	2,151,200	886,300	2,095,100	867,600	366,000	45,300	63,900
2018.5	9,072,900	-	5,014,800	7,112,600	-	6,198,500	-	1,342,400	5,950,400	3,782,400	1,647,500	2,157,100	888,700	2,100,800	869,900	367,900	45,400	64,000
2018.6	9,090,200	-	5,023,500	7,131,900	-	6,215,300	-	1,346,700	5,993,300	3,790,200	1,650,200	2,163,000	891,100	2,106,500	872,300	369,800	45,600	64,200

	Traditional								CMDP	Prop 204						NEA		
MONTH	Child	Child Exp	Adult	MMIC Reg	MMIC NEC	GAZ Reg	GAZ NEC	DD	Child	Adult Reg	Adult ESA	MMIC Reg	MMIC ESA	GAZ Reg	GAZ ESA	Adult	MMIC	GAZ
2015.7																		
2015.8																		
2015.9																		
2015.10	17,568,000	2,928,400	10,809,500	14,304,300	3,700	13,056,100	1,900	2,786,900	11,760,700	6,966,600	13,905,500	4,338,200	8,188,500	4,425,000	8,395,200	4,427,700	673,400	993,800
2015.11	17,851,500	3,049,100	10,582,000	14,368,600	3,700	13,000,300	1,900	2,793,900	11,939,100	6,900,100	14,120,900	4,357,700	8,225,300	4,406,100	8,359,300	4,588,500	676,500	989,500
2015.12	18,128,800	3,132,600	10,186,300	14,512,800	3,700	12,975,600	1,900	2,800,800	12,114,600	7,146,200	14,408,300	4,401,400	8,307,900	4,397,700	8,343,500	4,749,400	683,300	987,600
2016.1	18,279,600	3,182,600	9,811,700	14,499,800	3,700	12,852,500	1,900	2,808,600	12,077,900	7,203,500	14,897,400	4,397,500	8,595,100	4,359,400	8,564,500	4,813,500	682,600	979,000
2016.2	18,337,100	3,240,100	9,571,700	14,464,500	3,700	12,790,500	1,900	2,817,300	12,070,200	7,147,600	14,900,200	4,386,800	8,574,200	4,335,000	8,516,600	5,009,100	681,000	973,500
2016.3	18,389,200	3,254,100	9,436,000	14,545,400	3,700	12,783,500	1,900	2,826,000	12,136,500	7,209,400	14,992,700	4,411,400	8,622,200	4,331,900	8,510,600	5,037,600	684,800	972,900
2016.4	18,297,000	3,216,700	9,196,600	14,418,700	3,700	12,645,600	1,900	2,833,100	12,185,100	7,179,500	14,954,500	4,372,900	8,547,000	4,287,200	8,422,700	5,132,900	678,800	962,800
2016.5	18,272,600	3,202,000	9,236,000	14,450,100	3,700	12,645,100	1,900	2,839,500	12,327,300	7,135,400	14,933,600	4,382,400	8,565,700	4,285,700	8,419,700	5,147,800	680,300	962,500
2016.6	18,463,800	3,095,800	9,588,800	14,549,100	3,700	12,679,200	1,900	2,839,300	12,372,200	7,197,100	14,975,700	4,412,500	8,624,400	4,297,200	8,442,400	4,980,500	685,000	965,100
2016.7	18,282,300	3,066,400	9,493,100	14,498,200	3,700	12,629,700	1,900	2,815,700	12,315,200	7,120,500	14,824,500	4,397,000	8,594,200	4,280,500	8,409,500	4,922,400	682,600	961,300
2016.8	18,317,500	3,073,200	9,509,900	14,540,100	3,700	12,671,400	1,900	2,825,400	12,403,900	7,128,400	14,849,100	4,409,700	8,619,000	4,294,600	8,437,200	4,950,200	684,500	964,500
2016.9	18,352,700	3,080,100	9,526,700	14,581,900	3,800	12,707,800	1,900	2,835,100	12,493,300	7,136,300	14,873,600	4,422,400	8,643,800	4,306,900	8,461,400	4,978,000	686,500	967,300
2016.10	19,304,400	3,225,900	10,704,800	14,882,700	3,800	12,969,900	1,900	2,781,300	11,453,500	8,021,700	16,650,800	4,513,600	8,790,100	4,395,800	8,604,600	5,589,100	697,400	982,600
2016.11	19,341,300	3,233,100	10,723,500	14,925,200	3,800	13,007,000	1,900	2,790,800	11,536,000	8,038,500	16,678,400	4,526,500	8,815,200	4,408,400	8,629,200	5,620,200	699,400	985,500
2016.12	19,378,200	3,240,300	10,742,200	14,967,800	3,800	13,044,100	1,900	2,800,300	11,619,200	8,055,300	16,705,900	4,539,400	8,840,400	4,420,900	8,653,800	5,651,200	701,400	988,300
2017.1	19,415,200	3,247,500	10,760,900	15,010,400	3,800	13,081,200	1,900	2,809,800	11,702,900	8,072,200	16,563,900	4,552,400	8,775,600	4,433,500	8,590,600	5,398,200	668,200	941,500
2017.2	19,452,300	3,254,700	10,779,600	15,053,000	3,900	13,118,300	1,900	2,819,200	11,787,300	8,089,100	16,591,300	4,565,300	8,800,500	4,446,100	8,614,900	5,427,700	670,100	944,200
2017.3	19,489,500	3,262,000	10,798,400	15,095,600	3,900	13,155,500	1,900	2,828,700	11,872,200	8,106,100	16,618,800	4,578,200	8,825,400	4,458,700	8,639,300	5,457,200	672,000	946,900
2017.4	19,526,600	3,269,200	10,817,200	15,138,200	3,900	13,192,600	1,900	2,838,200	11,957,700	8,123,000	16,646,200	4,591,100	8,850,300	4,471,200	8,663,600	5,486,700	673,900	949,500
2017.5	19,564,000	3,276,500	10,836,000	15,180,800	3,900	13,229,700	1,900	2,847,700	12,044,000	8,139,900	16,673,800	4,604,000	8,875,300	4,483,800	8,688,000	5,516,300	675,800	952,200
2017.6	19,601,300	3,283,700	10,854,800	15,223,400	3,900	13,266,800	1,900	2,857,200	12,130,800	8,156,900	16,701,400	4,616,900	8,900,200	4,496,400	8,712,400	5,545,700	677,700	954,800
2017.7	19,638,700	3,291,000	10,873,700	15,266,000	3,900	13,303,900	1,900	2,866,700	12,218,200	8,173,900	16,729,000	4,629,900	8,925,100	4,509,000	8,736,700	5,575,300	679,600	957,500
2017.8	19,676,200	3,298,300	10,892,600	15,308,500	3,900	13,341,000	1,900	2,876,200	12,306,200	8,190,900	16,756,700	4,642,700	8,950,000	4,521,600	8,761,100	5,604,800	681,500	960,300
2017.9	19,713,800	3,305,500	10,911,500	15,351,100	3,900	13,378,100	1,900	2,885,600	12,394,900	8,207,900	16,784,400	4,655,700	8,974,800	4,534,200	8,785,500	5,634,300	683,400	962,900
2017.10	20,429,200	3,229,500	11,305,400	15,922,000	4,100	13,875,600	2,100	2,994,500	12,912,700	8,507,200	17,328,100	4,828,800	9,275,900	4,702,700	9,080,300	5,614,300	705,900	994,600
2017.11	20,468,200	3,234,800	11,325,100	15,966,000	4,100	13,914,000	2,100	3,004,300	13,005,700	8,524,900	17,356,800	4,842,100	9,301,600	4,715,700	9,105,400	5,644,300	707,800	997,300
2017.12	20,507,200	3,240,100	11,344,700	16,010,000	4,100	13,952,400	2,100	3,014,100	13,099,500	8,542,500	17,385,500	4,855,600	9,327,300	4,728,800	9,130,500	5,674,400	709,700	1,000,100
2018.1	20,546,400	3,245,500	11,364,400	16,054,100	4,100	13,990,800	2,100	3,023,900	13,193,900	8,560,200	17,731,900	4,868,900	9,523,500	4,741,800	9,322,600	5,644,300	704,200	992,300
2018.2	20,585,500	3,250,800	11,384,100	16,098,100	4,100	14,029,200	2,100	3,033,700	13,289,000	8,577,900	17,761,200	4,882,300	9,549,700	4,754,800	9,348,200	5,674,100	706,100	995,000
2018.3	20,624,800	3,256,200	11,403,800	16,142,200	4,100	14,067,600	2,100	3,043,500	13,384,700	8,595,600	17,790,600	4,895,600	9,575,800	4,767,800	9,373,800	5,703,800	708,100	997,700
2018.4	20,664,200	3,261,600	11,423,600	16,186,200	4,100	14,106,000	2,100	3,053,300	13,481,200	8,613,400	17,820,000	4,909,000	9,601,900	4,780,800	9,399,300	5,733,500	710,000	1,000,400
2018.5	20,703,600	3,267,000	11,443,400	16,230,300	4,100	14,144,300	2,100	3,063,100	13,578,400	8,631,200	17,849,500	4,922,300	9,628,000	4,793,800	9,425,000	5,763,200	712,000	1,003,100
2018.6	20,743,200	3,272,400	11,463,100	16,274,400	4,200	14,182,700	2,100	3,072,900	13,676,300	8,649,000	17,879,100	4,935,700	9,654,200	4,806,800	9,450,500	5,792,900	713,900	1,005,800

Arizona Health Care Cost Containment System
Behavioral Health Regular Total

	Traditional								CMDP	Prop 204						NEA		
MONTH	Child	Child Exp	Adult	MMIC Reg	MMIC NEC	GAZ Reg	GAZ NEC	DD	Child	Adult Reg	Adult ESA	MMIC Reg	MMIC ESA	GAZ Reg	GAZ ESA	Adult	MMIC	GAZ
2015.7	-	-	-	-	-	-	-											
2015.8	-	-	-	-	-	-	-											
2015.9	-	-	-	-	-	-	-											
2015.10	25,490,400	2,928,400	15,684,100	20,755,000	3,700	18,943,900	1,900	4,043,700	17,064,300	10,108,200	15,879,300	6,294,600	9,350,800	6,420,500	9,586,900	4,427,700	673,400	993,800
2015.11	25,901,800	3,049,100	15,354,000	20,848,300	3,700	18,862,900	1,900	4,053,800	17,323,200	10,011,700	16,125,300	6,322,900	9,392,800	6,393,000	9,545,900	4,588,500	676,500	989,500
2015.12	26,304,100	3,132,600	14,779,900	21,057,500	3,700	18,827,100	1,900	4,063,800	17,577,700	10,368,900	16,453,500	6,386,300	9,487,100	6,380,900	9,527,800	4,749,400	683,300	987,600
2016.1	26,522,900	3,182,600	14,236,300	21,038,600	3,700	18,663,000	1,900	4,075,200	17,524,500	10,452,000	16,428,500	6,380,600	9,478,500	6,325,300	9,444,800	4,813,500	682,600	979,000
2016.2	26,606,300	3,240,100	13,888,200	20,987,400	3,700	18,558,500	1,900	4,087,800	17,513,400	10,370,900	16,431,600	6,365,100	9,455,500	6,289,900	9,391,900	5,009,100	681,000	973,500
2016.3	26,682,000	3,254,100	13,691,300	21,104,800	3,700	18,545,400	1,900	4,100,400	17,609,500	10,460,500	16,533,600	6,400,700	9,508,400	6,285,400	9,385,300	5,037,600	684,800	972,900
2016.4	26,548,200	3,216,700	13,343,900	20,920,900	3,700	18,354,100	1,900	4,110,700	17,680,100	10,417,100	16,491,500	6,344,900	9,425,500	6,220,600	9,288,400	5,132,900	678,800	962,800
2016.5	26,512,800	3,202,000	13,401,100	20,966,500	3,700	18,347,500	1,900	4,120,000	17,886,400	10,353,200	16,468,500	6,358,700	9,446,100	6,218,400	9,285,100	5,147,800	680,300	962,500
2016.6	26,790,200	3,095,800	13,913,000	21,110,100	3,700	18,397,000	1,900	4,119,700	17,951,500	10,442,700	16,514,900	6,402,300	9,510,800	6,235,100	9,310,100	4,980,500	685,000	965,100
2016.7	26,526,800	3,066,400	13,774,100	21,036,300	3,700	18,325,200	1,900	4,085,400	17,868,800	10,331,600	16,348,200	6,379,900	9,477,500	6,210,800	9,273,800	4,922,400	682,600	961,300
2016.8	26,577,900	3,073,200	13,798,500	21,097,000	3,700	18,385,600	1,900	4,099,500	17,997,600	10,343,000	16,375,300	6,398,300	9,504,900	6,231,300	9,304,400	4,950,200	684,500	964,500
2016.9	26,629,000	3,080,100	13,822,800	21,157,700	3,800	18,438,500	1,900	4,113,600	18,127,300	10,354,400	16,402,300	6,416,700	9,532,200	6,249,200	9,331,100	4,978,000	686,500	967,300
2016.10	27,880,400	3,225,900	15,460,400	21,494,300	3,800	18,731,800	1,900	4,016,900	16,541,700	11,585,300	18,343,900	6,518,800	9,683,900	6,348,600	9,479,600	5,589,100	697,400	982,600
2016.11	27,933,700	3,233,100	15,487,400	21,555,800	3,800	18,785,400	1,900	4,030,600	16,660,900	11,609,600	18,374,300	6,537,400	9,711,600	6,366,800	9,506,700	5,620,200	699,400	985,500
2016.12	27,987,000	3,240,300	15,514,400	21,617,300	3,800	18,839,000	1,900	4,044,300	16,781,000	11,633,900	18,404,700	6,556,100	9,739,300	6,384,900	9,533,800	5,651,200	701,400	988,300
2017.1	28,040,500	3,247,500	15,541,400	21,678,800	3,800	18,892,600	1,900	4,058,000	16,901,900	11,658,300	18,435,100	6,574,800	9,767,000	6,403,100	9,561,000	5,682,300	703,400	991,100
2017.2	28,094,000	3,254,700	15,568,500	21,740,300	3,900	18,946,200	1,900	4,071,700	17,023,800	11,682,700	18,465,600	6,593,400	9,794,700	6,421,300	9,588,100	5,713,400	705,400	993,900
2017.3	28,147,700	3,262,000	15,595,600	21,801,800	3,900	18,999,800	2,000	4,085,400	17,146,500	11,707,200	18,496,200	6,612,100	9,822,400	6,439,500	9,615,200	5,744,400	707,400	996,700
2017.4	28,201,400	3,269,200	15,622,700	21,863,400	3,900	19,053,400	2,000	4,099,100	17,270,000	11,731,600	18,526,700	6,630,700	9,850,100	6,457,600	9,642,300	5,775,500	709,400	999,500
2017.5	28,255,300	3,276,500	15,649,900	21,924,900	3,900	19,107,000	2,000	4,112,800	17,394,500	11,756,100	18,557,400	6,649,400	9,877,900	6,475,800	9,669,500	5,806,600	711,400	1,002,300
2017.6	28,309,200	3,283,700	15,677,100	21,986,400	3,900	19,160,600	2,000	4,126,500	17,519,900	11,780,600	18,588,100	6,668,000	9,905,600	6,494,000	9,696,600	5,837,600	713,400	1,005,100
2017.7	28,363,300	3,291,000	15,704,300	22,047,900	3,900	19,214,200	2,000	4,140,200	17,646,100	11,805,200	18,618,800	6,686,700	9,933,300	6,512,100	9,723,700	5,868,700	715,400	1,007,900
2017.8	28,417,400	3,298,300	15,731,600	22,109,400	3,900	19,267,800	2,000	4,153,900	17,773,300	11,829,700	18,649,600	6,705,300	9,961,000	6,530,300	9,750,800	5,899,800	717,400	1,010,800
2017.9	28,471,700	3,305,500	15,758,900	22,170,900	3,900	19,321,400	2,000	4,167,600	17,901,400	11,854,300	18,680,500	6,724,000	9,988,700	6,548,500	9,778,000	5,930,800	719,400	1,013,600
2017.10	29,381,800	3,229,500	16,259,800	22,899,400	4,100	19,956,300	2,100	4,306,800	18,571,400	12,235,300	19,272,700	6,944,900	10,316,900	6,763,600	10,099,300	5,909,800	743,000	1,046,900
2017.11	29,437,900	3,234,800	16,288,100	22,962,800	4,100	20,011,500	2,100	4,320,900	18,705,200	12,260,700	19,304,600	6,964,100	10,345,500	6,782,300	10,127,200	5,941,400	745,100	1,049,800
2017.12	29,494,100	3,240,100	16,316,300	23,026,100	4,100	20,066,700	2,100	4,335,000	18,840,000	12,286,100	19,336,600	6,983,400	10,374,000	6,801,100	10,155,100	5,973,000	747,100	1,052,700
2018.1	29,550,400	3,245,500	16,344,600	23,089,500	4,100	20,121,900	2,100	4,349,100	18,975,800	12,311,500	19,368,500	7,002,600	10,402,500	6,819,800	10,183,100	6,004,600	749,200	1,055,600
2018.2	29,606,700	3,250,800	16,372,900	23,152,800	4,100	20,177,200	2,100	4,363,200	19,112,600	12,337,000	19,400,600	7,021,800	10,431,100	6,838,500	10,211,000	6,036,300	751,200	1,058,500
2018.3	29,663,200	3,256,200	16,401,300	23,216,200	4,100	20,232,400	2,100	4,377,300	19,250,300	12,362,500	19,432,700	7,041,000	10,459,600	6,857,200	10,239,000	6,067,900	753,300	1,061,400
2018.4	29,719,800	3,261,600	16,429,700	23,279,500	4,100	20,287,600	2,100	4,391,400	19,389,100	12,388,000	19,464,800	7,060,200	10,488,200	6,875,900	10,266,900	6,099,500	755,300	1,064,300
2018.5	29,776,500	3,267,000	16,458,200	23,342,900	4,100	20,342,800	2,100	4,405,500	19,528,800	12,413,600	19,497,000	7,079,400	10,516,700	6,894,600	10,294,900	6,131,100	757,400	1,067,100
2018.6	29,833,400	3,272,400	16,486,600	23,406,300	4,200	20,398,000	2,100	4,419,600	19,669,600	12,439,200	19,529,300	7,098,700	10,545,300	6,913,300	10,322,800	6,162,700	759,500	1,070,000

Behavioral Health Prior Period Member Month Forecast

	Traditional								CMDP	Prop 204						NEA		
MONTH	Child	Child Exp	Adult	MMIC Reg	MMIC NEC	GAZ Reg	GAZ NEC	DD	Child	Adult Reg	Adult ESA	MMIC Reg	MMIC ESA	GAZ Reg	GAZ ESA	Adult	MMIC	GAZ
2015.7																		
2015.8																		
2015.9																		
2015.10																		
2015.11																		
2015.12																		
2016.1																		
2016.2																		
2016.3																		
2016.4																		
2016.5																		
2016.6																		
2016.7																		
2016.8																		
2016.9																		
2016.10	16,654	1,385	7,558	-	-	-	-	-	468	3,270	11,424	-	-	-	-	2,291	-	-
2016.11	16,686	1,387	7,571	-	-	-	-	-	471	3,275	11,443	-	-	-	-	2,304	-	-
2016.12	16,718	1,389	7,584	-	-	-	-	-	475	3,281	11,462	-	-	-	-	2,317	-	-
2017.1	16,750	1,391	7,597	-	-	-	-	-	478	3,286	11,481	-	-	-	-	2,330	-	-
2017.2	16,782	1,394	7,610	-	-	-	-	-	481	3,292	11,500	-	-	-	-	2,343	-	-
2017.3	16,814	1,396	7,623	-	-	-	-	-	485	3,297	11,519	-	-	-	-	2,356	-	-
2017.4	16,846	1,398	7,636	-	-	-	-	-	488	3,303	11,538	-	-	-	-	2,370	-	-
2017.5	16,878	1,401	7,649	-	-	-	-	-	492	3,308	11,557	-	-	-	-	2,383	-	-
2017.6	16,910	1,403	7,662	-	-	-	-	-	495	3,313	11,576	-	-	-	-	2,396	-	-
2017.7	16,943	1,405	7,675	-	-	-	-	-	499	3,319	11,595	-	-	-	-	2,409	-	-
2017.8	16,975	1,408	7,689	-	-	-	-	-	503	3,324	11,614	-	-	-	-	2,422	-	-
2017.9	17,008	1,410	7,702	-	-	-	-	-	506	3,330	11,633	-	-	-	-	2,435	-	-
2017.10	17,040	1,412	7,715	-	-	-	-	-	510	3,336	11,652	-	-	-	-	2,448	-	-
2017.11	17,073	1,415	7,728	-	-	-	-	-	514	3,341	11,672	-	-	-	-	2,461	-	-
2017.12	17,106	1,417	7,741	-	-	-	-	-	517	3,347	11,691	-	-	-	-	2,474	-	-
2018.1	17,138	1,419	7,755	-	-	-	-	-	521	3,352	11,710	-	-	-	-	2,487	-	-
2018.2	17,171	1,422	7,768	-	-	-	-	-	525	3,358	11,730	-	-	-	-	2,501	-	-
2018.3	17,204	1,424	7,781	-	-	-	-	-	528	3,363	11,749	-	-	-	-	2,514	-	-
2018.4	17,237	1,426	7,794	-	-	-	-	-	532	3,369	11,768	-	-	-	-	2,527	-	-
2018.5	17,270	1,429	7,808	-	-	-	-	-	536	3,374	11,788	-	-	-	-	2,540	-	-
2018.6	17,303	1,431	7,821	-	-	-	-	-	540	3,380	11,807	-	-	-	-	2,553	-	-

Arizona Health Care Cost Containment System
Behavioral Health PP State Match

	Traditional								CMDP	Prop 204						NEA		
MONTH	Child	Child Exp	Adult	MMIC Reg	MMIC NEC	GAZ Reg	GAZ NEC	DD	Child	Adult Reg	Adult ESA	MMIC Reg	MMIC ESA	GAZ Reg	GAZ ESA	Adult	MMIC	GAZ
2015.7																		
2015.8																		
2015.9																		
2015.10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015.11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015.12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.10	219,100	-	153,600	-	-	-	-	-	130,000	66,400	69,600	-	-	-	-	-	-	-
2016.11	219,500	-	153,800	-	-	-	-	-	130,900	66,500	69,800	-	-	-	-	-	-	-
2016.12	220,000	-	154,100	-	-	-	-	-	131,900	66,700	69,900	-	-	-	-	-	-	-
2017.1	220,400	-	154,400	-	-	-	-	-	132,800	66,800	77,000	-	-	-	-	7,700	-	-
2017.2	220,800	-	154,600	-	-	-	-	-	133,800	66,900	77,100	-	-	-	-	7,700	-	-
2017.3	221,200	-	154,900	-	-	-	-	-	134,800	67,000	77,200	-	-	-	-	7,800	-	-
2017.4	221,700	-	155,200	-	-	-	-	-	135,700	67,100	77,400	-	-	-	-	7,800	-	-
2017.5	222,100	-	155,400	-	-	-	-	-	136,700	67,200	77,500	-	-	-	-	7,900	-	-
2017.6	222,500	-	155,700	-	-	-	-	-	137,700	67,300	77,600	-	-	-	-	7,900	-	-
2017.7	222,900	-	156,000	-	-	-	-	-	138,700	67,400	77,700	-	-	-	-	8,000	-	-
2017.8	223,300	-	156,200	-	-	-	-	-	139,700	67,500	77,900	-	-	-	-	8,000	-	-
2017.9	223,800	-	156,500	-	-	-	-	-	140,700	67,600	78,000	-	-	-	-	8,000	-	-
2017.10	228,800	-	159,900	-	-	-	-	-	144,600	69,100	80,000	-	-	-	-	8,300	-	-
2017.11	229,200	-	160,200	-	-	-	-	-	145,600	69,300	80,100	-	-	-	-	8,400	-	-
2017.12	229,700	-	160,500	-	-	-	-	-	146,700	69,400	80,300	-	-	-	-	8,400	-	-
2018.1	230,100	-	160,800	-	-	-	-	-	147,700	69,500	67,300	-	-	-	-	10,200	-	-
2018.2	230,500	-	161,000	-	-	-	-	-	148,800	69,600	67,400	-	-	-	-	10,200	-	-
2018.3	231,000	-	161,300	-	-	-	-	-	149,900	69,700	67,500	-	-	-	-	10,300	-	-
2018.4	231,400	-	161,600	-	-	-	-	-	150,900	69,800	67,700	-	-	-	-	10,300	-	-
2018.5	231,800	-	161,900	-	-	-	-	-	152,000	70,000	67,800	-	-	-	-	10,400	-	-
2018.6	232,300	-	162,100	-	-	-	-	-	153,100	70,100	67,900	-	-	-	-	10,400	-	-

	Traditional								CMDP	Prop 204						NEA		
MONTH	Child	Child Exp	Adult	MMIC Reg	MMIC NEC	GAZ Reg	GAZ NEC	DD	Child	Adult Reg	Adult ESA	MMIC Reg	MMIC ESA	GAZ Reg	GAZ ESA	Adult	MMIC	GAZ
2015.7																		
2015.8																		
2015.9																		
2015.10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015.11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015.12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.10	493,300	59,200	345,600	-	-	-	-	-	292,600	149,600	685,000	-	-	-	-	151,300	-	-
2016.11	494,200	59,300	346,300	-	-	-	-	-	294,800	149,800	686,000	-	-	-	-	152,200	-	-
2016.12	495,100	59,400	346,800	-	-	-	-	-	296,800	150,000	687,200	-	-	-	-	153,100	-	-
2017.1	496,100	59,500	347,400	-	-	-	-	-	299,000	150,300	681,300	-	-	-	-	146,200	-	-
2017.2	497,100	59,600	348,100	-	-	-	-	-	301,100	150,500	682,500	-	-	-	-	147,100	-	-
2017.3	498,000	59,700	348,600	-	-	-	-	-	303,300	150,800	683,600	-	-	-	-	147,800	-	-
2017.4	498,900	59,800	349,200	-	-	-	-	-	305,500	151,000	684,700	-	-	-	-	148,700	-	-
2017.5	499,900	59,900	349,800	-	-	-	-	-	307,700	151,300	685,800	-	-	-	-	149,500	-	-
2017.6	500,900	60,000	350,400	-	-	-	-	-	309,900	151,600	687,000	-	-	-	-	150,300	-	-
2017.7	501,800	60,100	351,000	-	-	-	-	-	312,100	151,800	688,200	-	-	-	-	151,100	-	-
2017.8	502,800	60,200	351,600	-	-	-	-	-	314,400	152,100	689,200	-	-	-	-	152,000	-	-
2017.9	503,700	60,300	352,200	-	-	-	-	-	316,700	152,300	690,400	-	-	-	-	152,800	-	-
2017.10	522,000	62,200	365,000	-	-	-	-	-	329,900	157,800	712,700	-	-	-	-	158,300	-	-
2017.11	523,000	62,300	365,600	-	-	-	-	-	332,300	158,000	714,000	-	-	-	-	159,000	-	-
2017.12	524,000	62,400	366,200	-	-	-	-	-	334,700	158,300	715,100	-	-	-	-	159,900	-	-
2018.1	525,000	62,500	366,800	-	-	-	-	-	337,100	158,600	729,400	-	-	-	-	159,000	-	-
2018.2	526,100	62,600	367,500	-	-	-	-	-	339,500	158,800	730,600	-	-	-	-	159,900	-	-
2018.3	527,000	62,700	368,100	-	-	-	-	-	341,900	159,100	731,800	-	-	-	-	160,700	-	-
2018.4	528,100	62,800	368,700	-	-	-	-	-	344,500	159,400	732,900	-	-	-	-	161,600	-	-
2018.5	529,100	62,900	369,300	-	-	-	-	-	346,900	159,600	734,200	-	-	-	-	162,400	-	-
2018.6	530,100	63,100	370,000	-	-	-	-	-	349,400	159,800	735,400	-	-	-	-	163,300	-	-

Arizona Health Care Cost Containment System
Behavioral Health PP Total

	Traditional								CMDP	Prop 204						NEA		
MONTH	Child	Child Exp	Adult	MMIC Reg	MMIC NEC	GAZ Reg	GAZ NEC	DD	Child	Adult Reg	Adult ESA	MMIC Reg	MMIC ESA	GAZ Reg	GAZ ESA	Adult	MMIC	GAZ
2015.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015.8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015.10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015.11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015.12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.10	712,400	59,200	499,200	-	-	-	-	-	422,600	216,000	754,600	-	-	-	-	151,300	-	-
2016.11	713,700	59,300	500,100	-	-	-	-	-	425,700	216,300	755,800	-	-	-	-	152,200	-	-
2016.12	715,100	59,400	500,900	-	-	-	-	-	428,700	216,700	757,100	-	-	-	-	153,100	-	-
2017.1	716,500	59,500	501,800	-	-	-	-	-	431,800	217,100	758,300	-	-	-	-	153,900	-	-
2017.2	717,900	59,600	502,700	-	-	-	-	-	434,900	217,400	759,600	-	-	-	-	154,800	-	-
2017.3	719,200	59,700	503,500	-	-	-	-	-	438,100	217,800	760,800	-	-	-	-	155,600	-	-
2017.4	720,600	59,800	504,400	-	-	-	-	-	441,200	218,100	762,100	-	-	-	-	156,500	-	-
2017.5	722,000	59,900	505,200	-	-	-	-	-	444,400	218,500	763,300	-	-	-	-	157,400	-	-
2017.6	723,400	60,000	506,100	-	-	-	-	-	447,600	218,900	764,600	-	-	-	-	158,200	-	-
2017.7	724,700	60,100	507,000	-	-	-	-	-	450,800	219,200	765,900	-	-	-	-	159,100	-	-
2017.8	726,100	60,200	507,800	-	-	-	-	-	454,100	219,600	767,100	-	-	-	-	160,000	-	-
2017.9	727,500	60,300	508,700	-	-	-	-	-	457,400	219,900	768,400	-	-	-	-	160,800	-	-
2017.10	750,800	62,200	524,900	-	-	-	-	-	474,500	226,900	792,700	-	-	-	-	166,600	-	-
2017.11	752,200	62,300	525,800	-	-	-	-	-	477,900	227,300	794,100	-	-	-	-	167,400	-	-
2017.12	753,700	62,400	526,700	-	-	-	-	-	481,400	227,700	795,400	-	-	-	-	168,300	-	-
2018.1	755,100	62,500	527,600	-	-	-	-	-	484,800	228,100	796,700	-	-	-	-	169,200	-	-
2018.2	756,600	62,600	528,500	-	-	-	-	-	488,300	228,400	798,000	-	-	-	-	170,100	-	-
2018.3	758,000	62,700	529,400	-	-	-	-	-	491,800	228,800	799,300	-	-	-	-	171,000	-	-
2018.4	759,500	62,800	530,300	-	-	-	-	-	495,400	229,200	800,600	-	-	-	-	171,900	-	-
2018.5	760,900	62,900	531,200	-	-	-	-	-	498,900	229,600	802,000	-	-	-	-	172,800	-	-
2018.6	762,400	63,100	532,100	-	-	-	-	-	502,500	229,900	803,300	-	-	-	-	173,700	-	-

Behavioral Health PMPMs

	Traditional								CMDP	Prop 204						NEA		
MONTH	Child	Child Exp	Adult	MMIC Reg	MMIC NEC	GAZ Reg	GAZ NEC	DD	Child	Adult Reg	Adult ESA	MMIC Reg	MMIC ESA	GAZ Reg	GAZ ESA	Adult	MMIC	GAZ
2015.7																		
2015.8																		
2015.9																		
2015.10	41.42	41.42	59.86	1,877.30	1,877.30	1,877.30	1,877.30	140.85	1,009.13	59.86	59.86	1,877.30	1,877.30	1,877.30	1,877.30	59.86	1,877.30	1,877.30
2015.11	41.42	41.42	59.86	1,877.30	1,877.30	1,877.30	1,877.30	140.85	1,009.13	59.86	59.86	1,877.30	1,877.30	1,877.30	1,877.30	59.86	1,877.30	1,877.30
2015.12	41.42	41.42	59.86	1,877.30	1,877.30	1,877.30	1,877.30	140.85	1,009.13	59.86	59.86	1,877.30	1,877.30	1,877.30	1,877.30	59.86	1,877.30	1,877.30
2016.1	41.42	41.42	59.86	1,877.30	1,877.30	1,877.30	1,877.30	140.85	1,009.13	59.86	59.86	1,877.30	1,877.30	1,877.30	1,877.30	59.86	1,877.30	1,877.30
2016.2	41.42	41.42	59.86	1,877.30	1,877.30	1,877.30	1,877.30	140.85	1,009.13	59.86	59.86	1,877.30	1,877.30	1,877.30	1,877.30	59.86	1,877.30	1,877.30
2016.3	41.42	41.42	59.86	1,877.30	1,877.30	1,877.30	1,877.30	140.85	1,009.13	59.86	59.86	1,877.30	1,877.30	1,877.30	1,877.30	59.86	1,877.30	1,877.30
2016.4	41.42	41.42	59.86	1,877.30	1,877.30	1,877.30	1,877.30	140.85	1,009.13	59.86	59.86	1,877.30	1,877.30	1,877.30	1,877.30	59.86	1,877.30	1,877.30
2016.5	41.42	41.42	59.86	1,877.30	1,877.30	1,877.30	1,877.30	140.85	1,009.13	59.86	59.86	1,877.30	1,877.30	1,877.30	1,877.30	59.86	1,877.30	1,877.30
2016.6	41.42	41.42	59.86	1,877.30	1,877.30	1,877.30	1,877.30	140.85	1,009.13	59.86	59.86	1,877.30	1,877.30	1,877.30	1,877.30	59.86	1,877.30	1,877.30
2016.7	40.93	40.93	59.16	1,855.28	1,855.28	1,855.28	1,855.28	139.20	997.29	59.16	59.16	1,855.28	1,855.28	1,855.28	1,855.28	59.16	1,855.28	1,855.28
2016.8	40.93	40.93	59.16	1,855.28	1,855.28	1,855.28	1,855.28	139.20	997.29	59.16	59.16	1,855.28	1,855.28	1,855.28	1,855.28	59.16	1,855.28	1,855.28
2016.9	40.93	40.93	59.16	1,855.28	1,855.28	1,855.28	1,855.28	139.20	997.29	59.16	59.16	1,855.28	1,855.28	1,855.28	1,855.28	59.16	1,855.28	1,855.28
2016.10	42.78	42.78	66.05	1,879.40	1,879:40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2016.11	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2016.12	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2017.1	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2017.2	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2017.3	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2017.4	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2017.5	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2017.6	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2017.7	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2017.8	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2017.9	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2017.10	44.06	44.06	68.03	1,935.78	1,935.78	1,935.78	1,935.78	139.53	930.65	68.03	68.03	1,935.78	1,935.78	1,935.78	1,935.78	68.03	1,935.78	1,935.78
2017.11	44.06	44.06	68.03	1,935.78	1,935.78	1,935.78	1,935.78	139.53	930.65	68.03	68.03	1,935.78	1,935.78	1,935.78	1,935.78	68.03	1,935.78	1,935.78
2017.12	44.06	44.06	68.03	1,935.78	1,935.78	1,935.78	1,935.78	139.53	930.65	68.03	68.03	1,935.78	1,935.78	1,935.78	1,935.78	68.03	1,935.78	1,935.78
2018.1	44.06	44.06	68.03	1,935.78	1,935.78	1,935.78	1,935.78	139.53	930.65	68.03	68.03	1,935.78	1,935.78	1,935.78	1,935.78	68.03	1,935.78	1,935.78
2018.2	44.06	44.06	68.03	1,935.78	1,935.78	1,935.78	1,935.78	139.53	930.65	68.03	68.03	1,935.78	1,935.78	1,935.78	1,935.78	68.03	1,935.78	1,935.78
2018.3	44.06	44.06	68.03	1,935.78	1,935.78	1,935.78	1,935.78	139.53	930.65	68.03	68.03	1,935.78	1,935.78	1,935.78	1,935.78	68.03	1,935.78	1,935.78
2018.4	44.06	44.06	68.03	1,935.78	1,935.78	1,935.78	1,935.78	139.53	930.65	68.03	68.03	1,935.78	1,935.78	1,935.78	1,935.78	68.03	1,935.78	1,935.78
2018.5	44.06	44.06	68.03	1,935.78	1,935.78	1,935.78	1,935.78	139.53	930.65	68.03	68.03	1,935.78	1,935.78	1,935.78	1,935.78	68.03	1,935.78	1,935.78
2018.6	44.06	44.06	68.03	1,935.78	1,935.78	1,935.78	1,935.78	139.53	930.65	68.03	68.03	1,935.78	1,935.78	1,935.78	1,935.78	68.03	1,935.78	1,935.78

Arizona Health Care Cost Containment System
Behavioral Health FMAP Table

	Traditional								CMDP	Prop 204						NEA		
MONTH	Child	Child Exp	Adult	MMIC Reg	MMIC NEC	GAZ Reg	GAZ NEC	DD	Child	Adult Reg	Adult ESA	MMIC Reg	MMIC ESA	GAZ Reg	GAZ ESA	Adult	MMIC	GAZ
2015.7																		
2015.8																		
2015.9																		
2015.10	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	87.57%	68.92%	87.57%	68.92%	87.57%	100.00%	100.00%	100.00%
2015.11	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	87.57%	68.92%	87.57%	68.92%	87.57%	100.00%	100.00%	100.00%
2015.12	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	87.57%	68.92%	87.57%	68.92%	87.57%	100.00%	100.00%	100.00%
2016.1	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	90.68%	68.92%	90.68%	68.92%	90.68%	100.00%	100.00%	100.00%
2016.2	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	90.68%	68.92%	90.68%	68.92%	90.68%	100.00%	100.00%	100.00%
2016.3	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	90.68%	68.92%	90.68%	68.92%	90.68%	100.00%	100.00%	100.00%
2016.4	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	90.68%	68.92%	90.68%	68.92%	90.68%	100.00%	100.00%	100.00%
2016.5	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	90.68%	68.92%	90.68%	68.92%	90.68%	100.00%	100.00%	100.00%
2016.6	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	90.68%	68.92%	90.68%	68.92%	90.68%	100.00%	100.00%	100.00%
2016.7	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	90.68%	68.92%	90.68%	68.92%	90.68%	100.00%	100.00%	100.00%
2016.8	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	90.68%	68.92%	90.68%	68.92%	90.68%	100.00%	100.00%	100.00%
2016.9	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	90.68%	68.92%	90.68%	68.92%	90.68%	100.00%	100.00%	100.00%
2016.10	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	90.77%	69.24%	90.77%	69.24%	90.77%	100.00%	100.00%	100.00%
2016.11	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	90.77%	69.24%	90.77%	69.24%	90.77%	100.00%	100.00%	100.00%
2016.12	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	90.77%	69.24%	90.77%	69.24%	90.77%	100.00%	100.00%	100.00%
2017.1	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	89.85%	69.24%	89.85%	69.24%	89.85%	95.00%	95.00%	95.00%
2017.2	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	89.85%	69.24%	89.85%	69.24%	89.85%	95.00%	95.00%	95.00%
2017.3	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	89.85%	69.24%	89.85%	69.24%	89.85%	95.00%	95.00%	95.00%
2017.4	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	89.85%	69.24%	89.85%	69.24%	89.85%	95.00%	95.00%	95.00%
2017.5	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	89.85%	69.24%	89.85%	69.24%	89.85%	95.00%	95.00%	95.00%
2017.6	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	89.85%	69.24%	89.85%	69.24%	89.85%	95.00%	95.00%	95.00%
2017.7	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	89.85%	69.24%	89.85%	69.24%	89.85%	95.00%	95.00%	95.00%
2017.8	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	89.85%	69.24%	89.85%	69.24%	89.85%	95.00%	95.00%	95.00%
2017.9	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	89.85%	69.24%	89.85%	69.24%	89.85%	95.00%	95.00%	95.00%
2017.10	69.53%	100.00%	69.53%	69.53%	100.00%	69.53%	100.00%	69.53%	69.53%	69.53%	89.91%	69.53%	89.91%	69.53%	89.91%	95.00%	95.00%	95.00%
2017.11	69.53%	100.00%	69.53%	69.53%	100.00%	69.53%	100.00%	69.53%	69.53%	69.53%	89.91%	69.53%	89.91%	69.53%	89.91%	95.00%	95.00%	95.00%
2017.12	69.53%	100.00%	69.53%	69.53%	100.00%	69.53%	100.00%	69.53%	69.53%	69.53%	89.91%	69.53%	89.91%	69.53%	89.91%	95.00%	95.00%	95.00%
2018.1	69.53%	100.00%	69.53%	69.53%	100.00%	69.53%	100.00%	69.53%	69.53%	69.53%	91.55%	69.53%	91.55%	69.53%	91.55%	94.00%	94.00%	94.00%
2018.2	69.53%	100.00%	69.53%	69.53%	100.00%	69.53%	100.00%	69.53%	69.53%	69.53%	91.55%	69.53%	91.55%	69.53%	91.55%	94.00%	94.00%	94.00%
2018.3	69.53%	100.00%	69.53%	69.53%	100.00%	69.53%	100.00%	69.53%	69.53%	69.53%	91.55%	69.53%	91.55%	69.53%	91.55%	94.00%	94.00%	94.00%
2018.4	69.53%	100.00%	69.53%	69.53%	100.00%	69.53%	100.00%	69.53%	69.53%	69.53%	91.55%	69.53%	91.55%	69.53%	91.55%	94.00%	94.00%	94.00%
2018.5	69.53%	100.00%	69.53%	69.53%	100.00%	69.53%	100.00%	69.53%	69.53%	69.53%	91.55%	69.53%	91.55%	69.53%	91.55%	94.00%	94.00%	94.00%
2018.6	69.53%	100.00%	69.53%	69.53%	100.00%	69.53%	100.00%	69.53%	69.53%	69.53%	91.55%	69.53%	91.55%	69.53%	91.55%	94.00%	94.00%	94.00%

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 10-10001 Medicaid Behavioral Health - Traditional

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	924,662.3	199,546.9	1,124,209.2
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	35,565.8	7,671.2	43,237.0
	Expenditure Categories Total:	0.0	960,228.1	207,218.1	1,167,446.2
Fund Source					
Appropriated Funds					
1000-A	General Fund (Appropriated)	0.0	259,356.9	69,208.1	328,565.0
1306-A	Tobacco Tax and Health Care Fund (Appropriated)	0.0	35,565.8	0.0	35,565.8
		0.0	294,922.7	69,208.1	364,130.8
Non-Appropriated Funds					
2120-N	AHCCCS Fund (Non-Appropriated)	0.0	665,305.4	138,010.0	803,315.4
		0.0	665,305.4	138,010.0	803,315.4
	Fund Source Total:	0.0	960,228.1	207,218.1	1,167,446.2

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 10-10001 Medicaid Behavioral Health - Traditional

Fund: 1000-A General Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	259,356.9	66,645.9	326,002.8
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	2,562.2	2,562.2
	Appropriated Total:	0.0	259,356.9	69,208.1	328,565.0
Fund Total:		0.0	259,356.9	69,208.1	328,565.0
Program Total For Selected Funds:		0.0	259,356.9	69,208.1	328,565.0

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 10-10001 Medicaid Behavioral Health - Traditional

Fund: 1306-A Tobacco Tax and Health Care Fund

Appropriated

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	35,565.8	0.0	35,565.8
	Appropriated Total:	0.0	35,565.8	0.0	35,565.8
	Fund Total:	0.0	35,565.8	0.0	35,565.8
	Program Total For Selected Funds:	0.0	35,565.8	0.0	35,565.8

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 10-10001 Medicaid Behavioral Health - Traditional

Fund: 2120-N AHCCCS Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Non-Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	665,305.4	132,901.0	798,206.4
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	5,109.0	5,109.0
	Non-Appropriated Total:	0.0	665,305.4	138,010.0	803,315.4
Fund Total:		0.0	665,305.4	138,010.0	803,315.4
Program Total For Selected Funds:		0.0	665,305.4	138,010.0	803,315.4

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 10-100 Medicaid Behavioral Health - Traditional

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	0.0	0.0
Boards and Commissions	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	0.0	0.0
Attorney General Legal Services	0.0	0.0
External Legal Services	0.0	0.0
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	0.0	0.0
Hospital Services	0.0	0.0
Other Medical Services	0.0	0.0
Institutional Care	0.0	0.0
Education And Training	0.0	0.0
Vendor Travel	0.0	0.0
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0
Other Professional And Outside Services	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 10-100 Medicaid Behavioral Health - Traditional

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	0.0	924,662.3
Expenditure Category Total	**0.0**	**924,662.3**
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	0.0	259,356.9
	0.0	**259,356.9**
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	0.0	665,305.4
	0.0	**665,305.4**
Fund Source Total	**0.0**	**924,662.3**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	0.0	0.0
Information Technology Services	0.0	0.0
Utilities	0.0	0.0
Non-Building or Land Rent	0.0	0.0
Building Rent Charges to State Agencies	0.0	0.0
COP Building Rent Charges to State Agencies	0.0	0.0
Rental of Land & Buildings	0.0	0.0
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	0.0	0.0
Repair & Maintenance	0.0	0.0
Software Support and Maintenance	0.0	0.0
Operating Supplies	0.0	0.0
Resale Supplies	0.0	0.0
Sales of Assets	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 10-100 Medicaid Behavioral Health - Traditional

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Conference, Education & Training	0.0	0.0
Advertising	0.0	0.0
Printing & Photography	0.0	0.0
Postage & Delivery	0.0	0.0
Miscellaneous Operating	0.0	0.0
Depreciation Expense	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	0.0	0.0
Vehicles - Non-Capital	0.0	0.0
Furniture - Non-Capital	0.0	0.0
EDP Equipment - Mainframe - Non-Capital	0.0	0.0
Telecommunication Equipment - Non Capital	0.0	0.0
Other Equipment - Non-Capital	0.0	0.0
Purchased Or Licensed Software/Website	0.0	0.0
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 10-100 Medicaid Behavioral Health - Traditional

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	0.0	35,565.8
Expenditure Category Total	**0.0**	**35,565.8**
Fund Source		
Appropriated		
1306-A Tobacco Tax and Health Care Fund (Appropriated)	0.0	35,565.8
	0.0	**35,565.8**
Fund Source Total	**0.0**	**35,565.8**

MEDICAID BEHAVIORAL HEALTH – CMDP

PROGRAM DESCRIPTION:

The Medicaid Behavioral Health – Comprehensive Medical and Dental Program (CMDP) provides behavioral health services to foster children under the jurisdiction of the Arizona Department of Child Safety (ADCS). Specific covered services include mental health and substance abuse related treatment, rehabilitation, medical, support, crisis intervention, inpatient, residential, and day program services.

The CMDP program provides full coverage for medical, dental, and behavioral health services. Currently, the ADCS administers acute care services by directly contracting with providers. Funding for acute services is included in the Traditional Medicaid line-item. Behavioral health services have been administered by the Arizona Department of Health Services (ADHS) through its Regional Behavioral Health Authorities (RBHAs), who subcontract with providers. Effective July 1, 2016 this program transferred from the ADHS to the Arizona Health Care Cost Containment System (AHCCCS).

STATUTORY AUTHORITY:

Laws 2013, Chapter 220.
Laws 2015, Chapter 19.
Laws 2015, Chapter 195.
A.R.S Title 36, Chapter 34, Article 3.

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
BEHAVIORAL HEALTH TITLE XIX SUMMARY

Appropriation:		FY16 Actual	FY17 Approp	FY17 Rebase	FY18 Request	FY18 Increase
	(SM)	-	294,922,700	346,367,600	364,097,900	69,175,200
BHS Traditional	(TF)	-	960,228,100	1,105,701,800	1,167,338,400	207,110,300
	(SM)	-	63,770,500	65,122,200	70,581,300	6,810,800
BHS CMDP	(TF)	-	208,027,400	211,148,900	231,121,400	23,094,000
	(SM)	-	109,250,500	135,191,500	140,770,800	31,520,300
BHS Prop 204	(TF)	-	612,844,800	750,461,400	798,640,800	185,796,000
	(SM)	-	831,900	2,287,000	5,260,000	4,428,100
BHS NEA	(TF)	-	77,702,300	88,207,400	95,508,400	17,806,100
	(SM)	-	468,775,600	548,968,300	580,710,000	111,934,400
TOTAL	(TF)	-	1,858,802,600	2,155,519,500	2,292,609,000	433,806,400

Notes:

1. Appropriations transferred to AHCCCS in FY17, previously appropriated to ADHS/DBHS.
2. BHS Traditional includes BHS Clawback and ALTCS DD BHS.
3. Includes all payments to RBHAs for SMI Integrated, including physical health.
4. Does not include payments to Acute MCOs for GMH/SA dual eligible behavioral health.
5. Effective 10/1/16, PPC member months are paid using same PMPMs as regular member months.
6. FY17 Rebase includes HIF; FY18 Request does not include HIF, which is not in effect for CY 2017.

Behavioral Health Regular Member Month Forecast

	Traditional								CMDP	Prop 204						NEA		
MONTH	Child	Child Exp	Adult	MMIC Reg	MMIC NEC	GAZ Reg	GAZ NEC	DD	Child	Adult Reg	Adult ESA	MMIC Reg	MMIC ESA	GAZ Reg	GAZ ESA	Adult	MMIC	GAZ
2015.7	615,911	33,331	313,744	10,864	2	-	-	28,433	16,417	126,348	255,644	3,295	4,895	-	-	66,635	353	0
2015.8	640,792	28,999	310,026	10,907	2	-	-	28,521	16,599	113,290	258,508	3,308	4,914	-	-	69,679	354	0
2015.9	670,282	26,603	315,395	11,000	2	-	-	28,634	16,807	104,375	265,596	3,336	4,956	-	-	72,508	357	0
2015.10	615,412	70,701	262,013	11,056	2	10,091	1	28,710	16,910	168,864	265,274	3,353	4,981	3,420	5,107	73,968	359	529
2015.11	625,344	73,614	256,499	11,105	2	10,048	1	28,781	17,166	167,253	269,384	3,368	5,003	3,405	5,085	76,654	360	527
2015.12	635,058	75,630	246,908	11,217	2	10,029	1	28,852	17,419	173,219	274,866	3,402	5,054	3,399	5,075	79,342	364	526
2016.1	640,341	76,837	237,827	11,207	2	9,941	1	28,933	17,366	174,608	274,448	3,399	5,049	3,369	5,031	80,413	364	522
2016.2	642,355	78,226	232,011	11,180	2	9,886	1	29,022	17,355	173,253	274,501	3,391	5,037	3,350	5,003	83,680	363	519
2016.3	644,182	78,563	228,722	11,242	2	9,879	1	29,112	17,450	174,750	276,204	3,410	5,065	3,348	4,999	84,157	365	518
2016.4	640,951	77,660	222,919	11,144	2	9,777	1	29,185	17,520	174,024	275,500	3,380	5,021	3,314	4,948	85,748	362	513
2016.5	640,097	77,307	223,874	11,168	2	9,773	1	29,251	17,725	172,957	275,116	3,387	5,032	3,312	4,946	85,998	362	513
2016.6	646,793	74,742	232,426	11,245	2	9,800	1	29,249	17,789	174,452	275,893	3,410	5,066	3,321	4,959	83,202	365	514
2016.7	648,037	74,910	232,837	11,339	2	9,877	1	29,350	17,917	174,645	276,349	3,439	5,108	3,348	4,999	83,207	368	518
2016.8	649,283	75,077	233,248	11,371	2	9,910	1	29,451	18,046	174,837	276,806	3,449	5,123	3,359	5,015	83,678	369	520
2016.9	650,532	75,245	233,660	11,404	2	9,938	1	29,552	18,176	175,030	277,264	3,459	5,138	3,368	5,030	84,148	370	521
2016.10	651,775	75,413	234,067	11,437	2	9,967	1	29,653	18,307	175,398	277,723	3,469	5,153	3,378	5,044	84,618	371	523
2016.11	653,020	75,582	234,475	11,470	2	9,995	1	29,754	18,439	175,766	278,182	3,478	5,167	3,388	5,058	85,088	372	524
2016.12	654,267	75,750	234,884	11,502	2	10,024	1	29,856	18,572	176,135	278,642	3,488	5,182	3,397	5,073	85,559	373	526
2017.1	655,517	75,919	235,293	11,535	2	10,052	1	29,957	18,706	176,504	279,103	3,498	5,197	3,407	5,087	86,029	374	527
2017.2	656,768	76,088	235,703	11,568	2	10,081	1	30,058	18,841	176,874	279,565	3,508	5,212	3,417	5,102	86,499	375	529
2017.3	658,023	76,257	236,113	11,600	2	10,110	1	30,159	18,977	177,244	280,028	3,518	5,226	3,426	5,116	86,969	376	530
2017.4	659,279	76,426	236,524	11,633	2	10,138	1	30,260	19,114	177,614	280,491	3,528	5,241	3,436	5,131	87,440	377	532
2017.5	660,538	76,595	236,935	11,666	2	10,167	1	30,361	19,251	177,985	280,955	3,538	5,256	3,446	5,145	87,910	379	533
2017.6	661,799	76,765	237,347	11,699	2	10,195	1	30,462	19,390	178,356	281,420	3,548	5,271	3,455	5,159	88,380	380	535
2017.7	663,063	76,935	237,760	11,731	2	10,224	1	30,563	19,530	178,727	281,885	3,558	5,285	3,465	5,174	88,851	381	536
2017.8	664,328	77,105	238,173	11,764	2	10,252	1	30,665	19,671	179,099	282,351	3,568	5,300	3,475	5,188	89,321	382	538
2017.9	665,597	77,275	238,586	11,797	2	10,281	1	30,766	19,812	179,472	282,818	3,578	5,315	3,484	5,203	89,791	383	539
2017.10	666,867	73,298	239,000	11,830	2	10,309	1	30,867	19,955	179,844	283,286	3,588	5,330	3,494	5,217	86,867	384	541
2017.11	668,140	73,419	239,415	11,862	2	10,338	1	30,968	20,099	180,218	283,755	3,598	5,344	3,504	5,232	87,332	385	542
2017.12	669,415	73,540	239,830	11,895	2	10,366	1	31,069	20,244	180,591	284,224	3,608	5,359	3,513	5,246	87,796	386	544
2018.1	670,693	73,661	240,246	11,928	2	10,395	1	31,170	20,390	180,965	284,695	3,617	5,374	3,523	5,260	88,261	387	545
2018.2	671,972	73,783	240,663	11,960	2	10,423	1	31,271	20,537	181,339	285,165	3,627	5,389	3,533	5,275	88,726	388	547
2018.3	673,255	73,905	241,080	11,993	2	10,452	1	31,372	20,685	181,714	285,637	3,637	5,403	3,542	5,289	89,191	389	548
2018.4	674,539	74,027	241,497	12,026	2	10,480	1	31,474	20,834	182,089	286,110	3,647	5,418	3,552	5,304	89,655	390	550
2018.5	675,826	74,149	241,915	12,059	2	10,509	1	31,575	20,984	182,465	286,583	3,657	5,433	3,562	5,318	90,120	391	551
2018.6	677,116	74,272	242,334	12,091	2	10,537	1	31,676	21,135	182,841	287,057	3,667	5,448	3,571	5,333	90,585	392	553

Arizona Health Care Cost Containment System
Behavioral Health Regular State Match

	Traditional								CMDP	Prop 204						NEA		
MONTH	Child	Child Exp	Adult	MMIC Reg	MMIC NEC	GAZ Reg	GAZ NEC	DD	Child	Adult Reg	Adult ESA	MMIC Reg	MMIC ESA	GAZ Reg	GAZ ESA	Adult	MMIC	GAZ
2015.10	7,922,400	-	4,874,600	6,450,700	-	5,887,800	-	1,256,800	5,303,600	3,141,600	1,973,800	1,956,400	1,162,300	1,995,500	1,191,700	-	-	-
2015.11	8,050,300	-	4,772,000	6,479,700	-	5,862,600	-	1,259,900	5,384,100	3,111,600	2,004,400	1,965,200	1,167,500	1,986,900	1,186,600	-	-	-
2015.12	8,175,300	-	4,593,600	6,544,700	-	5,851,500	-	1,263,000	5,463,100	3,222,700	2,045,200	1,984,900	1,179,200	1,983,200	1,184,300	-	-	-
2016.1	8,243,300	-	4,424,600	6,538,800	-	5,800,500	-	1,266,600	5,446,600	3,248,500	1,531,100	1,983,100	883,400	1,965,900	880,300	-	-	-
2016.2	8,269,200	-	4,316,500	6,522,900	-	5,768,000	-	1,270,500	5,443,200	3,223,300	1,531,400	1,978,300	881,300	1,954,900	875,300	-	-	-
2016.3	8,292,800	-	4,255,300	6,559,400	-	5,763,900	-	1,274,400	5,473,000	3,251,100	1,540,900	1,989,300	886,200	1,953,500	874,700	-	-	-
2016.4	8,251,200	-	4,147,300	6,502,200	-	5,704,500	-	1,277,600	5,495,000	3,237,600	1,537,000	1,972,000	878,500	1,933,400	865,700	-	-	-
2016.5	8,240,200	-	4,165,100	6,516,400	-	5,702,400	-	1,280,500	5,559,100	3,217,800	1,534,900	1,976,300	880,400	1,932,700	865,400	-	-	-
2016.6	8,326,400	-	4,324,200	6,561,000	-	5,717,800	-	1,280,400	5,579,300	3,245,600	1,539,200	1,989,800	886,400	1,937,900	867,700	-	-	-
2016.7	8,244,500	-	4,281,000	6,538,100	-	5,695,500	-	1,269,700	5,553,600	3,211,100	1,523,700	1,982,900	883,300	1,930,300	864,300	-	-	-
2016.8	8,260,400	-	4,288,600	6,556,900	-	5,714,200	-	1,274,100	5,593,700	3,214,600	1,526,200	1,988,600	885,900	1,936,700	867,200	-	-	-
2016.9	8,276,300	-	4,296,100	6,575,800	-	5,730,700	-	1,278,500	5,634,000	3,218,100	1,528,700	1,994,300	888,400	1,942,300	869,700	-	-	-
2016.10	8,576,000	-	4,755,600	6,611,600	-	5,761,900	-	1,235,600	5,088,200	3,563,600	1,693,100	2,005,200	893,800	1,952,800	875,000	-	-	-
2016.11	8,592,400	-	4,763,900	6,630,600	-	5,778,400	-	1,239,800	5,124,900	3,571,100	1,695,900	2,010,900	896,400	1,958,400	877,500	-	-	-
2016.12	8,608,800	-	4,772,200	6,649,500	-	5,794,900	-	1,244,000	5,161,800	3,578,600	1,698,800	2,016,700	898,900	1,964,000	880,000	-	-	-
2017.1	8,625,300	-	4,780,500	6,668,400	-	5,811,400	-	1,248,200	5,199,000	3,586,100	1,871,200	2,022,400	991,400	1,969,600	970,400	284,100	35,200	49,600
2017.2	8,641,700	-	4,788,900	6,687,300	-	5,827,900	-	1,252,500	5,236,500	3,593,600	1,874,300	2,028,100	994,200	1,975,200	973,200	285,700	35,300	49,700
2017.3	8,658,200	-	4,797,200	6,706,200	-	5,844,300	-	1,256,700	5,274,300	3,601,100	1,877,400	2,033,900	997,000	1,980,800	975,900	287,200	35,400	49,800
2017.4	8,674,800	-	4,805,500	6,725,200	-	5,860,800	-	1,260,900	5,312,300	3,608,600	1,880,500	2,039,600	999,800	1,986,400	978,700	288,800	35,500	50,000
2017.5	8,691,300	-	4,813,900	6,744,100	-	5,877,300	-	1,265,100	5,350,500	3,616,200	1,883,600	2,045,400	1,002,600	1,992,000	981,500	290,300	35,600	50,100
2017.6	8,707,900	-	4,822,300	6,763,000	-	5,893,800	-	1,269,300	5,389,100	3,623,700	1,886,700	2,051,100	1,005,400	1,997,600	984,200	291,900	35,700	50,300
2017.7	8,724,600	-	4,830,600	6,781,900	-	5,910,300	-	1,273,500	5,427,900	3,631,300	1,889,800	2,056,800	1,008,200	2,003,100	987,000	293,400	35,800	50,400
2017.8	8,741,200	-	4,839,000	6,800,900	-	5,926,800	-	1,277,700	5,467,100	3,638,800	1,892,900	2,062,600	1,011,000	2,008,700	989,700	295,000	35,900	50,500
2017.9	8,757,900	-	4,847,400	6,819,800	-	5,943,300	-	1,282,000	5,506,500	3,646,400	1,896,100	2,068,300	1,013,900	2,014,300	992,500	296,500	36,000	50,700
2017.10	8,952,600	-	4,954,400	6,977,400	-	6,080,700	-	1,312,300	5,658,700	3,728,100	1,944,600	2,116,100	1,041,000	2,060,900	1,019,000	295,500	37,100	52,300
2017.11	8,969,700	-	4,963,000	6,996,800	-	6,097,500	-	1,316,600	5,699,500	3,735,800	1,947,800	2,122,000	1,043,900	2,066,600	1,021,800	297,100	37,300	52,500
2017.12	8,986,900	-	4,971,600	7,016,100	-	6,114,300	-	1,320,900	5,740,500	3,743,600	1,951,100	2,127,800	1,046,700	2,072,300	1,024,600	298,600	37,400	52,600
2018.1	9,004,000	-	4,980,200	7,035,400	-	6,131,100	-	1,325,200	5,781,900	3,751,300	1,636,600	2,133,700	879,000	2,078,000	860,500	360,300	45,000	63,300
2018.2	9,021,200	-	4,988,800	7,054,700	-	6,148,000	-	1,329,500	5,823,600	3,759,100	1,639,400	2,139,500	881,400	2,083,700	862,800	362,200	45,100	63,500
2018.3	9,038,400	-	4,997,500	7,074,000	-	6,164,800	-	1,333,800	5,865,600	3,766,900	1,642,100	2,145,400	883,800	2,089,400	865,200	364,100	45,200	63,700
2018.4	9,055,600	-	5,006,100	7,093,300	-	6,181,600	-	1,338,100	5,907,900	3,774,600	1,644,800	2,151,200	886,300	2,095,100	867,600	366,000	45,300	63,900
2018.5	9,072,900	-	5,014,800	7,112,600	-	6,198,500	-	1,342,400	5,950,400	3,782,400	1,647,500	2,157,100	888,700	2,100,800	869,900	367,900	45,400	64,000
2018.6	9,090,200	-	5,023,500	7,131,900	-	6,215,300	-	1,346,700	5,993,300	3,790,200	1,650,200	2,163,000	891,100	2,106,500	872,300	369,800	45,600	64,200

	Traditional								CMDP	Prop 204						NEA		
MONTH	Child	Child Exp	Adult	MMIC Reg	MMIC NEC	GAZ Reg	GAZ NEC	DD	Child	Adult Reg	Adult ESA	MMIC Reg	MMIC ESA	GAZ Reg	GAZ ESA	Adult	MMIC	GAZ
2015.7																		
2015.8																		
2015.9																		
2015.10	17,568,000	2,928,400	10,809,500	14,304,300	3,700	13,056,100	1,900	2,786,900	11,760,700	6,966,600	13,905,500	4,338,200	8,188,500	4,425,000	8,395,200	4,427,700	673,400	993,800
2015.11	17,851,500	3,049,100	10,582,000	14,368,600	3,700	13,000,300	1,900	2,793,900	11,939,100	6,900,100	14,120,900	4,357,700	8,225,300	4,406,100	8,359,300	4,588,500	676,500	989,500
2015.12	18,128,800	3,132,600	10,186,300	14,512,800	3,700	12,975,600	1,900	2,800,800	12,114,600	7,146,200	14,408,300	4,401,400	8,307,900	4,397,700	8,343,500	4,749,400	683,300	987,600
2016.1	18,279,600	3,182,600	9,811,700	14,499,800	3,700	12,862,500	1,900	2,808,600	12,077,900	7,203,500	14,897,400	4,397,500	8,595,100	4,359,400	8,564,500	4,813,500	682,600	979,000
2016.2	18,337,100	3,240,100	9,571,700	14,464,500	3,700	12,790,500	1,900	2,817,300	12,070,200	7,147,600	14,900,200	4,386,800	8,574,200	4,335,000	8,516,600	5,009,100	681,000	973,500
2016.3	18,389,200	3,254,100	9,436,000	14,545,400	3,700	12,781,500	1,900	2,826,000	12,136,500	7,209,400	14,992,700	4,411,400	8,622,200	4,331,900	8,510,600	5,037,600	684,800	972,900
2016.4	18,297,000	3,216,700	9,196,600	14,418,700	3,700	12,649,600	1,900	2,833,100	12,185,100	7,179,500	14,954,500	4,372,900	8,547,000	4,287,200	8,422,700	5,132,900	678,800	962,800
2016.5	18,272,600	3,202,000	9,236,000	14,450,100	3,700	12,645,100	1,900	2,839,500	12,327,300	7,135,400	14,933,600	4,382,400	8,565,700	4,285,700	8,419,700	5,147,800	680,300	962,500
2016.6	18,463,800	3,095,800	9,588,800	14,549,100	3,700	12,679,200	1,900	2,839,300	12,372,200	7,197,100	14,975,700	4,412,500	8,624,400	4,297,200	8,442,400	4,980,500	685,000	965,100
2016.7	18,282,300	3,066,400	9,493,100	14,498,200	3,700	12,629,700	1,900	2,815,700	12,315,200	7,120,500	14,824,500	4,397,000	8,594,200	4,280,500	8,409,500	4,922,400	682,600	961,300
2016.8	18,317,500	3,073,200	9,509,900	14,540,100	3,700	12,671,400	1,900	2,825,400	12,403,900	7,128,400	14,849,100	4,409,700	8,619,000	4,294,600	8,437,200	4,950,200	684,500	964,500
2016.9	18,352,700	3,080,100	9,526,700	14,581,900	3,800	12,707,800	1,900	2,835,100	12,493,300	7,136,300	14,873,600	4,422,400	8,643,800	4,306,900	8,461,400	4,978,000	686,500	967,300
2016.10	19,304,400	3,225,900	10,704,800	14,882,700	3,800	12,969,900	1,900	2,781,300	11,453,500	8,021,700	16,650,800	4,513,600	8,790,100	4,395,800	8,604,600	5,589,100	697,400	982,600
2016.11	19,341,300	3,233,100	10,723,500	14,925,200	3,800	13,007,000	1,900	2,790,800	11,536,000	8,038,500	16,678,400	4,526,500	8,815,200	4,408,400	8,629,200	5,620,200	699,400	985,500
2016.12	19,378,200	3,240,300	10,742,200	14,967,800	3,800	13,044,100	1,900	2,800,300	11,619,200	8,055,300	16,705,900	4,539,400	8,840,400	4,420,900	8,653,800	5,651,200	701,400	988,300
2017.1	19,415,200	3,247,500	10,760,900	15,010,400	3,800	13,081,200	1,900	2,809,800	11,702,900	8,072,200	16,563,900	4,552,400	8,775,600	4,433,500	8,590,600	5,398,200	668,200	941,500
2017.2	19,452,300	3,254,700	10,779,600	15,053,000	3,900	13,118,300	1,900	2,819,200	11,787,300	8,089,100	16,591,300	4,565,300	8,800,500	4,446,100	8,614,900	5,427,700	670,100	944,200
2017.3	19,489,500	3,262,000	10,798,400	15,095,600	3,900	13,155,500	2,000	2,828,700	11,872,200	8,106,100	16,618,800	4,578,200	8,825,400	4,458,700	8,639,300	5,457,200	672,000	946,900
2017.4	19,526,600	3,269,200	10,817,200	15,138,200	3,900	13,192,600	2,000	2,838,200	11,957,700	8,123,000	16,646,200	4,591,100	8,850,300	4,471,200	8,663,600	5,486,700	673,900	949,500
2017.5	19,564,000	3,276,500	10,836,000	15,180,800	3,900	13,229,700	2,000	2,847,700	12,044,000	8,139,900	16,673,800	4,604,000	8,875,300	4,483,800	8,688,000	5,516,300	675,800	952,200
2017.6	19,601,300	3,283,700	10,854,800	15,223,400	3,900	13,266,800	2,000	2,857,200	12,130,800	8,156,900	16,701,400	4,616,900	8,900,200	4,496,400	8,712,400	5,545,700	677,700	954,800
2017.7	19,638,700	3,291,000	10,873,700	15,266,000	3,900	13,303,900	2,000	2,866,700	12,218,200	8,173,900	16,729,000	4,629,900	8,925,100	4,509,000	8,736,700	5,575,300	679,600	957,500
2017.8	19,676,200	3,298,300	10,892,600	15,308,500	3,900	13,341,000	2,000	2,876,200	12,306,200	8,190,900	16,756,700	4,642,700	8,950,000	4,521,600	8,761,100	5,604,800	681,500	960,300
2017.9	19,713,800	3,305,500	10,911,500	15,351,100	3,900	13,378,100	2,000	2,885,600	12,394,900	8,207,900	16,784,400	4,655,700	8,974,800	4,534,200	8,785,500	5,634,300	683,400	962,900
2017.10	20,429,200	3,229,500	11,305,400	15,922,000	4,100	13,875,600	2,100	2,994,500	12,912,700	8,507,200	17,328,100	4,828,800	9,275,900	4,702,700	9,080,300	5,614,300	705,900	994,600
2017.11	20,468,200	3,234,800	11,325,100	15,966,000	4,100	13,914,000	2,100	3,004,300	13,005,700	8,524,900	17,356,800	4,842,100	9,301,600	4,715,700	9,105,400	5,644,300	707,800	997,300
2017.12	20,507,200	3,240,100	11,344,700	16,010,000	4,100	13,952,400	2,100	3,014,100	13,099,500	8,542,500	17,385,500	4,855,600	9,327,300	4,728,800	9,130,500	5,674,400	709,700	1,000,100
2018.1	20,546,400	3,245,500	11,364,400	16,054,100	4,100	13,990,800	2,100	3,023,900	13,193,900	8,560,200	17,731,900	4,868,900	9,523,500	4,741,800	9,322,600	5,644,300	704,200	992,300
2018.2	20,585,500	3,250,800	11,384,100	16,098,100	4,100	14,029,200	2,100	3,033,700	13,289,000	8,577,900	17,761,200	4,882,300	9,549,700	4,754,800	9,348,200	5,674,100	706,100	995,000
2018.3	20,624,800	3,256,200	11,403,800	16,142,200	4,100	14,067,600	2,100	3,043,500	13,384,700	8,595,600	17,790,600	4,895,600	9,575,800	4,767,800	9,373,800	5,703,800	708,100	997,700
2018.4	20,664,200	3,261,600	11,423,600	16,186,200	4,100	14,106,000	2,100	3,053,300	13,481,200	8,613,400	17,820,000	4,909,000	9,601,900	4,780,800	9,399,300	5,733,500	710,000	1,000,400
2018.5	20,703,600	3,267,000	11,443,400	16,230,300	4,100	14,144,300	2,100	3,063,100	13,578,400	8,631,200	17,849,500	4,922,300	9,628,000	4,793,800	9,425,000	5,763,200	712,000	1,003,100
2018.6	20,743,200	3,272,400	11,463,100	16,274,400	4,200	14,182,700	2,100	3,072,900	13,676,300	8,649,000	17,879,100	4,935,700	9,654,200	4,806,800	9,450,500	5,792,900	713,900	1,005,800

Arizona Health Care Cost Containment System
Behavioral Health Regular Total

	Traditional								CMDP	Prop 204						NEA		
MONTH	Child	Child Exp	Adult	MMIC Reg	MMIC NEC	GAZ Reg	GAZ NEC	DD	Child	Adult Reg	Adult ESA	MMIC Reg	MMIC ESA	GAZ Reg	GAZ ESA	Adult	MMIC	GAZ
2015.7	-	-	-	-	-	-	-											
2015.8	-	-	-	-	-	-	-											
2015.9	-	-	-	-	-	-	-											
2015.10	25,490,400	2,928,400	15,684,100	20,755,000	3,700	18,943,900	1,900	4,043,700	17,064,300	10,108,200	15,879,300	6,294,600	9,350,800	6,420,500	9,586,900	4,427,700	673,400	993,800
2015.11	25,901,800	3,049,100	15,354,000	20,848,300	3,700	18,862,900	1,900	4,053,800	17,323,200	10,011,700	16,125,300	6,322,900	9,392,800	6,393,000	9,545,900	4,588,500	676,500	989,500
2015.12	26,304,100	3,132,600	14,779,900	21,057,500	3,700	18,827,100	1,900	4,063,800	17,577,700	10,368,900	16,453,500	6,386,300	9,487,100	6,380,900	9,527,800	4,749,400	683,300	987,600
2016.1	26,522,900	3,182,600	14,236,300	21,038,600	3,700	18,663,000	1,900	4,075,200	17,524,500	10,452,000	16,428,500	6,380,600	9,478,500	6,325,300	9,444,800	4,813,500	682,600	979,000
2016.2	26,606,300	3,240,100	13,888,200	20,987,400	3,700	18,558,500	1,900	4,087,800	17,513,400	10,370,900	16,431,600	6,365,100	9,455,500	6,289,900	9,391,900	5,009,100	681,000	973,500
2016.3	26,682,000	3,254,100	13,691,300	21,104,800	3,700	18,545,400	1,900	4,100,400	17,609,500	10,460,500	16,533,600	6,400,700	9,508,400	6,285,400	9,385,300	5,037,600	684,800	972,900
2016.4	26,548,200	3,216,700	13,343,900	20,920,900	3,700	18,354,100	1,900	4,110,700	17,680,100	10,417,100	16,491,500	6,344,900	9,425,500	6,220,600	9,288,400	5,132,900	678,800	962,800
2016.5	26,512,800	3,202,000	13,401,100	20,966,500	3,700	18,347,500	1,900	4,120,000	17,886,400	10,353,200	16,468,500	6,358,700	9,446,100	6,218,400	9,285,100	5,147,800	680,300	962,500
2016.6	26,790,200	3,095,800	13,913,000	21,110,100	3,700	18,397,000	1,900	4,119,700	17,951,500	10,442,700	16,514,900	6,402,300	9,510,800	6,235,100	9,310,100	4,980,500	685,000	965,100
2016.7	26,526,800	3,066,400	13,774,100	21,036,300	3,700	18,325,200	1,900	4,085,400	17,868,800	10,331,600	16,348,200	6,379,900	9,477,500	6,210,800	9,273,800	4,922,400	682,600	961,300
2016.8	26,577,900	3,073,200	13,798,500	21,097,000	3,700	18,385,600	1,900	4,099,500	17,997,600	10,343,000	16,375,300	6,398,300	9,504,900	6,231,300	9,304,400	4,950,200	684,500	964,500
2016.9	26,629,000	3,080,100	13,822,800	21,157,700	3,800	18,438,500	1,900	4,113,600	18,127,300	10,354,400	16,402,300	6,416,700	9,532,200	6,249,200	9,331,100	4,978,000	686,500	967,300
2016.10	27,880,400	3,225,900	15,460,400	21,494,300	3,800	18,731,800	1,900	4,016,900	16,541,700	11,585,300	18,343,900	6,518,800	9,683,900	6,348,600	9,479,600	5,589,100	697,400	982,600
2016.11	27,933,700	3,233,100	15,487,400	21,555,800	3,800	18,785,400	1,900	4,030,600	16,660,900	11,609,600	18,374,300	6,537,400	9,711,600	6,366,800	9,506,700	5,620,200	699,400	985,500
2016.12	27,987,000	3,240,300	15,514,400	21,617,300	3,800	18,839,000	1,900	4,044,300	16,781,000	11,633,900	18,404,700	6,556,100	9,739,300	6,384,900	9,533,800	5,651,200	701,400	988,300
2017.1	28,040,500	3,247,500	15,541,400	21,678,800	3,800	18,892,600	1,900	4,058,000	16,901,900	11,658,300	18,435,100	6,574,800	9,767,000	6,403,100	9,561,000	5,682,300	703,400	991,100
2017.2	28,094,000	3,254,700	15,568,500	21,740,300	3,900	18,946,200	1,900	4,071,700	17,023,800	11,682,700	18,465,600	6,593,400	9,794,700	6,421,300	9,588,100	5,713,400	705,400	993,900
2017.3	28,147,700	3,262,000	15,595,600	21,801,800	3,900	18,999,800	2,000	4,085,400	17,146,500	11,707,200	18,496,200	6,612,100	9,822,400	6,439,500	9,615,200	5,744,400	707,400	996,700
2017.4	28,201,400	3,269,200	15,622,700	21,863,400	3,900	19,053,400	2,000	4,099,100	17,270,000	11,731,600	18,526,700	6,630,700	9,850,100	6,457,600	9,642,300	5,775,500	709,400	999,500
2017.5	28,255,300	3,276,500	15,649,900	21,924,900	3,900	19,107,000	2,000	4,112,800	17,394,500	11,756,100	18,557,400	6,649,400	9,877,900	6,475,800	9,669,500	5,806,600	711,400	1,002,300
2017.6	28,309,200	3,283,700	15,677,100	21,986,400	3,900	19,160,600	2,000	4,126,500	17,519,900	11,780,600	18,588,100	6,668,000	9,905,600	6,494,000	9,696,600	5,837,600	713,400	1,005,100
2017.7	28,363,300	3,291,000	15,704,300	22,047,900	3,900	19,214,200	2,000	4,140,200	17,646,100	11,805,200	18,618,800	6,686,700	9,933,300	6,512,100	9,723,700	5,868,700	715,400	1,007,900
2017.8	28,417,400	3,298,300	15,731,600	22,109,400	3,900	19,267,800	2,000	4,153,900	17,773,300	11,829,700	18,649,600	6,705,300	9,961,000	6,530,300	9,750,800	5,899,800	717,400	1,010,800
2017.9	28,471,700	3,305,500	15,758,900	22,170,900	3,900	19,321,400	2,000	4,167,600	17,901,400	11,854,300	18,680,500	6,724,000	9,988,700	6,548,500	9,778,000	5,930,800	719,400	1,013,600
2017.10	29,381,800	3,229,500	16,259,800	22,899,400	4,100	19,956,300	2,100	4,306,800	18,571,400	12,235,300	19,272,700	6,944,900	10,316,900	6,763,600	10,099,300	5,909,800	743,000	1,046,900
2017.11	29,437,900	3,234,800	16,288,100	22,962,800	4,100	20,011,500	2,100	4,320,900	18,705,200	12,260,700	19,304,600	6,964,100	10,345,500	6,782,300	10,127,200	5,941,400	745,100	1,049,800
2017.12	29,494,100	3,240,100	16,316,300	23,026,100	4,100	20,066,700	2,100	4,335,000	18,840,000	12,286,100	19,336,600	6,983,400	10,374,000	6,801,100	10,155,100	5,973,000	747,100	1,052,700
2018.1	29,550,400	3,245,500	16,344,600	23,089,500	4,100	20,121,900	2,100	4,349,100	18,975,800	12,311,500	19,368,500	7,002,600	10,402,500	6,819,800	10,183,100	6,004,600	749,200	1,055,600
2018.2	29,606,700	3,250,800	16,372,900	23,152,800	4,100	20,177,200	2,100	4,363,200	19,112,600	12,337,000	19,400,600	7,021,800	10,431,100	6,838,500	10,211,000	6,036,300	751,200	1,058,500
2018.3	29,663,200	3,256,200	16,401,300	23,216,200	4,100	20,232,400	2,100	4,377,300	19,250,300	12,362,500	19,432,700	7,041,000	10,459,600	6,857,200	10,239,000	6,067,900	753,300	1,061,400
2018.4	29,719,800	3,261,600	16,429,700	23,279,500	4,100	20,287,600	2,100	4,391,400	19,389,100	12,388,000	19,464,800	7,060,200	10,488,200	6,875,900	10,266,900	6,099,500	755,300	1,064,300
2018.5	29,776,500	3,267,000	16,458,200	23,342,900	4,100	20,342,800	2,100	4,405,500	19,528,800	12,413,600	19,497,000	7,079,400	10,516,700	6,894,600	10,294,900	6,131,100	757,400	1,067,100
2018.6	29,833,400	3,272,400	16,486,600	23,406,300	4,200	20,398,000	2,100	4,419,600	19,669,600	12,439,200	19,529,300	7,098,700	10,545,300	6,913,300	10,322,800	6,162,700	759,500	1,070,000

Behavioral Health Prior Period Member Month Forecast

	Traditional								CMDP	Prop 204						NEA		
MONTH	Child	Child Exp	Adult	MMIC Reg	MMIC NEC	GAZ Reg	GAZ NEC	DD	Child	Adult Reg	Adult ESA	MMIC Reg	MMIC ESA	GAZ Reg	GAZ ESA	Adult	MMIC	GAZ
2015.7																		
2015.8																		
2015.9																		
2015.10																		
2015.11																		
2015.12																		
2016.1																		
2016.2																		
2016.3																		
2016.4																		
2016.5																		
2016.6																		
2016.7																		
2016.8																		
2016.9																		
2016.10	16,654	1,385	7,558	-	-	-	-	-	468	3,270	11,424	-	-	-	-	2,291	-	-
2016.11	16,686	1,387	7,571	-	-	-	-	-	471	3,275	11,443	-	-	-	-	2,304	-	-
2016.12	16,718	1,389	7,584	-	-	-	-	-	475	3,281	11,462	-	-	-	-	2,317	-	-
2017.1	16,750	1,391	7,597	-	-	-	-	-	478	3,286	11,481	-	-	-	-	2,330	-	-
2017.2	16,782	1,394	7,610	-	-	-	-	-	481	3,292	11,500	-	-	-	-	2,343	-	-
2017.3	16,814	1,396	7,623	-	-	-	-	-	485	3,297	11,519	-	-	-	-	2,356	-	-
2017.4	16,846	1,398	7,636	-	-	-	-	-	488	3,303	11,538	-	-	-	-	2,370	-	-
2017.5	16,878	1,401	7,649	-	-	-	-	-	492	3,308	11,557	-	-	-	-	2,383	-	-
2017.6	16,910	1,403	7,662	-	-	-	-	-	495	3,313	11,576	-	-	-	-	2,396	-	-
2017.7	16,943	1,405	7,675	-	-	-	-	-	499	3,319	11,595	-	-	-	-	2,409	-	-
2017.8	16,975	1,408	7,689	-	-	-	-	-	503	3,324	11,614	-	-	-	-	2,422	-	-
2017.9	17,008	1,410	7,702	-	-	-	-	-	506	3,330	11,633	-	-	-	-	2,435	-	-
2017.10	17,040	1,412	7,715	-	-	-	-	-	510	3,336	11,652	-	-	-	-	2,448	-	-
2017.11	17,073	1,415	7,728	-	-	-	-	-	514	3,341	11,672	-	-	-	-	2,461	-	-
2017.12	17,106	1,417	7,741	-	-	-	-	-	517	3,347	11,691	-	-	-	-	2,474	-	-
2018.1	17,138	1,419	7,755	-	-	-	-	-	521	3,352	11,710	-	-	-	-	2,487	-	-
2018.2	17,171	1,422	7,768	-	-	-	-	-	525	3,358	11,730	-	-	-	-	2,501	-	-
2018.3	17,204	1,424	7,781	-	-	-	-	-	528	3,363	11,749	-	-	-	-	2,514	-	-
2018.4	17,237	1,426	7,794	-	-	-	-	-	532	3,369	11,768	-	-	-	-	2,527	-	-
2018.5	17,270	1,429	7,808	-	-	-	-	-	536	3,374	11,788	-	-	-	-	2,540	-	-
2018.6	17,303	1,431	7,821	-	-	-	-	-	540	3,380	11,807	-	-	-	-	2,553	-	-

Arizona Health Care Cost Containment System
Behavioral Health PP State Match

	Traditional								CMDP	Prop 204						NEA		
MONTH	Child	Child Exp	Adult	MMIC Reg	MMIC NEC	GAZ Reg	GAZ NEC	DD	Child	Adult Reg	Adult ESA	MMIC Reg	MMIC ESA	GAZ Reg	GAZ ESA	Adult	MMIC	GAZ
2015.7																		
2015.8																		
2015.9																		
2015.10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015.11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015.12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.10	219,100	-	153,600	-	-	-	-	-	130,000	66,400	69,600	-	-	-	-	-	-	-
2016.11	219,500	-	153,800	-	-	-	-	-	130,900	66,500	69,800	-	-	-	-	-	-	-
2016.12	220,000	-	154,100	-	-	-	-	-	131,900	66,700	69,900	-	-	-	-	-	-	-
2017.1	220,400	-	154,400	-	-	-	-	-	132,800	66,800	77,000	-	-	-	-	7,700	-	-
2017.2	220,800	-	154,600	-	-	-	-	-	133,800	66,900	77,100	-	-	-	-	7,700	-	-
2017.3	221,200	-	154,900	-	-	-	-	-	134,800	67,000	77,200	-	-	-	-	7,800	-	-
2017.4	221,700	-	155,200	-	-	-	-	-	135,700	67,100	77,400	-	-	-	-	7,800	-	-
2017.5	222,100	-	155,400	-	-	-	-	-	136,700	67,200	77,500	-	-	-	-	7,900	-	-
2017.6	222,500	-	155,700	-	-	-	-	-	137,700	67,300	77,600	-	-	-	-	7,900	-	-
2017.7	222,900	-	156,000	-	-	-	-	-	138,700	67,400	77,700	-	-	-	-	8,000	-	-
2017.8	223,300	-	156,200	-	-	-	-	-	139,700	67,500	77,900	-	-	-	-	8,000	-	-
2017.9	223,800	-	156,500	-	-	-	-	-	140,700	67,600	78,000	-	-	-	-	8,000	-	-
2017.10	228,800	-	159,900	-	-	-	-	-	144,600	69,100	80,000	-	-	-	-	8,300	-	-
2017.11	229,200	-	160,200	-	-	-	-	-	145,600	69,300	80,100	-	-	-	-	8,400	-	-
2017.12	229,700	-	160,500	-	-	-	-	-	146,700	69,400	80,300	-	-	-	-	8,400	-	-
2018.1	230,100	-	160,800	-	-	-	-	-	147,700	69,500	67,300	-	-	-	-	10,200	-	-
2018.2	230,500	-	161,000	-	-	-	-	-	148,800	69,600	67,400	-	-	-	-	10,200	-	-
2018.3	231,000	-	161,300	-	-	-	-	-	149,900	69,700	67,500	-	-	-	-	10,300	-	-
2018.4	231,400	-	161,600	-	-	-	-	-	150,900	69,800	67,700	-	-	-	-	10,300	-	-
2018.5	231,800	-	161,900	-	-	-	-	-	152,000	70,000	67,800	-	-	-	-	10,400	-	-
2018.6	232,300	-	162,100	-	-	-	-	-	153,100	70,100	67,900	-	-	-	-	10,400	-	-

	Traditional								CMDP	Prop 204						NEA		
MONTH	Child	Child Exp	Adult	MMIC Reg	MMIC NEC	GAZ Reg	GAZ NEC	DD	Child	Adult Reg	Adult ESA	MMIC Reg	MMIC ESA	GAZ Reg	GAZ ESA	Adult	MMIC	GAZ
2015.7																		
2015.8																		
2015.9																		
2015.10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015.11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015.12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.10	493,300	59,200	345,600	-	-	-	-	-	292,600	149,600	685,000	-	-	-	-	151,300	-	-
2016.11	494,200	59,300	346,300	-	-	-	-	-	294,800	149,800	686,000	-	-	-	-	152,200	-	-
2016.12	495,100	59,400	346,800	-	-	-	-	-	296,800	150,000	687,200	-	-	-	-	153,100	-	-
2017.1	496,100	59,500	347,400	-	-	-	-	-	299,000	150,300	681,300	-	-	-	-	146,200	-	-
2017.2	497,100	59,600	348,100	-	-	-	-	-	301,100	150,500	682,500	-	-	-	-	147,100	-	-
2017.3	498,000	59,700	348,600	-	-	-	-	-	303,300	150,800	683,600	-	-	-	-	147,800	-	-
2017.4	498,900	59,800	349,200	-	-	-	-	-	305,500	151,000	684,700	-	-	-	-	148,700	-	-
2017.5	499,900	59,900	349,800	-	-	-	-	-	307,700	151,300	685,800	-	-	-	-	149,500	-	-
2017.6	500,900	60,000	350,400	-	-	-	-	-	309,900	151,600	687,000	-	-	-	-	150,300	-	-
2017.7	501,800	60,100	351,000	-	-	-	-	-	312,100	151,800	688,200	-	-	-	-	151,100	-	-
2017.8	502,800	60,200	351,600	-	-	-	-	-	314,400	152,100	689,200	-	-	-	-	152,000	-	-
2017.9	503,700	60,300	352,200	-	-	-	-	-	316,700	152,300	690,400	-	-	-	-	152,800	-	-
2017.10	522,000	62,200	365,000	-	-	-	-	-	329,900	157,800	712,700	-	-	-	-	158,300	-	-
2017.11	523,000	62,300	365,600	-	-	-	-	-	332,300	158,000	714,000	-	-	-	-	159,000	-	-
2017.12	524,000	62,400	366,200	-	-	-	-	-	334,700	158,300	715,100	-	-	-	-	159,900	-	-
2018.1	525,000	62,500	366,800	-	-	-	-	-	337,100	158,600	729,400	-	-	-	-	159,000	-	-
2018.2	526,100	62,600	367,500	-	-	-	-	-	339,500	158,800	730,600	-	-	-	-	159,900	-	-
2018.3	527,000	62,700	368,100	-	-	-	-	-	341,900	159,100	731,800	-	-	-	-	160,700	-	-
2018.4	528,100	62,800	368,700	-	-	-	-	-	344,500	159,400	732,900	-	-	-	-	161,600	-	-
2018.5	529,100	62,900	369,300	-	-	-	-	-	346,900	159,600	734,200	-	-	-	-	162,400	-	-
2018.6	530,100	63,100	370,000	-	-	-	-	-	349,400	159,800	735,400	-	-	-	-	163,300	-	-

Arizona Health Care Cost Containment System
Behavioral Health PP Total

	Traditional								CMDP	Prop 204						NEA		
MONTH	Child	Child Exp	Adult	MMIC Reg	MMIC NEC	GAZ Reg	GAZ NEC	DD	Child	Adult Reg	Adult ESA	MMIC Reg	MMIC ESA	GAZ Reg	GAZ ESA	Adult	MMIC	GAZ
2015.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015.8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015.10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015.11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015.12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.10	712,400	59,200	499,200	-	-	-	-	-	422,600	216,000	754,600	-	-	-	-	151,300	-	-
2016.11	713,700	59,300	500,100	-	-	-	-	-	425,700	216,300	755,800	-	-	-	-	152,200	-	-
2016.12	715,100	59,400	500,900	-	-	-	-	-	428,700	216,700	757,100	-	-	-	-	153,100	-	-
2017.1	716,500	59,500	501,800	-	-	-	-	-	431,800	217,100	758,300	-	-	-	-	153,900	-	-
2017.2	717,900	59,600	502,700	-	-	-	-	-	434,900	217,400	759,600	-	-	-	-	154,800	-	-
2017.3	719,200	59,700	503,500	-	-	-	-	-	438,100	217,800	760,800	-	-	-	-	155,600	-	-
2017.4	720,600	59,800	504,400	-	-	-	-	-	441,200	218,100	762,100	-	-	-	-	156,500	-	-
2017.5	722,000	59,900	505,200	-	-	-	-	-	444,400	218,500	763,300	-	-	-	-	157,400	-	-
2017.6	723,400	60,000	506,100	-	-	-	-	-	447,600	218,900	764,600	-	-	-	-	158,200	-	-
2017.7	724,700	60,100	507,000	-	-	-	-	-	450,800	219,200	765,900	-	-	-	-	159,100	-	-
2017.8	726,100	60,200	507,800	-	-	-	-	-	454,100	219,600	767,100	-	-	-	-	160,000	-	-
2017.9	727,500	60,300	508,700	-	-	-	-	-	457,400	219,900	768,400	-	-	-	-	160,800	-	-
2017.10	750,800	62,200	524,900	-	-	-	-	-	474,500	226,900	792,700	-	-	-	-	166,600	-	-
2017.11	752,200	62,300	525,800	-	-	-	-	-	477,900	227,300	794,100	-	-	-	-	167,400	-	-
2017.12	753,700	62,400	526,700	-	-	-	-	-	481,400	227,700	795,400	-	-	-	-	168,300	-	-
2018.1	755,100	62,500	527,600	-	-	-	-	-	484,800	228,100	796,700	-	-	-	-	169,200	-	-
2018.2	756,600	62,600	528,500	-	-	-	-	-	488,300	228,400	798,000	-	-	-	-	170,100	-	-
2018.3	758,000	62,700	529,400	-	-	-	-	-	491,800	228,800	799,300	-	-	-	-	171,000	-	-
2018.4	759,500	62,800	530,300	-	-	-	-	-	495,400	229,200	800,600	-	-	-	-	171,900	-	-
2018.5	760,900	62,900	531,200	-	-	-	-	-	498,900	229,600	802,000	-	-	-	-	172,800	-	-
2018.6	762,400	63,100	532,100	-	-	-	-	-	502,500	229,900	803,300	-	-	-	-	173,700	-	-

Behavioral Health PMPMs

	Traditional								CMDP	Prop 204						NEA		
MONTH	Child	Child Exp	Adult	MMIC Reg	MMIC NEC	GAZ Reg	GAZ NEC	DD	Child	Adult Reg	Adult ESA	MMIC Reg	MMIC ESA	GAZ Reg	GAZ ESA	Adult	MMIC	GAZ
2015.7																		
2015.8																		
2015.9																		
2015.10	41.42	41.42	59.86	1,877.30	1,877.30	1,877.30	1,877.30	140.85	1,009.13	59.86	59.86	1,877.30	1,877.30	1,877.30	1,877.30	59.86	1,877.30	1,877.30
2015.11	41.42	41.42	59.86	1,877.30	1,877.30	1,877.30	1,877.30	140.85	1,009.13	59.86	59.86	1,877.30	1,877.30	1,877.30	1,877.30	59.86	1,877.30	1,877.30
2015.12	41.42	41.42	59.86	1,877.30	1,877.30	1,877.30	1,877.30	140.85	1,009.13	59.86	59.86	1,877.30	1,877.30	1,877.30	1,877.30	59.86	1,877.30	1,877.30
2016.1	41.42	41.42	59.86	1,877.30	1,877.30	1,877.30	1,877.30	140.85	1,009.13	59.86	59.86	1,877.30	1,877.30	1,877.30	1,877.30	59.86	1,877.30	1,877.30
2016.2	41.42	41.42	59.86	1,877.30	1,877.30	1,877.30	1,877.30	140.85	1,009.13	59.86	59.86	1,877.30	1,877.30	1,877.30	1,877.30	59.86	1,877.30	1,877.30
2016.3	41.42	41.42	59.86	1,877.30	1,877.30	1,877.30	1,877.30	140.85	1,009.13	59.86	59.86	1,877.30	1,877.30	1,877.30	1,877.30	59.86	1,877.30	1,877.30
2016.4	41.42	41.42	59.86	1,877.30	1,877.30	1,877.30	1,877.30	140.85	1,009.13	59.86	59.86	1,877.30	1,877.30	1,877.30	1,877.30	59.86	1,877.30	1,877.30
2016.5	41.42	41.42	59.86	1,877.30	1,877.30	1,877.30	1,877.30	140.85	1,009.13	59.86	59.86	1,877.30	1,877.30	1,877.30	1,877.30	59.86	1,877.30	1,877.30
2016.6	41.42	41.42	59.86	1,877.30	1,877.30	1,877.30	1,877.30	140.85	1,009.13	59.86	59.86	1,877.30	1,877.30	1,877.30	1,877.30	59.86	1,877.30	1,877.30
2016.7	40.93	40.93	59.16	1,855.28	1,855.28	1,855.28	1,855.28	139.20	997.29	59.16	59.16	1,855.28	1,855.28	1,855.28	1,855.28	59.16	1,855.28	1,855.28
2016.8	40.93	40.93	59.16	1,855.28	1,855.28	1,855.28	1,855.28	139.20	997.29	59.16	59.16	1,855.28	1,855.28	1,855.28	1,855.28	59.16	1,855.28	1,855.28
2016.9	40.93	40.93	59.16	1,855.28	1,855.28	1,855.28	1,855.28	139.20	997.29	59.16	59.16	1,855.28	1,855.28	1,855.28	1,855.28	59.16	1,855.28	1,855.28
2016.10	42.78	42.78	66.05	1,879.40	1,879:40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2016.11	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2016.12	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2017.1	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2017.2	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2017.3	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2017.4	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2017.5	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2017.6	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2017.7	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2017.8	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2017.9	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2017.10	44.06	44.06	68.03	1,935.78	1,935.78	1,935.78	1,935.78	139.53	930.65	68.03	68.03	1,935.78	1,935.78	1,935.78	1,935.78	68.03	1,935.78	1,935.78
2017.11	44.06	44.06	68.03	1,935.78	1,935.78	1,935.78	1,935.78	139.53	930.65	68.03	68.03	1,935.78	1,935.78	1,935.78	1,935.78	68.03	1,935.78	1,935.78
2017.12	44.06	44.06	68.03	1,935.78	1,935.78	1,935.78	1,935.78	139.53	930.65	68.03	68.03	1,935.78	1,935.78	1,935.78	1,935.78	68.03	1,935.78	1,935.78
2018.1	44.06	44.06	68.03	1,935.78	1,935.78	1,935.78	1,935.78	139.53	930.65	68.03	68.03	1,935.78	1,935.78	1,935.78	1,935.78	68.03	1,935.78	1,935.78
2018.2	44.06	44.06	68.03	1,935.78	1,935.78	1,935.78	1,935.78	139.53	930.65	68.03	68.03	1,935.78	1,935.78	1,935.78	1,935.78	68.03	1,935.78	1,935.78
2018.3	44.06	44.06	68.03	1,935.78	1,935.78	1,935.78	1,935.78	139.53	930.65	68.03	68.03	1,935.78	1,935.78	1,935.78	1,935.78	68.03	1,935.78	1,935.78
2018.4	44.06	44.06	68.03	1,935.78	1,935.78	1,935.78	1,935.78	139.53	930.65	68.03	68.03	1,935.78	1,935.78	1,935.78	1,935.78	68.03	1,935.78	1,935.78
2018.5	44.06	44.06	68.03	1,935.78	1,935.78	1,935.78	1,935.78	139.53	930.65	68.03	68.03	1,935.78	1,935.78	1,935.78	1,935.78	68.03	1,935.78	1,935.78
2018.6	44.06	44.06	68.03	1,935.78	1,935.78	1,935.78	1,935.78	139.53	930.65	68.03	68.03	1,935.78	1,935.78	1,935.78	1,935.78	68.03	1,935.78	1,935.78

Arizona Health Care Cost Containment System
Behavioral Health FMAP Table

	Traditional								CMDP	Prop 204						NEA		
MONTH	Child	Child Exp	Adult	MMIC Reg	MMIC NEC	GAZ Reg	GAZ NEC	DD	Child	Adult Reg	Adult ESA	MMIC Reg	MMIC ESA	GAZ Reg	GAZ ESA	Adult	MMIC	GAZ
2015.7																		
2015.8																		
2015.9																		
2015.10	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	87.57%	68.92%	87.57%	68.92%	87.57%	100.00%	100.00%	100.00%
2015.11	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	87.57%	68.92%	87.57%	68.92%	87.57%	100.00%	100.00%	100.00%
2015.12	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	87.57%	68.92%	87.57%	68.92%	87.57%	100.00%	100.00%	100.00%
2016.1	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	90.68%	68.92%	90.68%	68.92%	90.68%	100.00%	100.00%	100.00%
2016.2	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	90.68%	68.92%	90.68%	68.92%	90.68%	100.00%	100.00%	100.00%
2016.3	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	90.68%	68.92%	90.68%	68.92%	90.68%	100.00%	100.00%	100.00%
2016.4	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	90.68%	68.92%	90.68%	68.92%	90.68%	100.00%	100.00%	100.00%
2016.5	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	90.68%	68.92%	90.68%	68.92%	90.68%	100.00%	100.00%	100.00%
2016.6	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	90.68%	68.92%	90.68%	68.92%	90.68%	100.00%	100.00%	100.00%
2016.7	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	90.68%	68.92%	90.68%	68.92%	90.68%	100.00%	100.00%	100.00%
2016.8	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	90.68%	68.92%	90.68%	68.92%	90.68%	100.00%	100.00%	100.00%
2016.9	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	90.68%	68.92%	90.68%	68.92%	90.68%	100.00%	100.00%	100.00%
2016.10	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	90.77%	69.24%	90.77%	69.24%	90.77%	100.00%	100.00%	100.00%
2016.11	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	90.77%	69.24%	90.77%	69.24%	90.77%	100.00%	100.00%	100.00%
2016.12	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	90.77%	69.24%	90.77%	69.24%	90.77%	100.00%	100.00%	100.00%
2017.1	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	89.85%	69.24%	89.85%	69.24%	89.85%	95.00%	95.00%	95.00%
2017.2	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	89.85%	69.24%	89.85%	69.24%	89.85%	95.00%	95.00%	95.00%
2017.3	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	89.85%	69.24%	89.85%	69.24%	89.85%	95.00%	95.00%	95.00%
2017.4	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	89.85%	69.24%	89.85%	69.24%	89.85%	95.00%	95.00%	95.00%
2017.5	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	89.85%	69.24%	89.85%	69.24%	89.85%	95.00%	95.00%	95.00%
2017.6	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	89.85%	69.24%	89.85%	69.24%	89.85%	95.00%	95.00%	95.00%
2017.7	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	89.85%	69.24%	89.85%	69.24%	89.85%	95.00%	95.00%	95.00%
2017.8	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	89.85%	69.24%	89.85%	69.24%	89.85%	95.00%	95.00%	95.00%
2017.9	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	89.85%	69.24%	89.85%	69.24%	89.85%	95.00%	95.00%	95.00%
2017.10	69.53%	100.00%	69.53%	69.53%	100.00%	69.53%	100.00%	69.53%	69.53%	69.53%	89.91%	69.53%	89.91%	69.53%	89.91%	95.00%	95.00%	95.00%
2017.11	69.53%	100.00%	69.53%	69.53%	100.00%	69.53%	100.00%	69.53%	69.53%	69.53%	89.91%	69.53%	89.91%	69.53%	89.91%	95.00%	95.00%	95.00%
2017.12	69.53%	100.00%	69.53%	69.53%	100.00%	69.53%	100.00%	69.53%	69.53%	69.53%	89.91%	69.53%	89.91%	69.53%	89.91%	95.00%	95.00%	95.00%
2018.1	69.53%	100.00%	69.53%	69.53%	100.00%	69.53%	100.00%	69.53%	69.53%	69.53%	91.55%	69.53%	91.55%	69.53%	91.55%	94.00%	94.00%	94.00%
2018.2	69.53%	100.00%	69.53%	69.53%	100.00%	69.53%	100.00%	69.53%	69.53%	69.53%	91.55%	69.53%	91.55%	69.53%	91.55%	94.00%	94.00%	94.00%
2018.3	69.53%	100.00%	69.53%	69.53%	100.00%	69.53%	100.00%	69.53%	69.53%	69.53%	91.55%	69.53%	91.55%	69.53%	91.55%	94.00%	94.00%	94.00%
2018.4	69.53%	100.00%	69.53%	69.53%	100.00%	69.53%	100.00%	69.53%	69.53%	69.53%	91.55%	69.53%	91.55%	69.53%	91.55%	94.00%	94.00%	94.00%
2018.5	69.53%	100.00%	69.53%	69.53%	100.00%	69.53%	100.00%	69.53%	69.53%	69.53%	91.55%	69.53%	91.55%	69.53%	91.55%	94.00%	94.00%	94.00%
2018.6	69.53%	100.00%	69.53%	69.53%	100.00%	69.53%	100.00%	69.53%	69.53%	69.53%	91.55%	69.53%	91.55%	69.53%	91.55%	94.00%	94.00%	94.00%

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 10-10002 Medicaid Behavioral Health - CMDP

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	208,027.4	23,094.0	231,121.4
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Expenditure Categories Total:	0.0	208,027.4	23,094.0	231,121.4
Fund Source					
Appropriated Funds					
1000-A	General Fund (Appropriated)	0.0	63,770.5	6,810.8	70,581.3
		0.0	63,770.5	6,810.8	70,581.3
Non-Appropriated Funds					
2120-N	AHCCCS Fund (Non-Appropriated)	0.0	144,256.9	16,283.2	160,540.1
		0.0	144,256.9	16,283.2	160,540.1
	Fund Source Total:	0.0	208,027.4	23,094.0	231,121.4

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 10-10002 Medicaid Behavioral Health - CMDP

Fund: 1000-A General Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	63,770.5	6,810.8	70,581.3
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Appropriated Total:		0.0	63,770.5	6,810.8	70,581.3
Fund Total:		0.0	63,770.5	6,810.8	70,581.3
Program Total For Selected Funds:		0.0	63,770.5	6,810.8	70,581.3

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 10-10002 Medicaid Behavioral Health - CMDP

Fund: 2120-N AHCCCS Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Non-Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	144,256.9	16,283.2	160,540.1
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Non-Appropriated Total:		0.0	144,256.9	16,283.2	160,540.1
Fund Total:		0.0	144,256.9	16,283.2	160,540.1
Program Total For Selected Funds:		0.0	144,256.9	16,283.2	160,540.1

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 10-100 Medicaid Behavioral Health - CMDP

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	0.0	0.0
Boards and Commissions	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	0.0	0.0
Attorney General Legal Services	0.0	0.0
External Legal Services	0.0	0.0
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	0.0	0.0
Hospital Services	0.0	0.0
Other Medical Services	0.0	0.0
Institutional Care	0.0	0.0
Education And Training	0.0	0.0
Vendor Travel	0.0	0.0
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0
Other Professional And Outside Services	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 10-100 Medicaid Behavioral Health - CMDP

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	0.0	208,027.4
Expenditure Category Total	**0.0**	**208,027.4**
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	0.0	63,770.5
	0.0	**63,770.5**
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	0.0	144,256.9
	0.0	**144,256.9**
Fund Source Total	**0.0**	**208,027.4**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	0.0	0.0
Information Technology Services	0.0	0.0
Utilities	0.0	0.0
Non-Building or Land Rent	0.0	0.0
Building Rent Charges to State Agencies	0.0	0.0
COP Building Rent Charges to State Agencies	0.0	0.0
Rental of Land & Buildings	0.0	0.0
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	0.0	0.0
Repair & Maintenance	0.0	0.0
Software Support and Maintenance	0.0	0.0
Operating Supplies	0.0	0.0
Resale Supplies	0.0	0.0
Sales of Assets	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 10-100 Medicaid Behavioral Health - CMDP

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Conference, Education & Training	0.0	0.0
Advertising	0.0	0.0
Printing & Photography	0.0	0.0
Postage & Delivery	0.0	0.0
Miscellaneous Operating	0.0	0.0
Depreciation Expense	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	0.0	0.0
Vehicles - Non-Capital	0.0	0.0
Furniture - Non-Capital	0.0	0.0
EDP Equipment - Mainframe - Non-Capital	0.0	0.0
Telecommunication Equipment - Non Capital	0.0	0.0
Other Equipment - Non-Capital	0.0	0.0
Purchased Or Licensed Software/Website	0.0	0.0
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 10-100 Medicaid Behavioral Health - CMDP

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

All dollars are presented in thousands (not FTE).

PROPOSITION 204 BEHAVIORAL HEALTH

PROGRAM DESCRIPTION:

The Medicaid Behavioral Health – Proposition 204 program provides behavioral health services to Title XIX-eligible clients. It covers individuals with incomes that exceed the income limits for the Traditional population, but are below 100% of the Federal Poverty Level (FPL). Enrollment in the program was frozen on July 8, 2011. The freeze ended when the Affordable Care Act (ACA) was implemented, effective January 1, 2014.

Funding is included for three different service categories:

- Serious Mental Illness (SMI)
- Children's Behavioral Health (CBH) or Serious Emotional Disturbance (SED)
- General Mental Health and Substance Abuse (GMH/SA)

Specific covered services include mental health and substance abuse related treatment, rehabilitation, medical, support, crisis intervention, inpatient, residential, and day program services. Effective July 1, 2016, this program transferred from the Arizona Department of Health Services (ADHS) to the Arizona Health Care Cost Containment System (AHCCCS).

STATUTORY AUTHORITY:

Laws 2001, Chapter 344.
Laws 2015, Chapter 19.
Laws 2015, Chapter 195.
A.R.S. Title 36, Chapter 34, Article 1.

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
BEHAVIORAL HEALTH TITLE XIX SUMMARY

Appropriation:		FY16 Actual	FY17 Approp	FY17 Rebase	FY18 Request	FY18 Increase
	(SM)	-	294,922,700	346,367,600	364,097,900	69,175,200
BHS Traditional	(TF)	-	960,228,100	1,105,701,800	1,167,338,400	207,110,300
	(SM)	-	63,770,500	65,122,200	70,581,300	6,810,800
BHS CMDP	(TF)	-	208,027,400	211,148,900	231,121,400	23,094,000
	(SM)	-	109,250,500	135,191,500	140,770,800	31,520,300
BHS Prop 204	(TF)	-	612,844,800	750,461,400	798,640,800	185,796,000
	(SM)	-	831,900	2,287,000	5,260,000	4,428,100
BHS NEA	(TF)	-	77,702,300	88,207,400	95,508,400	17,806,100
	(SM)	-	468,775,600	548,968,300	580,710,000	111,934,400
TOTAL	(TF)	-	1,858,802,600	2,155,519,500	2,292,609,000	433,806,400

Notes:

1. Appropriations transferred to AHCCCS in FY17, previously appropriated to ADHS/DBHS.
2. BHS Traditional includes BHS Clawback and ALTCS DD BHS.
3. Includes all payments to RBHAs for SMI Integrated, including physical health.
4. Does not include payments to Acute MCOs for GMH/SA dual eligible behavioral health.
5. Effective 10/1/16, PPC member months are paid using same PMPMs as regular member months.
6. FY17 Rebase includes HIF; FY18 Request does not include HIF, which is not in effect for CY 2017.

Behavioral Health Regular Member Month Forecast

	Traditional								CMDP	Prop 204						NEA		
MONTH	Child	Child Exp	Adult	MMIC Reg	MMIC NEC	GAZ Reg	GAZ NEC	DD	Child	Adult Reg	Adult ESA	MMIC Reg	MMIC ESA	GAZ Reg	GAZ ESA	Adult	MMIC	GAZ
2015.7	615,911	33,331	313,744	10,864	2	-	-	28,433	16,417	126,348	255,644	3,295	4,895	-	-	66,635	353	0
2015.8	640,792	28,999	310,026	10,907	2	-	-	28,521	16,599	113,290	258,508	3,308	4,914	-	-	69,679	354	0
2015.9	670,282	26,603	315,395	11,000	2	-	-	28,634	16,807	104,375	265,596	3,336	4,956	-	-	72,508	357	0
2015.10	615,412	70,701	262,013	11,056	2	10,091	1	28,710	16,910	168,864	265,274	3,353	4,981	3,420	5,107	73,968	359	529
2015.11	625,344	73,614	256,499	11,105	2	10,048	1	28,781	17,166	167,253	269,384	3,368	5,003	3,405	5,085	76,654	360	527
2015.12	635,058	75,630	246,908	11,217	2	10,029	1	28,852	17,419	173,219	274,866	3,402	5,054	3,399	5,075	79,342	364	526
2016.1	640,341	76,837	237,827	11,207	2	9,941	1	28,933	17,366	174,608	274,448	3,399	5,049	3,369	5,031	80,413	364	522
2016.2	642,355	78,226	232,011	11,180	2	9,886	1	29,022	17,355	173,253	274,501	3,391	5,037	3,350	5,003	83,680	363	519
2016.3	644,182	78,563	228,722	11,242	2	9,879	1	29,112	17,450	174,750	276,204	3,410	5,065	3,348	4,999	84,157	365	518
2016.4	640,951	77,660	222,919	11,144	2	9,777	1	29,185	17,520	174,024	275,500	3,380	5,021	3,314	4,948	85,748	362	513
2016.5	640,097	77,307	223,874	11,168	2	9,773	1	29,251	17,725	172,957	275,116	3,387	5,032	3,312	4,946	85,998	362	513
2016.6	646,793	74,742	232,426	11,245	2	9,800	1	29,249	17,789	174,452	275,893	3,410	5,066	3,321	4,959	83,202	365	514
2016.7	648,037	74,910	232,837	11,339	2	9,877	1	29,350	17,917	174,645	276,349	3,439	5,108	3,348	4,999	83,207	368	518
2016.8	649,283	75,077	233,248	11,371	2	9,910	1	29,451	18,046	174,837	276,806	3,449	5,123	3,359	5,015	83,678	369	520
2016.9	650,532	75,245	233,660	11,404	2	9,938	1	29,552	18,176	175,030	277,264	3,459	5,138	3,368	5,030	84,148	370	521
2016.10	651,775	75,413	234,067	11,437	2	9,967	1	29,653	18,307	175,398	277,723	3,469	5,153	3,378	5,044	84,618	371	523
2016.11	653,020	75,582	234,475	11,470	2	9,995	1	29,754	18,439	175,766	278,182	3,478	5,167	3,388	5,058	85,088	372	524
2016.12	654,267	75,750	234,884	11,502	2	10,024	1	29,856	18,572	176,135	278,642	3,488	5,182	3,397	5,073	85,559	373	526
2017.1	655,517	75,919	235,293	11,535	2	10,052	1	29,957	18,706	176,504	279,103	3,498	5,197	3,407	5,087	86,029	374	527
2017.2	656,768	76,088	235,703	11,568	2	10,081	1	30,058	18,841	176,874	279,565	3,508	5,212	3,417	5,102	86,499	375	529
2017.3	658,023	76,257	236,113	11,600	2	10,110	1	30,159	18,977	177,244	280,028	3,518	5,226	3,426	5,116	86,969	376	530
2017.4	659,279	76,426	236,524	11,633	2	10,138	1	30,260	19,114	177,614	280,491	3,528	5,241	3,436	5,131	87,440	377	532
2017.5	660,538	76,595	236,935	11,666	2	10,167	1	30,361	19,251	177,985	280,955	3,538	5,256	3,446	5,145	87,910	379	533
2017.6	661,799	76,765	237,347	11,699	2	10,195	1	30,462	19,390	178,356	281,420	3,548	5,271	3,455	5,159	88,380	380	535
2017.7	663,063	76,935	237,760	11,731	2	10,224	1	30,563	19,530	178,727	281,885	3,558	5,285	3,465	5,174	88,851	381	536
2017.8	664,328	77,105	238,173	11,764	2	10,252	1	30,665	19,671	179,099	282,351	3,568	5,300	3,475	5,188	89,321	382	538
2017.9	665,597	77,275	238,586	11,797	2	10,281	1	30,766	19,812	179,472	282,818	3,578	5,315	3,484	5,203	89,791	383	539
2017.10	666,867	73,298	239,000	11,830	2	10,309	1	30,867	19,955	179,844	283,286	3,588	5,330	3,494	5,217	86,867	384	541
2017.11	668,140	73,419	239,415	11,862	2	10,338	1	30,968	20,099	180,218	283,755	3,598	5,344	3,504	5,232	87,332	385	542
2017.12	669,415	73,540	239,830	11,895	2	10,366	1	31,069	20,244	180,591	284,224	3,608	5,359	3,513	5,246	87,796	386	544
2018.1	670,693	73,661	240,246	11,928	2	10,395	1	31,170	20,390	180,965	284,695	3,617	5,374	3,523	5,260	88,261	387	545
2018.2	671,972	73,783	240,663	11,960	2	10,423	1	31,271	20,537	181,339	285,165	3,627	5,389	3,533	5,275	88,726	388	547
2018.3	673,255	73,905	241,080	11,993	2	10,452	1	31,372	20,685	181,714	285,637	3,637	5,403	3,542	5,289	89,191	389	548
2018.4	674,539	74,027	241,497	12,026	2	10,480	1	31,474	20,834	182,089	286,110	3,647	5,418	3,552	5,304	89,655	390	550
2018.5	675,826	74,149	241,915	12,059	2	10,509	1	31,575	20,984	182,465	286,583	3,657	5,433	3,562	5,318	90,120	391	551
2018.6	677,116	74,272	242,334	12,091	2	10,537	1	31,676	21,135	182,841	287,057	3,667	5,448	3,571	5,333	90,585	392	553

Arizona Health Care Cost Containment System
Behavioral Health Regular State Match

	Traditional								CMDP	Prop 204						NEA		
MONTH	Child	Child Exp	Adult	MMIC Reg	MMIC NEC	GAZ Reg	GAZ NEC	DD	Child	Adult Reg	Adult ESA	MMIC Reg	MMIC ESA	GAZ Reg	GAZ ESA	Adult	MMIC	GAZ
2015.10	7,922,400	-	4,874,600	6,450,700	-	5,887,800	-	1,256,800	5,303,600	3,141,600	1,973,800	1,956,400	1,162,300	1,995,500	1,191,700	-	-	-
2015.11	8,050,300	-	4,772,000	6,479,700	-	5,862,600	-	1,259,900	5,384,100	3,111,600	2,004,400	1,965,200	1,167,500	1,986,900	1,186,600	-	-	-
2015.12	8,175,300	-	4,593,600	6,544,700	-	5,851,500	-	1,263,000	5,463,100	3,222,700	2,045,200	1,984,900	1,179,200	1,983,200	1,184,300	-	-	-
2016.1	8,243,300	-	4,424,600	6,538,800	-	5,800,500	-	1,266,600	5,446,600	3,248,500	1,531,100	1,983,100	883,400	1,965,900	880,300	-	-	-
2016.2	8,269,200	-	4,316,500	6,522,900	-	5,768,000	-	1,270,500	5,443,200	3,223,300	1,531,400	1,978,300	881,300	1,954,900	875,300	-	-	-
2016.3	8,292,800	-	4,255,300	6,559,400	-	5,763,900	-	1,274,400	5,473,000	3,251,100	1,540,900	1,989,300	886,200	1,953,500	874,700	-	-	-
2016.4	8,251,200	-	4,147,300	6,502,200	-	5,704,500	-	1,277,600	5,495,000	3,237,600	1,537,000	1,972,000	878,500	1,933,400	865,700	-	-	-
2016.5	8,240,200	-	4,165,100	6,516,400	-	5,702,400	-	1,280,500	5,559,100	3,217,800	1,534,900	1,976,300	880,400	1,932,700	865,400	-	-	-
2016.6	8,326,400	-	4,324,200	6,561,000	-	5,717,800	-	1,280,400	5,579,300	3,245,600	1,539,200	1,989,800	886,400	1,937,900	867,700	-	-	-
2016.7	8,244,500	-	4,281,000	6,538,100	-	5,695,500	-	1,269,700	5,553,600	3,211,100	1,523,700	1,982,900	883,300	1,930,300	864,300	-	-	-
2016.8	8,260,400	-	4,288,600	6,556,900	-	5,714,200	-	1,274,100	5,593,700	3,214,600	1,526,200	1,988,600	885,900	1,936,700	867,200	-	-	-
2016.9	8,276,300	-	4,296,100	6,575,800	-	5,730,700	-	1,278,500	5,634,000	3,218,100	1,528,700	1,994,300	888,400	1,942,300	869,700	-	-	-
2016.10	8,576,000	-	4,755,600	6,611,600	-	5,761,900	-	1,235,600	5,088,200	3,563,600	1,693,100	2,005,200	893,800	1,952,800	875,000	-	-	-
2016.11	8,592,400	-	4,763,900	6,630,600	-	5,778,400	-	1,239,800	5,124,900	3,571,100	1,695,900	2,010,900	896,400	1,958,400	877,500	-	-	-
2016.12	8,608,800	-	4,772,200	6,649,500	-	5,794,900	-	1,244,000	5,161,800	3,578,600	1,698,800	2,016,700	898,900	1,964,000	880,000	-	-	-
2017.1	8,625,300	-	4,780,500	6,668,400	-	5,811,400	-	1,248,200	5,199,000	3,586,100	1,871,200	2,022,400	991,400	1,969,600	970,400	284,100	35,200	49,600
2017.2	8,641,700	-	4,788,900	6,687,300	-	5,827,900	-	1,252,500	5,236,500	3,593,600	1,874,300	2,028,100	994,200	1,975,200	973,200	285,700	35,300	49,700
2017.3	8,658,200	-	4,797,200	6,706,200	-	5,844,300	-	1,256,700	5,274,300	3,601,100	1,877,400	2,033,900	997,000	1,980,800	975,900	287,200	35,400	49,800
2017.4	8,674,800	-	4,805,500	6,725,200	-	5,860,800	-	1,260,900	5,312,300	3,608,600	1,880,500	2,039,600	999,800	1,986,400	978,700	288,800	35,500	50,000
2017.5	8,691,300	-	4,813,900	6,744,100	-	5,877,300	-	1,265,100	5,350,500	3,616,200	1,883,600	2,045,400	1,002,600	1,992,000	981,500	290,300	35,600	50,100
2017.6	8,707,900	-	4,822,300	6,763,000	-	5,893,800	-	1,269,300	5,389,100	3,623,700	1,886,700	2,051,100	1,005,400	1,997,600	984,200	291,900	35,700	50,300
2017.7	8,724,600	-	4,830,600	6,781,900	-	5,910,300	-	1,273,500	5,427,900	3,631,300	1,889,800	2,056,800	1,008,200	2,003,100	987,000	293,400	35,800	50,400
2017.8	8,741,200	-	4,839,000	6,800,900	-	5,926,800	-	1,277,700	5,467,100	3,638,800	1,892,900	2,062,600	1,011,000	2,008,700	989,700	295,000	35,900	50,500
2017.9	8,757,900	-	4,847,400	6,819,800	-	5,943,300	-	1,282,000	5,506,500	3,646,400	1,896,100	2,068,300	1,013,900	2,014,300	992,500	296,500	36,000	50,700
2017.10	8,952,600	-	4,954,400	6,977,400	-	6,080,700	-	1,312,300	5,658,700	3,728,100	1,944,600	2,116,100	1,041,000	2,060,900	1,019,000	295,500	37,100	52,300
2017.11	8,969,700	-	4,963,000	6,996,800	-	6,097,500	-	1,316,600	5,699,500	3,735,800	1,947,800	2,122,000	1,043,900	2,066,600	1,021,800	297,100	37,300	52,500
2017.12	8,986,900	-	4,971,600	7,016,100	-	6,114,300	-	1,320,900	5,740,500	3,743,600	1,951,100	2,127,800	1,046,700	2,072,300	1,024,600	298,600	37,400	52,600
2018.1	9,004,000	-	4,980,200	7,035,400	-	6,131,100	-	1,325,200	5,781,900	3,751,300	1,636,600	2,133,700	879,000	2,078,000	860,500	360,300	45,000	63,300
2018.2	9,021,200	-	4,988,800	7,054,700	-	6,148,000	-	1,329,500	5,823,600	3,759,100	1,639,400	2,139,500	881,400	2,083,700	862,800	362,200	45,100	63,500
2018.3	9,038,400	-	4,997,500	7,074,000	-	6,164,800	-	1,333,800	5,865,600	3,766,900	1,642,100	2,145,400	883,800	2,089,400	865,200	364,100	45,200	63,700
2018.4	9,055,600	-	5,006,100	7,093,300	-	6,181,600	-	1,338,100	5,907,900	3,774,600	1,644,800	2,151,200	886,300	2,095,100	867,600	366,000	45,300	63,900
2018.5	9,072,900	-	5,014,800	7,112,600	-	6,198,500	-	1,342,400	5,950,400	3,782,400	1,647,500	2,157,100	888,700	2,100,800	869,900	367,900	45,400	64,000
2018.6	9,090,200	-	5,023,500	7,131,900	-	6,215,300	-	1,346,700	5,993,300	3,790,200	1,650,200	2,163,000	891,100	2,106,500	872,300	369,800	45,600	64,200

	Traditional								CMDP	Prop 204						NEA		
MONTH	Child	Child Exp	Adult	MMIC Reg	MMIC NEC	GAZ Reg	GAZ NEC	DD	Child	Adult Reg	Adult ESA	MMIC Reg	MMIC ESA	GAZ Reg	GAZ ESA	Adult	MMIC	GAZ
2015.7																		
2015.8																		
2015.9																		
2015.10	17,568,000	2,928,400	10,809,500	14,304,300	3,700	13,056,100	1,900	2,786,900	11,760,700	6,966,600	13,905,500	4,338,200	8,188,500	4,425,000	8,395,200	4,427,700	673,400	993,800
2015.11	17,851,500	3,049,100	10,582,000	14,368,600	3,700	13,000,300	1,900	2,793,900	11,939,100	6,900,100	14,120,900	4,357,700	8,225,300	4,406,100	8,359,300	4,588,500	676,500	989,500
2015.12	18,128,800	3,132,600	10,186,300	14,512,800	3,700	12,975,600	1,900	2,800,800	12,114,600	7,146,200	14,408,300	4,401,400	8,307,900	4,397,700	8,343,500	4,749,400	683,300	987,600
2016.1	18,279,600	3,182,600	9,811,700	14,499,800	3,700	12,862,500	1,900	2,808,600	12,077,900	7,203,500	14,897,400	4,397,500	8,595,100	4,359,400	8,564,500	4,813,500	682,600	979,000
2016.2	18,337,100	3,240,100	9,571,700	14,464,500	3,700	12,790,500	1,900	2,817,300	12,070,200	7,147,600	14,900,200	4,386,800	8,574,200	4,335,000	8,516,600	5,009,100	681,000	973,500
2016.3	18,389,200	3,254,100	9,436,000	14,545,400	3,700	12,781,500	1,900	2,826,000	12,136,500	7,209,400	14,992,700	4,411,400	8,622,200	4,331,900	8,510,600	5,037,600	684,800	972,900
2016.4	18,297,000	3,216,700	9,196,600	14,418,700	3,700	12,649,600	1,900	2,833,100	12,185,100	7,179,500	14,954,500	4,372,900	8,547,000	4,287,200	8,422,700	5,132,900	678,800	962,800
2016.5	18,272,600	3,202,000	9,236,000	14,450,100	3,700	12,645,100	1,900	2,839,500	12,327,300	7,135,400	14,933,600	4,382,400	8,565,700	4,285,700	8,419,700	5,147,800	680,300	962,500
2016.6	18,463,800	3,095,800	9,588,800	14,549,100	3,700	12,679,200	1,900	2,839,300	12,372,200	7,197,100	14,975,700	4,412,500	8,624,400	4,297,200	8,442,400	4,980,500	685,000	965,100
2016.7	18,282,300	3,066,400	9,493,100	14,498,200	3,700	12,629,700	1,900	2,815,700	12,315,200	7,120,500	14,824,500	4,397,000	8,594,200	4,280,500	8,409,500	4,922,400	682,600	961,300
2016.8	18,317,500	3,073,200	9,509,900	14,540,100	3,700	12,671,400	1,900	2,825,400	12,403,900	7,128,400	14,849,100	4,409,700	8,619,000	4,294,600	8,437,200	4,950,200	684,500	964,500
2016.9	18,352,700	3,080,100	9,526,700	14,581,900	3,800	12,707,800	1,900	2,835,100	12,493,300	7,136,300	14,873,600	4,422,400	8,643,800	4,306,900	8,461,400	4,978,000	686,500	967,300
2016.10	19,304,400	3,225,900	10,704,800	14,882,700	3,800	12,969,900	1,900	2,781,300	11,453,500	8,021,700	16,650,800	4,513,600	8,790,100	4,395,800	8,604,600	5,589,100	697,400	982,600
2016.11	19,341,300	3,233,100	10,723,500	14,925,200	3,800	13,007,000	1,900	2,790,800	11,536,000	8,038,500	16,678,400	4,526,500	8,815,200	4,408,400	8,629,200	5,620,200	699,400	985,500
2016.12	19,378,200	3,240,300	10,742,200	14,967,800	3,800	13,044,100	1,900	2,800,300	11,619,200	8,055,300	16,705,900	4,539,400	8,840,400	4,420,900	8,653,800	5,651,200	701,400	988,300
2017.1	19,415,200	3,247,500	10,760,900	15,010,400	3,800	13,081,200	1,900	2,809,800	11,702,900	8,072,200	16,563,900	4,552,400	8,775,600	4,433,500	8,590,600	5,398,200	668,200	941,500
2017.2	19,452,300	3,254,700	10,779,600	15,053,000	3,900	13,118,300	1,900	2,819,200	11,787,300	8,089,100	16,591,300	4,565,300	8,800,500	4,446,100	8,614,900	5,427,700	670,100	944,200
2017.3	19,489,500	3,262,000	10,798,400	15,095,600	3,900	13,155,500	2,000	2,828,700	11,872,200	8,106,100	16,618,800	4,578,200	8,825,400	4,458,700	8,639,300	5,457,200	672,000	946,900
2017.4	19,526,600	3,269,200	10,817,200	15,138,200	3,900	13,192,600	2,000	2,838,200	11,957,700	8,123,000	16,646,200	4,591,100	8,850,300	4,471,200	8,663,600	5,486,700	673,900	949,500
2017.5	19,564,000	3,276,500	10,836,000	15,180,800	3,900	13,229,700	2,000	2,847,700	12,044,000	8,139,900	16,673,800	4,604,000	8,875,300	4,483,800	8,688,000	5,516,300	675,800	952,200
2017.6	19,601,300	3,283,700	10,854,800	15,223,400	3,900	13,266,800	2,000	2,857,200	12,130,800	8,156,900	16,701,400	4,616,900	8,900,200	4,496,400	8,712,400	5,545,700	677,700	954,800
2017.7	19,638,700	3,291,000	10,873,700	15,266,000	3,900	13,303,900	2,000	2,866,700	12,218,200	8,173,900	16,729,000	4,629,900	8,925,100	4,509,000	8,736,700	5,575,300	679,600	957,500
2017.8	19,676,200	3,298,300	10,892,600	15,308,500	3,900	13,341,000	2,000	2,876,200	12,306,200	8,190,900	16,756,700	4,642,700	8,950,000	4,521,600	8,761,100	5,604,800	681,500	960,300
2017.9	19,713,800	3,305,500	10,911,500	15,351,100	3,900	13,378,100	2,000	2,885,600	12,394,900	8,207,900	16,784,400	4,655,700	8,974,800	4,534,200	8,785,500	5,634,300	683,400	962,900
2017.10	20,429,200	3,229,500	11,305,400	15,922,000	4,100	13,875,600	2,100	2,994,500	12,912,700	8,507,200	17,328,100	4,828,800	9,275,900	4,702,700	9,080,300	5,614,300	705,900	994,600
2017.11	20,468,200	3,234,800	11,325,100	15,966,000	4,100	13,914,000	2,100	3,004,300	13,005,700	8,524,900	17,356,800	4,842,100	9,301,600	4,715,700	9,105,400	5,644,300	707,800	997,300
2017.12	20,507,200	3,240,100	11,344,700	16,010,000	4,100	13,952,400	2,100	3,014,100	13,099,500	8,542,500	17,385,500	4,855,600	9,327,300	4,728,800	9,130,500	5,674,400	709,700	1,000,100
2018.1	20,546,400	3,245,500	11,364,400	16,054,100	4,100	13,990,800	2,100	3,023,900	13,193,900	8,560,200	17,731,900	4,868,900	9,523,500	4,741,800	9,322,600	5,644,300	704,200	992,300
2018.2	20,585,500	3,250,800	11,384,100	16,098,100	4,100	14,029,200	2,100	3,033,700	13,289,000	8,577,900	17,761,200	4,882,300	9,549,700	4,754,800	9,348,200	5,674,100	706,100	995,000
2018.3	20,624,800	3,256,200	11,403,800	16,142,200	4,100	14,067,600	2,100	3,043,500	13,384,700	8,595,600	17,790,600	4,895,600	9,575,800	4,767,800	9,373,800	5,703,800	708,100	997,700
2018.4	20,664,200	3,261,600	11,423,600	16,186,200	4,100	14,106,000	2,100	3,053,300	13,481,200	8,613,400	17,820,000	4,909,000	9,601,900	4,780,800	9,399,300	5,733,500	710,000	1,000,400
2018.5	20,703,600	3,267,000	11,443,400	16,230,300	4,100	14,144,300	2,100	3,063,100	13,578,400	8,631,200	17,849,500	4,922,300	9,628,000	4,793,800	9,425,000	5,763,200	712,000	1,003,100
2018.6	20,743,200	3,272,400	11,463,100	16,274,400	4,200	14,182,700	2,100	3,072,900	13,676,300	8,649,000	17,879,100	4,935,700	9,654,200	4,806,800	9,450,500	5,792,900	713,900	1,005,800

Arizona Health Care Cost Containment System
Behavioral Health Regular Total

	Tradiitional								CMDP	Prop 204						NEA		
MONTH	Child	Child Exp	Adult	MMIC Reg	MMIC NEC	GAZ Reg	GAZ NEC	DD	Child	Adult Reg	Adult ESA	MMIC Reg	MMIC ESA	GAZ Reg	GAZ ESA	Adult	MMIC	GAZ
2015.7	-	-	-	-	-	-	-											
2015.8	-	-	-	-	-	-	-											
2015.9	-	-	-	-	-	-	-											
2015.10	25,490,400	2,928,400	15,684,100	20,755,000	3,700	18,943,900	1,900	4,043,700	17,064,300	10,108,200	15,879,300	6,294,600	9,350,800	6,420,500	9,586,900	4,427,700	673,400	993,800
2015.11	25,901,800	3,049,100	15,354,000	20,848,300	3,700	18,862,900	1,900	4,053,800	17,323,200	10,011,700	16,125,300	6,322,900	9,392,800	6,393,000	9,545,900	4,588,500	676,500	989,500
2015.12	26,304,100	3,132,600	14,779,900	21,057,500	3,700	18,827,100	1,900	4,063,800	17,577,700	10,368,900	16,453,500	6,386,300	9,487,100	6,380,900	9,527,800	4,749,400	683,300	987,600
2016.1	26,522,900	3,182,600	14,236,300	21,038,600	3,700	18,663,000	1,900	4,075,200	17,524,500	10,452,000	16,428,500	6,380,600	9,478,500	6,325,300	9,444,800	4,813,500	682,600	979,000
2016.2	26,606,300	3,240,100	13,888,200	20,987,400	3,700	18,558,500	1,900	4,087,800	17,513,400	10,370,900	16,431,600	6,365,100	9,455,500	6,289,900	9,391,900	5,009,100	681,000	973,500
2016.3	26,682,000	3,254,100	13,691,300	21,104,800	3,700	18,545,400	1,900	4,100,400	17,609,500	10,460,500	16,533,600	6,400,700	9,508,400	6,285,400	9,385,300	5,037,600	684,800	972,900
2016.4	26,548,200	3,216,700	13,343,900	20,920,900	3,700	18,354,100	1,900	4,110,700	17,680,100	10,417,100	16,491,500	6,344,900	9,425,500	6,220,600	9,288,400	5,132,900	678,800	962,800
2016.5	26,512,800	3,202,000	13,401,100	20,966,500	3,700	18,347,500	1,900	4,120,000	17,886,400	10,353,200	16,468,500	6,358,700	9,446,100	6,218,400	9,285,100	5,147,800	680,300	962,500
2016.6	26,790,200	3,095,800	13,913,000	21,110,100	3,700	18,397,000	1,900	4,119,700	17,951,500	10,442,700	16,514,900	6,402,300	9,510,800	6,235,100	9,310,100	4,980,500	685,000	965,100
2016.7	26,526,800	3,066,400	13,774,100	21,036,300	3,700	18,325,200	1,900	4,085,400	17,868,800	10,331,600	16,348,200	6,379,900	9,477,500	6,210,800	9,273,800	4,922,400	682,600	961,300
2016.8	26,577,900	3,073,200	13,798,500	21,097,000	3,700	18,385,600	1,900	4,099,500	17,997,600	10,343,000	16,375,300	6,398,300	9,504,900	6,231,300	9,304,400	4,950,200	684,500	964,500
2016.9	26,629,000	3,080,100	13,822,800	21,157,700	3,800	18,438,500	1,900	4,113,600	18,127,300	10,354,400	16,402,300	6,416,700	9,532,200	6,249,200	9,331,100	4,978,000	686,500	967,300
2016.10	27,880,400	3,225,900	15,460,400	21,494,300	3,800	18,731,800	1,900	4,016,900	16,541,700	11,585,300	18,343,900	6,518,800	9,683,900	6,348,600	9,479,600	5,589,100	697,400	982,600
2016.11	27,933,700	3,233,100	15,487,400	21,555,800	3,800	18,785,400	1,900	4,030,600	16,660,900	11,609,600	18,374,300	6,537,400	9,711,600	6,366,800	9,506,700	5,620,200	699,400	985,500
2016.12	27,987,000	3,240,300	15,514,400	21,617,300	3,800	18,839,000	1,900	4,044,300	16,781,000	11,633,900	18,404,700	6,556,100	9,739,300	6,384,900	9,533,800	5,651,200	701,400	988,300
2017.1	28,040,500	3,247,500	15,541,400	21,678,800	3,800	18,892,600	1,900	4,058,000	16,901,900	11,658,300	18,435,100	6,574,800	9,767,000	6,403,100	9,561,000	5,682,300	703,400	991,100
2017.2	28,094,000	3,254,700	15,568,500	21,740,300	3,900	18,946,200	1,900	4,071,700	17,023,800	11,682,700	18,465,600	6,593,400	9,794,700	6,421,300	9,588,100	5,713,400	705,400	993,900
2017.3	28,147,700	3,262,000	15,595,600	21,801,800	3,900	18,999,800	2,000	4,085,400	17,146,500	11,707,200	18,496,200	6,612,100	9,822,400	6,439,500	9,615,200	5,744,400	707,400	996,700
2017.4	28,201,400	3,269,200	15,622,700	21,863,400	3,900	19,053,400	2,000	4,099,100	17,270,000	11,731,600	18,526,700	6,630,700	9,850,100	6,457,600	9,642,300	5,775,500	709,400	999,500
2017.5	28,255,300	3,276,500	15,649,900	21,924,900	3,900	19,107,000	2,000	4,112,800	17,394,500	11,756,100	18,557,400	6,649,400	9,877,900	6,475,800	9,669,500	5,806,600	711,400	1,002,300
2017.6	28,309,200	3,283,700	15,677,100	21,986,400	3,900	19,160,600	2,000	4,126,500	17,519,900	11,780,600	18,588,100	6,668,000	9,905,600	6,494,000	9,696,600	5,837,600	713,400	1,005,100
2017.7	28,363,300	3,291,000	15,704,300	22,047,900	3,900	19,214,200	2,000	4,140,200	17,646,100	11,805,200	18,618,800	6,686,700	9,933,300	6,512,100	9,723,700	5,868,700	715,400	1,007,900
2017.8	28,417,400	3,298,300	15,731,600	22,109,400	3,900	19,267,800	2,000	4,153,900	17,773,300	11,829,700	18,649,600	6,705,300	9,961,000	6,530,300	9,750,800	5,899,800	717,400	1,010,800
2017.9	28,471,700	3,305,500	15,758,900	22,170,900	3,900	19,321,400	2,000	4,167,600	17,901,400	11,854,300	18,680,500	6,724,000	9,988,700	6,548,500	9,778,000	5,930,800	719,400	1,013,600
2017.10	29,381,800	3,229,500	16,259,800	22,899,400	4,100	19,956,300	2,100	4,306,800	18,571,400	12,235,300	19,272,700	6,944,900	10,316,900	6,763,600	10,099,300	5,909,800	743,000	1,046,900
2017.11	29,437,900	3,234,800	16,288,100	22,962,800	4,100	20,011,500	2,100	4,320,900	18,705,200	12,260,700	19,304,600	6,964,100	10,345,500	6,782,300	10,127,200	5,941,400	745,100	1,049,800
2017.12	29,494,100	3,240,100	16,316,300	23,026,100	4,100	20,066,700	2,100	4,335,000	18,840,000	12,286,100	19,336,600	6,983,400	10,374,000	6,801,100	10,155,100	5,973,000	747,100	1,052,700
2018.1	29,550,400	3,245,500	16,344,600	23,089,500	4,100	20,121,900	2,100	4,349,100	18,975,800	12,311,500	19,368,500	7,002,600	10,402,500	6,819,800	10,183,100	6,004,600	749,200	1,055,600
2018.2	29,606,700	3,250,800	16,372,900	23,152,800	4,100	20,177,200	2,100	4,363,200	19,112,600	12,337,000	19,400,600	7,021,800	10,431,100	6,838,500	10,211,000	6,036,300	751,200	1,058,500
2018.3	29,663,200	3,256,200	16,401,300	23,216,200	4,100	20,232,400	2,100	4,377,300	19,250,300	12,362,500	19,432,700	7,041,000	10,459,600	6,857,200	10,239,000	6,067,900	753,300	1,061,400
2018.4	29,719,800	3,261,600	16,429,700	23,279,500	4,100	20,287,600	2,100	4,391,400	19,389,100	12,388,000	19,464,800	7,060,200	10,488,200	6,875,900	10,266,900	6,099,500	755,300	1,064,300
2018.5	29,776,500	3,267,000	16,458,200	23,342,900	4,100	20,342,800	2,100	4,405,500	19,528,800	12,413,600	19,497,000	7,079,400	10,516,700	6,894,600	10,294,900	6,131,100	757,400	1,067,100
2018.6	29,833,400	3,272,400	16,486,600	23,406,300	4,200	20,398,000	2,100	4,419,600	19,669,600	12,439,200	19,529,300	7,098,700	10,545,300	6,913,300	10,322,800	6,162,700	759,500	1,070,000

Behavioral Health Prior Period Member Month Forecast

	Traditional								CMDP	Prop 204						NEA		
MONTH	Child	Child Exp	Adult	MMIC Reg	MMIC NEC	GAZ Reg	GAZ NEC	DD	Child	Adult Reg	Adult ESA	MMIC Reg	MMIC ESA	GAZ Reg	GAZ ESA	Adult	MMIC	GAZ
2015.7																		
2015.8																		
2015.9																		
2015.10																		
2015.11																		
2015.12																		
2016.1																		
2016.2																		
2016.3																		
2016.4																		
2016.5																		
2016.6																		
2016.7																		
2016.8																		
2016.9																		
2016.10	16,654	1,385	7,558	-	-	-	-	-	468	3,270	11,424	-	-	-	-	2,291	-	-
2016.11	16,686	1,387	7,571	-	-	-	-	-	471	3,275	11,443	-	-	-	-	2,304	-	-
2016.12	16,718	1,389	7,584	-	-	-	-	-	475	3,281	11,462	-	-	-	-	2,317	-	-
2017.1	16,750	1,391	7,597	-	-	-	-	-	478	3,286	11,481	-	-	-	-	2,330	-	-
2017.2	16,782	1,394	7,610	-	-	-	-	-	481	3,292	11,500	-	-	-	-	2,343	-	-
2017.3	16,814	1,396	7,623	-	-	-	-	-	485	3,297	11,519	-	-	-	-	2,356	-	-
2017.4	16,846	1,398	7,636	-	-	-	-	-	488	3,303	11,538	-	-	-	-	2,370	-	-
2017.5	16,878	1,401	7,649	-	-	-	-	-	492	3,308	11,557	-	-	-	-	2,383	-	-
2017.6	16,910	1,403	7,662	-	-	-	-	-	495	3,313	11,576	-	-	-	-	2,396	-	-
2017.7	16,943	1,405	7,675	-	-	-	-	-	499	3,319	11,595	-	-	-	-	2,409	-	-
2017.8	16,975	1,408	7,689	-	-	-	-	-	503	3,324	11,614	-	-	-	-	2,422	-	-
2017.9	17,008	1,410	7,702	-	-	-	-	-	506	3,330	11,633	-	-	-	-	2,435	-	-
2017.10	17,040	1,412	7,715	-	-	-	-	-	510	3,336	11,652	-	-	-	-	2,448	-	-
2017.11	17,073	1,415	7,728	-	-	-	-	-	514	3,341	11,672	-	-	-	-	2,461	-	-
2017.12	17,106	1,417	7,741	-	-	-	-	-	517	3,347	11,691	-	-	-	-	2,474	-	-
2018.1	17,138	1,419	7,755	-	-	-	-	-	521	3,352	11,710	-	-	-	-	2,487	-	-
2018.2	17,171	1,422	7,768	-	-	-	-	-	525	3,358	11,730	-	-	-	-	2,501	-	-
2018.3	17,204	1,424	7,781	-	-	-	-	-	528	3,363	11,749	-	-	-	-	2,514	-	-
2018.4	17,237	1,426	7,794	-	-	-	-	-	532	3,369	11,768	-	-	-	-	2,527	-	-
2018.5	17,270	1,429	7,808	-	-	-	-	-	536	3,374	11,788	-	-	-	-	2,540	-	-
2018.6	17,303	1,431	7,821	-	-	-	-	-	540	3,380	11,807	-	-	-	-	2,553	-	-

Arizona Health Care Cost Containment System
Behavioral Health PP State Match

	Traditional								CMDP	Prop 204						NEA		
MONTH	Child	Child Exp	Adult	MMIC Reg	MMIC NEC	GAZ Reg	GAZ NEC	DD	Child	Adult Reg	Adult ESA	MMIC Reg	MMIC ESA	GAZ Reg	GAZ ESA	Adult	MMIC	GAZ
2015.7																		
2015.8																		
2015.9																		
2015.10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015.11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015.12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.10	219,100	-	153,600	-	-	-	-	-	130,000	66,400	69,600	-	-	-	-	-	-	-
2016.11	219,500	-	153,800	-	-	-	-	-	130,900	66,500	69,800	-	-	-	-	-	-	-
2016.12	220,000	-	154,100	-	-	-	-	-	131,900	66,700	69,900	-	-	-	-	-	-	-
2017.1	220,400	-	154,400	-	-	-	-	-	132,800	66,800	77,000	-	-	-	-	7,700	-	-
2017.2	220,800	-	154,600	-	-	-	-	-	133,800	66,900	77,100	-	-	-	-	7,700	-	-
2017.3	221,200	-	154,900	-	-	-	-	-	134,800	67,000	77,200	-	-	-	-	7,800	-	-
2017.4	221,700	-	155,200	-	-	-	-	-	135,700	67,100	77,400	-	-	-	-	7,800	-	-
2017.5	222,100	-	155,400	-	-	-	-	-	136,700	67,200	77,500	-	-	-	-	7,900	-	-
2017.6	222,500	-	155,700	-	-	-	-	-	137,700	67,300	77,600	-	-	-	-	7,900	-	-
2017.7	222,900	-	156,000	-	-	-	-	-	138,700	67,400	77,700	-	-	-	-	8,000	-	-
2017.8	223,300	-	156,200	-	-	-	-	-	139,700	67,500	77,900	-	-	-	-	8,000	-	-
2017.9	223,800	-	156,500	-	-	-	-	-	140,700	67,600	78,000	-	-	-	-	8,000	-	-
2017.10	228,800	-	159,900	-	-	-	-	-	144,600	69,100	80,000	-	-	-	-	8,300	-	-
2017.11	229,200	-	160,200	-	-	-	-	-	145,600	69,300	80,100	-	-	-	-	8,400	-	-
2017.12	229,700	-	160,500	-	-	-	-	-	146,700	69,400	80,300	-	-	-	-	8,400	-	-
2018.1	230,100	-	160,800	-	-	-	-	-	147,700	69,500	67,300	-	-	-	-	10,200	-	-
2018.2	230,500	-	161,000	-	-	-	-	-	148,800	69,600	67,400	-	-	-	-	10,200	-	-
2018.3	231,000	-	161,300	-	-	-	-	-	149,900	69,700	67,500	-	-	-	-	10,300	-	-
2018.4	231,400	-	161,600	-	-	-	-	-	150,900	69,800	67,700	-	-	-	-	10,300	-	-
2018.5	231,800	-	161,900	-	-	-	-	-	152,000	70,000	67,800	-	-	-	-	10,400	-	-
2018.6	232,300	-	162,100	-	-	-	-	-	153,100	70,100	67,900	-	-	-	-	10,400	-	-

	Traditional								CMDP	Prop 204						NEA		
MONTH	Child	Child Exp	Adult	MMIC Reg	MMIC NEC	GAZ Reg	GAZ NEC	DD	Child	Adult Reg	Adult ESA	MMIC Reg	MMIC ESA	GAZ Reg	GAZ ESA	Adult	MMIC	GAZ
2015.7																		
2015.8																		
2015.9																		
2015.10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015.11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015.12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.10	493,300	59,200	345,600	-	-	-	-	-	292,600	149,600	685,000	-	-	-	-	151,300	-	-
2016.11	494,200	59,300	346,300	-	-	-	-	-	294,800	149,800	686,000	-	-	-	-	152,200	-	-
2016.12	495,100	59,400	346,800	-	-	-	-	-	296,800	150,000	687,200	-	-	-	-	153,100	-	-
2017.1	496,100	59,500	347,400	-	-	-	-	-	299,000	150,300	681,300	-	-	-	-	146,200	-	-
2017.2	497,100	59,600	348,100	-	-	-	-	-	301,100	150,500	682,500	-	-	-	-	147,100	-	-
2017.3	498,000	59,700	348,600	-	-	-	-	-	303,300	150,800	683,600	-	-	-	-	147,800	-	-
2017.4	498,900	59,800	349,200	-	-	-	-	-	305,500	151,000	684,700	-	-	-	-	148,700	-	-
2017.5	499,900	59,900	349,800	-	-	-	-	-	307,700	151,300	685,800	-	-	-	-	149,500	-	-
2017.6	500,900	60,000	350,400	-	-	-	-	-	309,900	151,600	687,000	-	-	-	-	150,300	-	-
2017.7	501,800	60,100	351,000	-	-	-	-	-	312,100	151,800	688,200	-	-	-	-	151,100	-	-
2017.8	502,800	60,200	351,600	-	-	-	-	-	314,400	152,100	689,200	-	-	-	-	152,000	-	-
2017.9	503,700	60,300	352,200	-	-	-	-	-	316,700	152,300	690,400	-	-	-	-	152,800	-	-
2017.10	522,000	62,200	365,000	-	-	-	-	-	329,900	157,800	712,700	-	-	-	-	158,300	-	-
2017.11	523,000	62,300	365,600	-	-	-	-	-	332,300	158,000	714,000	-	-	-	-	159,000	-	-
2017.12	524,000	62,400	366,200	-	-	-	-	-	334,700	158,300	715,100	-	-	-	-	159,900	-	-
2018.1	525,000	62,500	366,800	-	-	-	-	-	337,100	158,600	729,400	-	-	-	-	159,000	-	-
2018.2	526,100	62,600	367,500	-	-	-	-	-	339,500	158,800	730,600	-	-	-	-	159,900	-	-
2018.3	527,000	62,700	368,100	-	-	-	-	-	341,900	159,100	731,800	-	-	-	-	160,700	-	-
2018.4	528,100	62,800	368,700	-	-	-	-	-	344,500	159,400	732,900	-	-	-	-	161,600	-	-
2018.5	529,100	62,900	369,300	-	-	-	-	-	346,900	159,600	734,200	-	-	-	-	162,400	-	-
2018.6	530,100	63,100	370,000	-	-	-	-	-	349,400	159,800	735,400	-	-	-	-	163,300	-	-

Arizona Health Care Cost Containment System
Behavioral Health PP Total

	Traditional								CMDP	Prop 204						NEA		
MONTH	Child	Child Exp	Adult	MMIC Reg	MMIC NEC	GAZ Reg	GAZ NEC	DD	Child	Adult Reg	Adult ESA	MMIC Reg	MMIC ESA	GAZ Reg	GAZ ESA	Adult	MMIC	GAZ
2015.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015.8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015.10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015.11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015.12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.10	712,400	59,200	499,200	-	-	-	-	-	422,600	216,000	754,600	-	-	-	-	151,300	-	-
2016.11	713,700	59,300	500,100	-	-	-	-	-	425,700	216,300	755,800	-	-	-	-	152,200	-	-
2016.12	715,100	59,400	500,900	-	-	-	-	-	428,700	216,700	757,100	-	-	-	-	153,100	-	-
2017.1	716,500	59,500	501,800	-	-	-	-	-	431,800	217,100	758,300	-	-	-	-	153,900	-	-
2017.2	717,900	59,600	502,700	-	-	-	-	-	434,900	217,400	759,600	-	-	-	-	154,800	-	-
2017.3	719,200	59,700	503,500	-	-	-	-	-	438,100	217,800	760,800	-	-	-	-	155,600	-	-
2017.4	720,600	59,800	504,400	-	-	-	-	-	441,200	218,100	762,100	-	-	-	-	156,500	-	-
2017.5	722,000	59,900	505,200	-	-	-	-	-	444,400	218,500	763,300	-	-	-	-	157,400	-	-
2017.6	723,400	60,000	506,100	-	-	-	-	-	447,600	218,900	764,600	-	-	-	-	158,200	-	-
2017.7	724,700	60,100	507,000	-	-	-	-	-	450,800	219,200	765,900	-	-	-	-	159,100	-	-
2017.8	726,100	60,200	507,800	-	-	-	-	-	454,100	219,600	767,100	-	-	-	-	160,000	-	-
2017.9	727,500	60,300	508,700	-	-	-	-	-	457,400	219,900	768,400	-	-	-	-	160,800	-	-
2017.10	750,800	62,200	524,900	-	-	-	-	-	474,500	226,900	792,700	-	-	-	-	166,600	-	-
2017.11	752,200	62,300	525,800	-	-	-	-	-	477,900	227,300	794,100	-	-	-	-	167,400	-	-
2017.12	753,700	62,400	526,700	-	-	-	-	-	481,400	227,700	795,400	-	-	-	-	168,300	-	-
2018.1	755,100	62,500	527,600	-	-	-	-	-	484,800	228,100	796,700	-	-	-	-	169,200	-	-
2018.2	756,600	62,600	528,500	-	-	-	-	-	488,300	228,400	798,000	-	-	-	-	170,100	-	-
2018.3	758,000	62,700	529,400	-	-	-	-	-	491,800	228,800	799,300	-	-	-	-	171,000	-	-
2018.4	759,500	62,800	530,300	-	-	-	-	-	495,400	229,200	800,600	-	-	-	-	171,900	-	-
2018.5	760,900	62,900	531,200	-	-	-	-	-	498,900	229,600	802,000	-	-	-	-	172,800	-	-
2018.6	762,400	63,100	532,100	-	-	-	-	-	502,500	229,900	803,300	-	-	-	-	173,700	-	-

Behavioral Health PMPMs

	Traditional								CMDP	Prop 204						NEA		
MONTH	Child	Child Exp	Adult	MMIC Reg	MMIC NEC	GAZ Reg	GAZ NEC	DD	Child	Adult Reg	Adult ESA	MMIC Reg	MMIC ESA	GAZ Reg	GAZ ESA	Adult	MMIC	GAZ
2015.7																		
2015.8																		
2015.9																		
2015.10	41.42	41.42	59.86	1,877.30	1,877.30	1,877.30	1,877.30	140.85	1,009.13	59.86	59.86	1,877.30	1,877.30	1,877.30	1,877.30	59.86	1,877.30	1,877.30
2015.11	41.42	41.42	59.86	1,877.30	1,877.30	1,877.30	1,877.30	140.85	1,009.13	59.86	59.86	1,877.30	1,877.30	1,877.30	1,877.30	59.86	1,877.30	1,877.30
2015.12	41.42	41.42	59.86	1,877.30	1,877.30	1,877.30	1,877.30	140.85	1,009.13	59.86	59.86	1,877.30	1,877.30	1,877.30	1,877.30	59.86	1,877.30	1,877.30
2016.1	41.42	41.42	59.86	1,877.30	1,877.30	1,877.30	1,877.30	140.85	1,009.13	59.86	59.86	1,877.30	1,877.30	1,877.30	1,877.30	59.86	1,877.30	1,877.30
2016.2	41.42	41.42	59.86	1,877.30	1,877.30	1,877.30	1,877.30	140.85	1,009.13	59.86	59.86	1,877.30	1,877.30	1,877.30	1,877.30	59.86	1,877.30	1,877.30
2016.3	41.42	41.42	59.86	1,877.30	1,877.30	1,877.30	1,877.30	140.85	1,009.13	59.86	59.86	1,877.30	1,877.30	1,877.30	1,877.30	59.86	1,877.30	1,877.30
2016.4	41.42	41.42	59.86	1,877.30	1,877.30	1,877.30	1,877.30	140.85	1,009.13	59.86	59.86	1,877.30	1,877.30	1,877.30	1,877.30	59.86	1,877.30	1,877.30
2016.5	41.42	41.42	59.86	1,877.30	1,877.30	1,877.30	1,877.30	140.85	1,009.13	59.86	59.86	1,877.30	1,877.30	1,877.30	1,877.30	59.86	1,877.30	1,877.30
2016.6	41.42	41.42	59.86	1,877.30	1,877.30	1,877.30	1,877.30	140.85	1,009.13	59.86	59.86	1,877.30	1,877.30	1,877.30	1,877.30	59.86	1,877.30	1,877.30
2016.7	40.93	40.93	59.16	1,855.28	1,855.28	1,855.28	1,855.28	139.20	997.29	59.16	59.16	1,855.28	1,855.28	1,855.28	1,855.28	59.16	1,855.28	1,855.28
2016.8	40.93	40.93	59.16	1,855.28	1,855.28	1,855.28	1,855.28	139.20	997.29	59.16	59.16	1,855.28	1,855.28	1,855.28	1,855.28	59.16	1,855.28	1,855.28
2016.9	40.93	40.93	59.16	1,855.28	1,855.28	1,855.28	1,855.28	139.20	997.29	59.16	59.16	1,855.28	1,855.28	1,855.28	1,855.28	59.16	1,855.28	1,855.28
2016.10	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2016.11	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2016.12	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2017.1	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2017.2	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2017.3	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2017.4	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2017.5	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2017.6	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2017.7	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2017.8	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2017.9	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2017.10	44.06	44.06	68.03	1,935.78	1,935.78	1,935.78	1,935.78	139.53	930.65	68.03	68.03	1,935.78	1,935.78	1,935.78	1,935.78	68.03	1,935.78	1,935.78
2017.11	44.06	44.06	68.03	1,935.78	1,935.78	1,935.78	1,935.78	139.53	930.65	68.03	68.03	1,935.78	1,935.78	1,935.78	1,935.78	68.03	1,935.78	1,935.78
2017.12	44.06	44.06	68.03	1,935.78	1,935.78	1,935.78	1,935.78	139.53	930.65	68.03	68.03	1,935.78	1,935.78	1,935.78	1,935.78	68.03	1,935.78	1,935.78
2018.1	44.06	44.06	68.03	1,935.78	1,935.78	1,935.78	1,935.78	139.53	930.65	68.03	68.03	1,935.78	1,935.78	1,935.78	1,935.78	68.03	1,935.78	1,935.78
2018.2	44.06	44.06	68.03	1,935.78	1,935.78	1,935.78	1,935.78	139.53	930.65	68.03	68.03	1,935.78	1,935.78	1,935.78	1,935.78	68.03	1,935.78	1,935.78
2018.3	44.06	44.06	68.03	1,935.78	1,935.78	1,935.78	1,935.78	139.53	930.65	68.03	68.03	1,935.78	1,935.78	1,935.78	1,935.78	68.03	1,935.78	1,935.78
2018.4	44.06	44.06	68.03	1,935.78	1,935.78	1,935.78	1,935.78	139.53	930.65	68.03	68.03	1,935.78	1,935.78	1,935.78	1,935.78	68.03	1,935.78	1,935.78
2018.5	44.06	44.06	68.03	1,935.78	1,935.78	1,935.78	1,935.78	139.53	930.65	68.03	68.03	1,935.78	1,935.78	1,935.78	1,935.78	68.03	1,935.78	1,935.78
2018.6	44.06	44.06	68.03	1,935.78	1,935.78	1,935.78	1,935.78	139.53	930.65	68.03	68.03	1,935.78	1,935.78	1,935.78	1,935.78	68.03	1,935.78	1,935.78

Arizona Health Care Cost Containment System
Behavioral Health FMAP Table

	Traditional								CMDP	Prop 204						NEA		
MONTH	Child	Child Exp	Adult	MMIC Reg	MMIC NEC	GAZ Reg	GAZ NEC	DD	Child	Adult Reg	Adult ESA	MMIC Reg	MMIC ESA	GAZ Reg	GAZ ESA	Adult	MMIC	GAZ
2015.7																		
2015.8																		
2015.9																		
2015.10	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	87.57%	68.92%	87.57%	68.92%	87.57%	100.00%	100.00%	100.00%
2015.11	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	87.57%	68.92%	87.57%	68.92%	87.57%	100.00%	100.00%	100.00%
2015.12	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	87.57%	68.92%	87.57%	68.92%	87.57%	100.00%	100.00%	100.00%
2016.1	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	90.68%	68.92%	90.68%	68.92%	90.68%	100.00%	100.00%	100.00%
2016.2	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	90.68%	68.92%	90.68%	68.92%	90.68%	100.00%	100.00%	100.00%
2016.3	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	90.68%	68.92%	90.68%	68.92%	90.68%	100.00%	100.00%	100.00%
2016.4	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	90.68%	68.92%	90.68%	68.92%	90.68%	100.00%	100.00%	100.00%
2016.5	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	90.68%	68.92%	90.68%	68.92%	90.68%	100.00%	100.00%	100.00%
2016.6	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	90.68%	68.92%	90.68%	68.92%	90.68%	100.00%	100.00%	100.00%
2016.7	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	90.68%	68.92%	90.68%	68.92%	90.68%	100.00%	100.00%	100.00%
2016.8	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	90.68%	68.92%	90.68%	68.92%	90.68%	100.00%	100.00%	100.00%
2016.9	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	90.68%	68.92%	90.68%	68.92%	90.68%	100.00%	100.00%	100.00%
2016.10	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	90.77%	69.24%	90.77%	69.24%	90.77%	100.00%	100.00%	100.00%
2016.11	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	90.77%	69.24%	90.77%	69.24%	90.77%	100.00%	100.00%	100.00%
2016.12	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	90.77%	69.24%	90.77%	69.24%	90.77%	100.00%	100.00%	100.00%
2017.1	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	89.85%	69.24%	89.85%	69.24%	89.85%	95.00%	95.00%	95.00%
2017.2	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	89.85%	69.24%	89.85%	69.24%	89.85%	95.00%	95.00%	95.00%
2017.3	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	89.85%	69.24%	89.85%	69.24%	89.85%	95.00%	95.00%	95.00%
2017.4	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	89.85%	69.24%	89.85%	69.24%	89.85%	95.00%	95.00%	95.00%
2017.5	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	89.85%	69.24%	89.85%	69.24%	89.85%	95.00%	95.00%	95.00%
2017.6	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	89.85%	69.24%	89.85%	69.24%	89.85%	95.00%	95.00%	95.00%
2017.7	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	89.85%	69.24%	89.85%	69.24%	89.85%	95.00%	95.00%	95.00%
2017.8	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	89.85%	69.24%	89.85%	69.24%	89.85%	95.00%	95.00%	95.00%
2017.9	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	89.85%	69.24%	89.85%	69.24%	89.85%	95.00%	95.00%	95.00%
2017.10	69.53%	100.00%	69.53%	69.53%	100.00%	69.53%	100.00%	69.53%	69.53%	69.53%	89.91%	69.53%	89.91%	69.53%	89.91%	95.00%	95.00%	95.00%
2017.11	69.53%	100.00%	69.53%	69.53%	100.00%	69.53%	100.00%	69.53%	69.53%	69.53%	89.91%	69.53%	89.91%	69.53%	89.91%	95.00%	95.00%	95.00%
2017.12	69.53%	100.00%	69.53%	69.53%	100.00%	69.53%	100.00%	69.53%	69.53%	69.53%	89.91%	69.53%	89.91%	69.53%	89.91%	95.00%	95.00%	95.00%
2018.1	69.53%	100.00%	69.53%	69.53%	100.00%	69.53%	100.00%	69.53%	69.53%	69.53%	91.55%	69.53%	91.55%	69.53%	91.55%	94.00%	94.00%	94.00%
2018.2	69.53%	100.00%	69.53%	69.53%	100.00%	69.53%	100.00%	69.53%	69.53%	69.53%	91.55%	69.53%	91.55%	69.53%	91.55%	94.00%	94.00%	94.00%
2018.3	69.53%	100.00%	69.53%	69.53%	100.00%	69.53%	100.00%	69.53%	69.53%	69.53%	91.55%	69.53%	91.55%	69.53%	91.55%	94.00%	94.00%	94.00%
2018.4	69.53%	100.00%	69.53%	69.53%	100.00%	69.53%	100.00%	69.53%	69.53%	69.53%	91.55%	69.53%	91.55%	69.53%	91.55%	94.00%	94.00%	94.00%
2018.5	69.53%	100.00%	69.53%	69.53%	100.00%	69.53%	100.00%	69.53%	69.53%	69.53%	91.55%	69.53%	91.55%	69.53%	91.55%	94.00%	94.00%	94.00%
2018.6	69.53%	100.00%	69.53%	69.53%	100.00%	69.53%	100.00%	69.53%	69.53%	69.53%	91.55%	69.53%	91.55%	69.53%	91.55%	94.00%	94.00%	94.00%

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 10-10004 Medicaid Behavioral Health - Prop 204

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	612,844.8	186,081.3	798,926.1
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Expenditure Categories Total:	0.0	612,844.8	186,081.3	798,926.1
Fund Source					
Appropriated Funds					
	1000-A General Fund (Appropriated)	0.0	109,250.5	9,467.3	118,717.8
		0.0	109,250.5	9,467.3	118,717.8
Non-Appropriated Funds					
	1303-N Proposition 204 Protection Account (TPTF) (Non-A	0.0	0.0	22,105.5	22,105.5
	2120-N AHCCCS Fund (Non-Appropriated)	0.0	503,594.3	154,508.5	658,102.8
		0.0	503,594.3	176,614.0	680,208.3
	Fund Source Total:	0.0	612,844.8	186,081.3	798,926.1

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 10-10004 Medicaid Behavioral Health - Prop 204

Fund: 1000-A General Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	109,250.5	9,467.3	118,717.8
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Appropriated Total:	0.0	109,250.5	9,467.3	118,717.8
Fund Total:		0.0	109,250.5	9,467.3	118,717.8
Program Total For Selected Funds:		0.0	109,250.5	9,467.3	118,717.8

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 10-10004 Medicaid Behavioral Health - Prop 204

Fund: 1303-N Proposition 204 Protection Account (TPTF) Fund

Non-Appropriated		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	22,105.5	22,105.5
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Non-Appropriated Total:		0.0	0.0	22,105.5	22,105.5
Fund Total:		0.0	0.0	22,105.5	22,105.5
Program Total For Selected Funds:		0.0	0.0	22,105.5	22,105.5

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 10-10004 Medicaid Behavioral Health - Prop 204

Fund: 2120-N AHCCCS Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Non-Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	503,594.3	154,508.5	658,102.8
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Non-Appropriated Total:		0.0	503,594.3	154,508.5	658,102.8
Fund Total:		0.0	503,594.3	154,508.5	658,102.8
Program Total For Selected Funds:		0.0	503,594.3	154,508.5	658,102.8

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 10-100 Medicaid Behavioral Health - Prop 204

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	0.0	0.0
Boards and Commissions	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	0.0	0.0
Attorney General Legal Services	0.0	0.0
External Legal Services	0.0	0.0
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	0.0	0.0
Hospital Services	0.0	0.0
Other Medical Services	0.0	0.0
Institutional Care	0.0	0.0
Education And Training	0.0	0.0
Vendor Travel	0.0	0.0
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0
Other Professional And Outside Services	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 10-100 Medicaid Behavioral Health - Prop 204

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	0.0	612,844.8
Expenditure Category Total	**0.0**	**612,844.8**
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	0.0	109,250.5
	0.0	**109,250.5**
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	0.0	503,594.3
	0.0	**503,594.3**
Fund Source Total	**0.0**	**612,844.8**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	0.0	0.0
Information Technology Services	0.0	0.0
Utilities	0.0	0.0
Non-Building or Land Rent	0.0	0.0
Building Rent Charges to State Agencies	0.0	0.0
COP Building Rent Charges to State Agencies	0.0	0.0
Rental of Land & Buildings	0.0	0.0
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	0.0	0.0
Repair & Maintenance	0.0	0.0
Software Support and Maintenance	0.0	0.0
Operating Supplies	0.0	0.0
Resale Supplies	0.0	0.0
Sales of Assets	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 10-100 Medicaid Behavioral Health - Prop 204

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Conference, Education & Training	0.0	0.0
Advertising	0.0	0.0
Printing & Photography	0.0	0.0
Postage & Delivery	0.0	0.0
Miscellaneous Operating	0.0	0.0
Depreciation Expense	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	0.0	0.0
Vehicles - Non-Capital	0.0	0.0
Furniture - Non-Capital	0.0	0.0
EDP Equipment - Mainframe - Non-Capital	0.0	0.0
Telecommunication Equipment - Non Capital	0.0	0.0
Other Equipment - Non-Capital	0.0	0.0
Purchased Or Licensed Software/Website	0.0	0.0
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 10-100 Medicaid Behavioral Health - Prop 204

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

All dollars are presented in thousands (not FTE).

MEDICAID BEHAVIORAL HEALTH – EXPANSION

PROGRAM DESCRIPTION:

The Medicaid Behavioral Health – Expansion program provides behavioral health services to Title XIX-eligible clients. Under the Affordable Care Act (ACA), it covers adults with incomes from 100% to 133% of the Federal Poverty Level (FPL), who are not eligible for another Medicaid program.

Funding is included for three different service categories:

- Serious Mental Illness (SMI)
- Children's Behavioral Health (CBH) or Serious Emotional Disturbance (SED)
- General Mental Health and Substance Abuse (GMH/SA)

Specific covered services include mental health and substance abuse related treatment, rehabilitation, medical, support, crisis intervention, inpatient, residential, and day program services. Effective July 1, 2016, this program transferred from the Arizona Department of Health Services (ADHS) to the Arizona Health Care Cost Containment System (AHCCCS).

STATUTORY AUTHORITY:

Patient Protection and Affordable Care Act, 42 U.S.C. § 18001 (2010).
Laws 2013, First Special Session, Chapter 10.
Laws 2015, Chapter 19.
Laws 2015, Chapter 195.
A.R.S. Title 36, Chapter 34, Article 1.

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
BEHAVIORAL HEALTH TITLE XIX SUMMARY

Appropriation:		FY16 Actual	FY17 Approp	FY17 Rebase	FY18 Request	FY18 Increase
	(SM)	-	294,922,700	346,367,600	364,097,900	69,175,200
BHS Traditional	(TF)	-	960,228,100	1,105,701,800	1,167,338,400	207,110,300
	(SM)	-	63,770,500	65,122,200	70,581,300	6,810,800
BHS CMDP	(TF)	-	208,027,400	211,148,900	231,121,400	23,094,000
	(SM)	-	109,250,500	135,191,500	140,770,800	31,520,300
BHS Prop 204	(TF)	-	612,844,800	750,461,400	798,640,800	185,796,000
	(SM)	-	831,900	2,287,000	5,260,000	4,428,100
BHS NEA	(TF)	-	77,702,300	88,207,400	95,508,400	17,806,100
	(SM)	-	468,775,600	548,968,300	580,710,000	111,934,400
TOTAL	(TF)	-	1,858,802,600	2,155,519,500	2,292,609,000	433,806,400

Notes:

1. Appropriations transferred to AHCCCS in FY17, previously appropriated to ADHS/DBHS.
2. BHS Traditional includes BHS Clawback and ALTCS DD BHS.
3. Includes all payments to RBHAs for SMI Integrated, including physical health.
4. Does not include payments to Acute MCOs for GMH/SA dual eligible behavioral health.
5. Effective 10/1/16, PPC member months are paid using same PMPMs as regular member months.
6. FY17 Rebase includes HIF; FY18 Request does not include HIF, which is not in effect for CY 2017.

Behavioral Health Regular Member Month Forecast

	Traditional								CMDP	Prop 204						NEA		
MONTH	Child	Child Exp	Adult	MMIC Reg	MMIC NEC	GAZ Reg	GAZ NEC	DD	Child	Adult Reg	Adult ESA	MMIC Reg	MMIC ESA	GAZ Reg	GAZ ESA	Adult	MMIC	GAZ
2015.7	615,911	33,331	313,744	10,864	2	-	-	28,433	16,417	126,348	255,644	3,295	4,895	-	-	66,635	353	0
2015.8	640,792	28,999	310,026	10,907	2	-	-	28,521	16,599	113,290	258,508	3,308	4,914	-	-	69,679	354	0
2015.9	670,282	26,603	315,395	11,000	2	-	-	28,634	16,807	104,375	265,596	3,336	4,956	-	-	72,508	357	0
2015.10	615,412	70,701	262,013	11,056	2	10,091	1	28,710	16,910	168,864	265,274	3,353	4,981	3,420	5,107	73,968	359	529
2015.11	625,344	73,614	256,499	11,105	2	10,048	1	28,781	17,166	167,253	269,384	3,368	5,003	3,405	5,085	76,654	360	527
2015.12	635,058	75,630	246,908	11,217	2	10,029	1	28,852	17,419	173,219	274,866	3,402	5,054	3,399	5,075	79,342	364	526
2016.1	640,341	76,837	237,827	11,207	2	9,941	1	28,933	17,366	174,608	274,448	3,399	5,049	3,369	5,031	80,413	364	522
2016.2	642,355	78,226	232,011	11,180	2	9,886	1	29,022	17,355	173,253	274,501	3,391	5,037	3,350	5,003	83,680	363	519
2016.3	644,182	78,563	228,722	11,242	2	9,879	1	29,112	17,450	174,750	276,204	3,410	5,065	3,348	4,999	84,157	365	518
2016.4	640,951	77,660	222,919	11,144	2	9,777	1	29,185	17,520	174,024	275,500	3,380	5,021	3,314	4,948	85,748	362	513
2016.5	640,097	77,307	223,874	11,168	2	9,773	1	29,251	17,725	172,957	275,116	3,387	5,032	3,312	4,946	85,998	362	513
2016.6	646,793	74,742	232,426	11,245	2	9,800	1	29,249	17,789	174,452	275,893	3,410	5,066	3,321	4,959	83,202	365	514
2016.7	648,037	74,910	232,837	11,339	2	9,877	1	29,350	17,917	174,645	276,349	3,439	5,108	3,348	4,999	83,207	368	518
2016.8	649,283	75,077	233,248	11,371	2	9,910	1	29,451	18,046	174,837	276,806	3,449	5,123	3,359	5,015	83,678	369	520
2016.9	650,532	75,245	233,660	11,404	2	9,938	1	29,552	18,176	175,030	277,264	3,459	5,138	3,368	5,030	84,148	370	521
2016.10	651,775	75,413	234,067	11,437	2	9,967	1	29,653	18,307	175,398	277,723	3,469	5,153	3,378	5,044	84,618	371	523
2016.11	653,020	75,582	234,475	11,470	2	9,995	1	29,754	18,439	175,766	278,182	3,478	5,167	3,388	5,058	85,088	372	524
2016.12	654,267	75,750	234,884	11,502	2	10,024	1	29,856	18,572	176,135	278,642	3,488	5,182	3,397	5,073	85,559	373	526
2017.1	655,517	75,919	235,293	11,535	2	10,052	1	29,957	18,706	176,504	279,103	3,498	5,197	3,407	5,087	86,029	374	527
2017.2	656,768	76,088	235,703	11,568	2	10,081	1	30,058	18,841	176,874	279,565	3,508	5,212	3,417	5,102	86,499	375	529
2017.3	658,023	76,257	236,113	11,600	2	10,110	1	30,159	18,977	177,244	280,028	3,518	5,226	3,426	5,116	86,969	376	530
2017.4	659,279	76,426	236,524	11,633	2	10,138	1	30,260	19,114	177,614	280,491	3,528	5,241	3,436	5,131	87,440	377	532
2017.5	660,538	76,595	236,935	11,666	2	10,167	1	30,361	19,251	177,985	280,955	3,538	5,256	3,446	5,145	87,910	379	533
2017.6	661,799	76,765	237,347	11,699	2	10,195	1	30,462	19,390	178,356	281,420	3,548	5,271	3,455	5,159	88,380	380	535
2017.7	663,063	76,935	237,760	11,731	2	10,224	1	30,563	19,530	178,727	281,885	3,558	5,285	3,465	5,174	88,851	381	536
2017.8	664,328	77,105	238,173	11,764	2	10,252	1	30,665	19,671	179,099	282,351	3,568	5,300	3,475	5,188	89,321	382	538
2017.9	665,597	77,275	238,586	11,797	2	10,281	1	30,766	19,812	179,472	282,818	3,578	5,315	3,484	5,203	89,791	383	539
2017.10	666,867	73,298	239,000	11,830	2	10,309	1	30,867	19,955	179,844	283,286	3,588	5,330	3,494	5,217	86,867	384	541
2017.11	668,140	73,419	239,415	11,862	2	10,338	1	30,968	20,099	180,218	283,755	3,598	5,344	3,504	5,232	87,332	385	542
2017.12	669,415	73,540	239,830	11,895	2	10,366	1	31,069	20,244	180,591	284,224	3,608	5,359	3,513	5,246	87,796	386	544
2018.1	670,693	73,661	240,246	11,928	2	10,395	1	31,170	20,390	180,965	284,695	3,617	5,374	3,523	5,260	88,261	387	545
2018.2	671,972	73,783	240,663	11,960	2	10,423	1	31,271	20,537	181,339	285,165	3,627	5,389	3,533	5,275	88,726	388	547
2018.3	673,255	73,905	241,080	11,993	2	10,452	1	31,372	20,685	181,714	285,637	3,637	5,403	3,542	5,289	89,191	389	548
2018.4	674,539	74,027	241,497	12,026	2	10,480	1	31,474	20,834	182,089	286,110	3,647	5,418	3,552	5,304	89,655	390	550
2018.5	675,826	74,149	241,915	12,059	2	10,509	1	31,575	20,984	182,465	286,583	3,657	5,433	3,562	5,318	90,120	391	551
2018.6	677,116	74,272	242,334	12,091	2	10,537	1	31,676	21,135	182,841	287,057	3,667	5,448	3,571	5,333	90,585	392	553

Arizona Health Care Cost Containment System
Behavioral Health Regular State Match

	Traditional								CMDP	Prop 204						NEA		
MONTH	Child	Child Exp	Adult	MMIC Reg	MMIC NEC	GAZ Reg	GAZ NEC	DD	Child	Adult Reg	Adult ESA	MMIC Reg	MMIC ESA	GAZ Reg	GAZ ESA	Adult	MMIC	GAZ
2015.10	7,922,400	-	4,874,600	6,450,700	-	5,887,800	-	1,256,800	5,303,600	3,141,600	1,973,800	1,956,400	1,162,300	1,995,500	1,191,700	-	-	-
2015.11	8,050,300	-	4,772,000	6,479,700	-	5,862,600	-	1,259,900	5,384,100	3,111,600	2,004,400	1,965,200	1,167,500	1,986,900	1,186,600	-	-	-
2015.12	8,175,300	-	4,593,600	6,544,700	-	5,851,500	-	1,263,000	5,463,100	3,222,700	2,045,200	1,984,900	1,179,200	1,983,200	1,184,300	-	-	-
2016.1	8,243,300	-	4,424,600	6,538,800	-	5,800,500	-	1,266,600	5,446,600	3,248,500	1,531,100	1,983,100	883,400	1,965,900	880,300	-	-	-
2016.2	8,269,200	-	4,316,500	6,522,900	-	5,768,000	-	1,270,500	5,443,200	3,223,300	1,531,400	1,978,300	881,300	1,954,900	875,300	-	-	-
2016.3	8,292,800	-	4,255,300	6,559,400	-	5,763,900	-	1,274,400	5,473,000	3,251,100	1,540,900	1,989,300	886,200	1,953,500	874,700	-	-	-
2016.4	8,251,200	-	4,147,300	6,502,200	-	5,704,500	-	1,277,600	5,495,000	3,237,600	1,537,000	1,972,000	878,500	1,933,400	865,700	-	-	-
2016.5	8,240,200	-	4,165,100	6,516,400	-	5,702,400	-	1,280,500	5,559,100	3,217,800	1,534,900	1,976,300	880,400	1,932,700	865,400	-	-	-
2016.6	8,326,400	-	4,324,200	6,561,000	-	5,717,800	-	1,280,400	5,579,300	3,245,600	1,539,200	1,989,800	886,400	1,937,900	867,700	-	-	-
2016.7	8,244,500	-	4,281,000	6,538,100	-	5,695,500	-	1,269,700	5,553,600	3,211,100	1,523,700	1,982,900	883,300	1,930,300	864,300	-	-	-
2016.8	8,260,400	-	4,288,600	6,556,900	-	5,714,200	-	1,274,100	5,593,700	3,214,600	1,526,200	1,988,600	885,900	1,936,700	867,200	-	-	-
2016.9	8,276,300	-	4,296,100	6,575,800	-	5,730,700	-	1,278,500	5,634,000	3,218,100	1,528,700	1,994,300	888,400	1,942,300	869,700	-	-	-
2016.10	8,576,000	-	4,755,600	6,611,600	-	5,761,900	-	1,235,600	5,088,200	3,563,600	1,693,100	2,005,200	893,800	1,952,800	875,000	-	-	-
2016.11	8,592,400	-	4,763,900	6,630,600	-	5,778,400	-	1,239,800	5,124,900	3,571,100	1,695,900	2,010,900	896,400	1,958,400	877,500	-	-	-
2016.12	8,608,800	-	4,772,200	6,649,500	-	5,794,900	-	1,244,000	5,161,800	3,578,600	1,698,800	2,016,700	898,900	1,964,000	880,000	-	-	-
2017.1	8,625,300	-	4,780,500	6,668,400	-	5,811,400	-	1,248,200	5,199,000	3,586,100	1,871,200	2,022,400	991,400	1,969,600	970,400	284,100	35,200	49,600
2017.2	8,641,700	-	4,788,900	6,687,300	-	5,827,900	-	1,252,500	5,236,500	3,593,600	1,874,300	2,028,100	994,200	1,975,200	973,200	285,700	35,300	49,700
2017.3	8,658,200	-	4,797,200	6,706,200	-	5,844,300	-	1,256,700	5,274,300	3,601,100	1,877,400	2,033,900	997,000	1,980,800	975,900	287,200	35,400	49,800
2017.4	8,674,800	-	4,805,500	6,725,200	-	5,860,800	-	1,260,900	5,312,300	3,608,600	1,880,500	2,039,600	999,800	1,986,400	978,700	288,800	35,500	50,000
2017.5	8,691,300	-	4,813,900	6,744,100	-	5,877,300	-	1,265,100	5,350,500	3,616,200	1,883,600	2,045,400	1,002,600	1,992,000	981,500	290,300	35,600	50,100
2017.6	8,707,900	-	4,822,300	6,763,000	-	5,893,800	-	1,269,300	5,389,100	3,623,700	1,886,700	2,051,100	1,005,400	1,997,600	984,200	291,900	35,700	50,300
2017.7	8,724,600	-	4,830,600	6,781,900	-	5,910,300	-	1,273,500	5,427,900	3,631,300	1,889,800	2,056,800	1,008,200	2,003,100	987,000	293,400	35,800	50,400
2017.8	8,741,200	-	4,839,000	6,800,900	-	5,926,800	-	1,277,700	5,467,100	3,638,800	1,892,900	2,062,600	1,011,000	2,008,700	989,700	295,000	35,900	50,500
2017.9	8,757,900	-	4,847,400	6,819,800	-	5,943,300	-	1,282,000	5,506,500	3,646,400	1,896,100	2,068,300	1,013,900	2,014,300	992,500	296,500	36,000	50,700
2017.10	8,952,600	-	4,954,400	6,977,400	-	6,080,700	-	1,312,300	5,658,700	3,728,100	1,944,600	2,116,100	1,041,000	2,060,900	1,019,000	295,500	37,100	52,300
2017.11	8,969,700	-	4,963,000	6,996,800	-	6,097,500	-	1,316,600	5,699,500	3,735,800	1,947,800	2,122,000	1,043,900	2,066,600	1,021,800	297,100	37,300	52,500
2017.12	8,986,900	-	4,971,600	7,016,100	-	6,114,300	-	1,320,900	5,740,500	3,743,600	1,951,100	2,127,800	1,046,700	2,072,300	1,024,600	298,600	37,400	52,600
2018.1	9,004,000	-	4,980,200	7,035,400	-	6,131,100	-	1,325,200	5,781,900	3,751,300	1,636,600	2,133,700	879,000	2,078,000	860,500	360,300	45,000	63,300
2018.2	9,021,200	-	4,988,800	7,054,700	-	6,148,000	-	1,329,500	5,823,600	3,759,100	1,639,400	2,139,500	881,400	2,083,700	862,800	362,200	45,100	63,500
2018.3	9,038,400	-	4,997,500	7,074,000	-	6,164,800	-	1,333,800	5,865,600	3,766,900	1,642,100	2,145,400	883,800	2,089,400	865,200	364,100	45,200	63,700
2018.4	9,055,600	-	5,006,100	7,093,300	-	6,181,600	-	1,338,100	5,907,900	3,774,600	1,644,800	2,151,200	886,300	2,095,100	867,600	366,000	45,300	63,900
2018.5	9,072,900	-	5,014,800	7,112,600	-	6,198,500	-	1,342,400	5,950,400	3,782,400	1,647,500	2,157,100	888,700	2,100,800	869,900	367,900	45,400	64,000
2018.6	9,090,200	-	5,023,500	7,131,900	-	6,215,300	-	1,346,700	5,993,300	3,790,200	1,650,200	2,163,000	891,100	2,106,500	872,300	369,800	45,600	64,200

	Traditional								CMDP	Prop 204						NEA		
MONTH	Child	Child Exp	Adult	MMIC Reg	MMIC NEC	GAZ Reg	GAZ NEC	DD	Child	Adult Reg	Adult ESA	MMIC Reg	MMIC ESA	GAZ Reg	GAZ ESA	Adult	MMIC	GAZ
2015.7																		
2015.8																		
2015.9																		
2015.10	17,568,000	2,928,400	10,809,500	14,304,300	3,700	13,056,100	1,900	2,786,900	11,760,700	6,966,600	13,905,500	4,338,200	8,188,500	4,425,000	8,395,200	4,427,700	673,400	993,800
2015.11	17,851,500	3,049,100	10,582,000	14,368,600	3,700	13,000,300	1,900	2,793,900	11,939,100	6,900,100	14,120,900	4,357,700	8,225,300	4,406,100	8,359,300	4,588,500	676,500	989,500
2015.12	18,128,800	3,132,600	10,186,300	14,512,800	3,700	12,975,600	1,900	2,800,800	12,114,600	7,146,200	14,408,300	4,401,400	8,307,900	4,397,700	8,343,500	4,749,400	683,300	987,600
2016.1	18,279,600	3,182,600	9,811,700	14,499,800	3,700	12,862,500	1,900	2,808,600	12,077,900	7,203,500	14,897,400	4,397,500	8,595,100	4,359,400	8,564,500	4,813,500	682,600	979,000
2016.2	18,337,100	3,240,100	9,571,700	14,464,500	3,700	12,790,500	1,900	2,817,300	12,070,200	7,147,600	14,900,200	4,386,800	8,574,200	4,335,000	8,516,600	5,009,100	681,000	973,500
2016.3	18,389,200	3,254,100	9,436,000	14,545,400	3,700	12,781,500	1,900	2,826,000	12,136,500	7,209,400	14,992,700	4,411,400	8,622,200	4,331,900	8,510,600	5,037,600	684,800	972,900
2016.4	18,297,000	3,216,700	9,196,600	14,418,700	3,700	12,649,600	1,900	2,833,100	12,185,100	7,179,500	14,954,500	4,372,900	8,547,000	4,287,200	8,422,700	5,132,900	678,800	962,800
2016.5	18,272,600	3,202,000	9,236,000	14,450,100	3,700	12,645,100	1,900	2,839,500	12,327,300	7,135,400	14,933,600	4,382,400	8,565,700	4,285,700	8,419,700	5,147,800	680,300	962,500
2016.6	18,463,800	3,095,800	9,588,800	14,549,100	3,700	12,679,200	1,900	2,839,300	12,372,200	7,197,100	14,975,700	4,412,500	8,624,400	4,297,200	8,442,400	4,980,500	685,000	965,100
2016.7	18,282,300	3,066,400	9,493,100	14,498,200	3,700	12,629,700	1,900	2,815,700	12,315,200	7,120,500	14,824,500	4,397,000	8,594,200	4,280,500	8,409,500	4,922,400	682,600	961,300
2016.8	18,317,500	3,073,200	9,509,900	14,540,100	3,700	12,671,400	1,900	2,825,400	12,403,900	7,128,400	14,849,100	4,409,700	8,619,000	4,294,600	8,437,200	4,950,200	684,500	964,500
2016.9	18,352,700	3,080,100	9,526,700	14,581,900	3,800	12,707,800	1,900	2,835,100	12,493,300	7,136,300	14,873,600	4,422,400	8,643,800	4,306,900	8,461,400	4,978,000	686,500	967,300
2016.10	19,304,400	3,225,900	10,704,800	14,882,700	3,800	12,969,900	1,900	2,781,300	11,453,500	8,021,700	16,650,800	4,513,600	8,790,100	4,395,800	8,604,600	5,589,100	697,400	982,600
2016.11	19,341,300	3,233,100	10,723,500	14,925,200	3,800	13,007,000	1,900	2,790,800	11,536,000	8,038,500	16,678,400	4,526,500	8,815,200	4,408,400	8,629,200	5,620,200	699,400	985,500
2016.12	19,378,200	3,240,300	10,742,200	14,967,800	3,800	13,044,100	1,900	2,800,300	11,619,200	8,055,300	16,705,900	4,539,400	8,840,400	4,420,900	8,653,800	5,651,200	701,400	988,300
2017.1	19,415,200	3,247,500	10,760,900	15,010,400	3,800	13,081,200	1,900	2,809,800	11,702,900	8,072,200	16,563,900	4,552,400	8,775,600	4,433,500	8,590,600	5,398,200	668,200	941,500
2017.2	19,452,300	3,254,700	10,779,600	15,053,000	3,900	13,118,300	1,900	2,819,200	11,787,300	8,089,100	16,591,300	4,565,300	8,800,500	4,446,100	8,614,900	5,427,700	670,100	944,200
2017.3	19,489,500	3,262,000	10,798,400	15,095,600	3,900	13,155,500	2,000	2,828,700	11,872,200	8,106,100	16,618,800	4,578,200	8,825,400	4,458,700	8,639,300	5,457,200	672,000	946,900
2017.4	19,526,600	3,269,200	10,817,200	15,138,200	3,900	13,192,600	2,000	2,838,200	11,957,700	8,123,000	16,646,200	4,591,100	8,850,300	4,471,200	8,663,600	5,486,700	673,900	949,500
2017.5	19,564,000	3,276,500	10,836,000	15,180,800	3,900	13,229,700	2,000	2,847,700	12,044,000	8,139,900	16,673,800	4,604,000	8,875,300	4,483,800	8,688,000	5,516,300	675,800	952,200
2017.6	19,601,300	3,283,700	10,854,800	15,223,400	3,900	13,266,800	2,000	2,857,200	12,130,800	8,156,900	16,701,400	4,616,900	8,900,200	4,496,400	8,712,400	5,545,700	677,700	954,800
2017.7	19,638,700	3,291,000	10,873,700	15,266,000	3,900	13,303,900	2,000	2,866,700	12,218,200	8,173,900	16,729,000	4,629,900	8,925,100	4,509,000	8,736,700	5,575,300	679,600	957,500
2017.8	19,676,200	3,298,300	10,892,600	15,308,500	3,900	13,341,000	2,000	2,876,200	12,306,200	8,190,900	16,756,700	4,642,700	8,950,000	4,521,600	8,761,100	5,604,800	681,500	960,300
2017.9	19,713,800	3,305,500	10,911,500	15,351,100	3,900	13,378,100	2,000	2,885,600	12,394,900	8,207,900	16,784,400	4,655,700	8,974,800	4,534,200	8,785,500	5,634,300	683,400	962,900
2017.10	20,429,200	3,229,500	11,305,400	15,922,000	4,100	13,875,600	2,100	2,994,500	12,912,700	8,507,200	17,328,100	4,828,800	9,275,900	4,702,700	9,080,300	5,614,300	705,900	994,600
2017.11	20,468,200	3,234,800	11,325,100	15,966,000	4,100	13,914,000	2,100	3,004,300	13,005,700	8,524,900	17,356,800	4,842,100	9,301,600	4,715,700	9,105,400	5,644,300	707,800	997,300
2017.12	20,507,200	3,240,100	11,344,700	16,010,000	4,100	13,952,400	2,100	3,014,100	13,099,500	8,542,500	17,385,500	4,855,600	9,327,300	4,728,800	9,130,500	5,674,400	709,700	1,000,100
2018.1	20,546,400	3,245,500	11,364,400	16,054,100	4,100	13,990,800	2,100	3,023,900	13,193,900	8,560,200	17,731,900	4,868,900	9,523,500	4,741,800	9,322,600	5,644,300	704,200	992,300
2018.2	20,585,500	3,250,800	11,384,100	16,098,100	4,100	14,029,200	2,100	3,033,700	13,289,000	8,577,900	17,761,200	4,882,300	9,549,700	4,754,800	9,348,200	5,674,100	706,100	995,000
2018.3	20,624,800	3,256,200	11,403,800	16,142,200	4,100	14,067,600	2,100	3,043,500	13,384,700	8,595,600	17,790,600	4,895,600	9,575,800	4,767,800	9,373,800	5,703,800	708,100	997,700
2018.4	20,664,200	3,261,600	11,423,600	16,186,200	4,100	14,106,000	2,100	3,053,300	13,481,200	8,613,400	17,820,000	4,909,000	9,601,900	4,780,800	9,399,300	5,733,500	710,000	1,000,400
2018.5	20,703,600	3,267,000	11,443,400	16,230,300	4,100	14,144,300	2,100	3,063,100	13,578,400	8,631,200	17,849,500	4,922,300	9,628,000	4,793,800	9,425,000	5,763,200	712,000	1,003,100
2018.6	20,743,200	3,272,400	11,463,100	16,274,400	4,200	14,182,700	2,100	3,072,900	13,676,300	8,649,000	17,879,100	4,935,700	9,654,200	4,806,800	9,450,500	5,792,900	713,900	1,005,800

Arizona Health Care Cost Containment System
Behavioral Health Regular Total

	Traditional								CMDP	Prop 204						NEA		
MONTH	Child	Child Exp	Adult	MMIC Reg	MMIC NEC	GAZ Reg	GAZ NEC	DD	Child	Adult Reg	Adult ESA	MMIC Reg	MMIC ESA	GAZ Reg	GAZ ESA	Adult	MMIC	GAZ
2015.7	-	-	-	-	-	-	-											
2015.8	-	-	-	-	-	-	-											
2015.9	-	-	-	-	-	-	-											
2015.10	25,490,400	2,928,400	15,684,100	20,755,000	3,700	18,943,900	1,900	4,043,700	17,064,300	10,108,200	15,879,300	6,294,600	9,350,800	6,420,500	9,586,900	4,427,700	673,400	993,800
2015.11	25,901,800	3,049,100	15,354,000	20,848,300	3,700	18,862,900	1,900	4,053,800	17,323,200	10,011,700	16,125,300	6,322,900	9,392,800	6,393,000	9,545,900	4,588,500	676,500	989,500
2015.12	26,304,100	3,132,600	14,779,900	21,057,500	3,700	18,827,100	1,900	4,063,800	17,577,700	10,368,900	16,453,500	6,386,300	9,487,100	6,380,900	9,527,800	4,749,400	683,300	987,600
2016.1	26,522,900	3,182,600	14,236,300	21,038,600	3,700	18,663,000	1,900	4,075,200	17,524,500	10,452,000	16,428,500	6,380,600	9,478,500	6,325,300	9,444,800	4,813,500	682,600	979,000
2016.2	26,606,300	3,240,100	13,888,200	20,987,400	3,700	18,558,500	1,900	4,087,800	17,513,400	10,370,900	16,431,600	6,365,100	9,455,500	6,289,900	9,391,900	5,009,100	681,000	973,500
2016.3	26,682,000	3,254,100	13,691,300	21,104,800	3,700	18,545,400	1,900	4,100,400	17,609,500	10,460,500	16,533,600	6,400,700	9,508,400	6,285,400	9,385,300	5,037,600	684,800	972,900
2016.4	26,548,200	3,216,700	13,343,900	20,920,900	3,700	18,354,100	1,900	4,110,700	17,680,100	10,417,100	16,491,500	6,344,900	9,425,500	6,220,600	9,288,400	5,132,900	678,800	962,800
2016.5	26,512,800	3,202,000	13,401,100	20,966,500	3,700	18,347,500	1,900	4,120,000	17,886,400	10,353,200	16,468,500	6,358,700	9,446,100	6,218,400	9,285,100	5,147,800	680,300	962,500
2016.6	26,790,200	3,095,800	13,913,000	21,110,100	3,700	18,397,000	1,900	4,119,700	17,951,500	10,442,700	16,514,900	6,402,300	9,510,800	6,235,100	9,310,100	4,980,500	685,000	965,100
2016.7	26,526,800	3,066,400	13,774,100	21,036,300	3,700	18,325,200	1,900	4,085,400	17,868,800	10,331,600	16,348,200	6,379,900	9,477,500	6,210,800	9,273,800	4,922,400	682,600	961,300
2016.8	26,577,900	3,073,200	13,798,500	21,097,000	3,700	18,385,600	1,900	4,099,500	17,997,600	10,343,000	16,375,300	6,398,300	9,504,900	6,231,300	9,304,400	4,950,200	684,500	964,500
2016.9	26,629,000	3,080,100	13,822,800	21,157,700	3,800	18,438,500	1,900	4,113,600	18,127,300	10,354,400	16,402,300	6,416,700	9,532,200	6,249,200	9,331,100	4,978,000	686,500	967,300
2016.10	27,880,400	3,225,900	15,460,400	21,494,300	3,800	18,731,800	1,900	4,016,900	16,541,700	11,585,300	18,343,900	6,518,800	9,683,900	6,348,600	9,479,600	5,589,100	697,400	982,600
2016.11	27,933,700	3,233,100	15,487,400	21,555,800	3,800	18,785,400	1,900	4,030,600	16,660,900	11,609,600	18,374,300	6,537,400	9,711,600	6,366,800	9,506,700	5,620,200	699,400	985,500
2016.12	27,987,000	3,240,300	15,514,400	21,617,300	3,800	18,839,000	1,900	4,044,300	16,781,000	11,633,900	18,404,700	6,556,100	9,739,300	6,384,900	9,533,800	5,651,200	701,400	988,300
2017.1	28,040,500	3,247,500	15,541,400	21,678,800	3,800	18,892,600	1,900	4,058,000	16,901,900	11,658,300	18,435,100	6,574,800	9,767,000	6,403,100	9,561,000	5,682,300	703,400	991,100
2017.2	28,094,000	3,254,700	15,568,500	21,740,300	3,900	18,946,200	1,900	4,071,700	17,023,800	11,682,700	18,465,600	6,593,400	9,794,700	6,421,300	9,588,100	5,713,400	705,400	993,900
2017.3	28,147,700	3,262,000	15,595,600	21,801,800	3,900	18,999,800	2,000	4,085,400	17,146,500	11,707,200	18,496,200	6,612,100	9,822,400	6,439,500	9,615,200	5,744,400	707,400	996,700
2017.4	28,201,400	3,269,200	15,622,700	21,863,400	3,900	19,053,400	2,000	4,099,100	17,270,000	11,731,600	18,526,700	6,630,700	9,850,100	6,457,600	9,642,300	5,775,500	709,400	999,500
2017.5	28,255,300	3,276,500	15,649,900	21,924,900	3,900	19,107,000	2,000	4,112,800	17,394,500	11,756,100	18,557,400	6,649,400	9,877,900	6,475,800	9,669,500	5,806,600	711,400	1,002,300
2017.6	28,309,200	3,283,700	15,677,100	21,986,400	3,900	19,160,600	2,000	4,126,500	17,519,900	11,780,600	18,588,100	6,668,000	9,905,600	6,494,000	9,696,600	5,837,600	713,400	1,005,100
2017.7	28,363,300	3,291,000	15,704,300	22,047,900	3,900	19,214,200	2,000	4,140,200	17,646,100	11,805,200	18,618,800	6,686,700	9,933,300	6,512,100	9,723,700	5,868,700	715,400	1,007,900
2017.8	28,417,400	3,298,300	15,731,600	22,109,400	3,900	19,267,800	2,000	4,153,900	17,773,300	11,829,700	18,649,600	6,705,300	9,961,000	6,530,300	9,750,800	5,899,800	717,400	1,010,800
2017.9	28,471,700	3,305,500	15,758,900	22,170,900	3,900	19,321,400	2,000	4,167,600	17,901,400	11,854,300	18,680,500	6,724,000	9,988,700	6,548,500	9,778,000	5,930,800	719,400	1,013,600
2017.10	29,381,800	3,229,500	16,259,800	22,899,400	4,100	19,956,300	2,100	4,306,800	18,571,400	12,235,300	19,272,700	6,944,900	10,316,900	6,763,600	10,099,300	5,909,800	743,000	1,046,900
2017.11	29,437,900	3,234,800	16,288,100	22,962,800	4,100	20,011,500	2,100	4,320,900	18,705,200	12,260,700	19,304,600	6,964,100	10,345,500	6,782,300	10,127,200	5,941,400	745,100	1,049,800
2017.12	29,494,100	3,240,100	16,316,300	23,026,100	4,100	20,066,700	2,100	4,335,000	18,840,000	12,286,100	19,336,600	6,983,400	10,374,000	6,801,100	10,155,100	5,973,000	747,100	1,052,700
2018.1	29,550,400	3,245,500	16,344,600	23,089,500	4,100	20,121,900	2,100	4,349,100	18,975,800	12,311,500	19,368,500	7,002,600	10,402,500	6,819,800	10,183,100	6,004,600	749,200	1,055,600
2018.2	29,606,700	3,250,800	16,372,900	23,152,800	4,100	20,177,200	2,100	4,363,200	19,112,600	12,337,000	19,400,600	7,021,800	10,431,100	6,838,500	10,211,000	6,036,300	751,200	1,058,500
2018.3	29,663,200	3,256,200	16,401,300	23,216,200	4,100	20,232,400	2,100	4,377,300	19,250,300	12,362,500	19,432,700	7,041,000	10,459,600	6,857,200	10,239,000	6,067,900	753,300	1,061,400
2018.4	29,719,800	3,261,600	16,429,700	23,279,500	4,100	20,287,600	2,100	4,391,400	19,389,100	12,388,000	19,464,800	7,060,200	10,488,200	6,875,900	10,266,900	6,099,500	755,300	1,064,300
2018.5	29,776,500	3,267,000	16,458,200	23,342,900	4,100	20,342,800	2,100	4,405,500	19,528,800	12,413,600	19,497,000	7,079,400	10,516,700	6,894,600	10,294,900	6,131,100	757,400	1,067,100
2018.6	29,833,400	3,272,400	16,486,600	23,406,300	4,200	20,398,000	2,100	4,419,600	19,669,600	12,439,200	19,529,300	7,098,700	10,545,300	6,913,300	10,322,800	6,162,700	759,500	1,070,000

Behavioral Health Prior Period Member Month Forecast

	Traditional								CMDP	Prop 204						NEA		
MONTH	Child	Child Exp	Adult	MMIC Reg	MMIC NEC	GAZ Reg	GAZ NEC	DD	Child	Adult Reg	Adult ESA	MMIC Reg	MMIC ESA	GAZ Reg	GAZ ESA	Adult	MMIC	GAZ
2015.7																		
2015.8																		
2015.9																		
2015.10																		
2015.11																		
2015.12																		
2016.1																		
2016.2																		
2016.3																		
2016.4																		
2016.5																		
2016.6																		
2016.7																		
2016.8																		
2016.9																		
2016.10	16,654	1,385	7,558	-	-	-	-	-	468	3,270	11,424	-	-	-	-	2,291	-	-
2016.11	16,686	1,387	7,571	-	-	-	-	-	471	3,275	11,443	-	-	-	-	2,304	-	-
2016.12	16,718	1,389	7,584	-	-	-	-	-	475	3,281	11,462	-	-	-	-	2,317	-	-
2017.1	16,750	1,391	7,597	-	-	-	-	-	478	3,286	11,481	-	-	-	-	2,330	-	-
2017.2	16,782	1,394	7,610	-	-	-	-	-	481	3,292	11,500	-	-	-	-	2,343	-	-
2017.3	16,814	1,396	7,623	-	-	-	-	-	485	3,297	11,519	-	-	-	-	2,356	-	-
2017.4	16,846	1,398	7,636	-	-	-	-	-	488	3,303	11,538	-	-	-	-	2,370	-	-
2017.5	16,878	1,401	7,649	-	-	-	-	-	492	3,308	11,557	-	-	-	-	2,383	-	-
2017.6	16,910	1,403	7,662	-	-	-	-	-	495	3,313	11,576	-	-	-	-	2,396	-	-
2017.7	16,943	1,405	7,675	-	-	-	-	-	499	3,319	11,595	-	-	-	-	2,409	-	-
2017.8	16,975	1,408	7,689	-	-	-	-	-	503	3,324	11,614	-	-	-	-	2,422	-	-
2017.9	17,008	1,410	7,702	-	-	-	-	-	506	3,330	11,633	-	-	-	-	2,435	-	-
2017.10	17,040	1,412	7,715	-	-	-	-	-	510	3,336	11,652	-	-	-	-	2,448	-	-
2017.11	17,073	1,415	7,728	-	-	-	-	-	514	3,341	11,672	-	-	-	-	2,461	-	-
2017.12	17,106	1,417	7,741	-	-	-	-	-	517	3,347	11,691	-	-	-	-	2,474	-	-
2018.1	17,138	1,419	7,755	-	-	-	-	-	521	3,352	11,710	-	-	-	-	2,487	-	-
2018.2	17,171	1,422	7,768	-	-	-	-	-	525	3,358	11,730	-	-	-	-	2,501	-	-
2018.3	17,204	1,424	7,781	-	-	-	-	-	528	3,363	11,749	-	-	-	-	2,514	-	-
2018.4	17,237	1,426	7,794	-	-	-	-	-	532	3,369	11,768	-	-	-	-	2,527	-	-
2018.5	17,270	1,429	7,808	-	-	-	-	-	536	3,374	11,788	-	-	-	-	2,540	-	-
2018.6	17,303	1,431	7,821	-	-	-	-	-	540	3,380	11,807	-	-	-	-	2,553	-	-

Arizona Health Care Cost Containment System
Behavioral Health PP State Match

	Traditional								CMDP	Prop 204						NEA		
MONTH	Child	Child Exp	Adult	MMIC Reg	MMIC NEC	GAZ Reg	GAZ NEC	DD	Child	Adult Reg	Adult ESA	MMIC Reg	MMIC ESA	GAZ Reg	GAZ ESA	Adult	MMIC	GAZ
2015.7																		
2015.8																		
2015.9																		
2015.10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015.11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015.12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.10	219,100	-	153,600	-	-	-	-	-	130,000	66,400	69,600	-	-	-	-	-	-	-
2016.11	219,500	-	153,800	-	-	-	-	-	130,900	66,500	69,800	-	-	-	-	-	-	-
2016.12	220,000	-	154,100	-	-	-	-	-	131,900	66,700	69,900	-	-	-	-	-	-	-
2017.1	220,400	-	154,400	-	-	-	-	-	132,800	66,800	77,000	-	-	-	-	7,700	-	-
2017.2	220,800	-	154,600	-	-	-	-	-	133,800	66,900	77,100	-	-	-	-	7,700	-	-
2017.3	221,200	-	154,900	-	-	-	-	-	134,800	67,000	77,200	-	-	-	-	7,800	-	-
2017.4	221,700	-	155,200	-	-	-	-	-	135,700	67,100	77,400	-	-	-	-	7,800	-	-
2017.5	222,100	-	155,400	-	-	-	-	-	136,700	67,200	77,500	-	-	-	-	7,900	-	-
2017.6	222,500	-	155,700	-	-	-	-	-	137,700	67,300	77,600	-	-	-	-	7,900	-	-
2017.7	222,900	-	156,000	-	-	-	-	-	138,700	67,400	77,700	-	-	-	-	8,000	-	-
2017.8	223,300	-	156,200	-	-	-	-	-	139,700	67,500	77,900	-	-	-	-	8,000	-	-
2017.9	223,800	-	156,500	-	-	-	-	-	140,700	67,600	78,000	-	-	-	-	8,000	-	-
2017.10	228,800	-	159,900	-	-	-	-	-	144,600	69,100	80,000	-	-	-	-	8,300	-	-
2017.11	229,200	-	160,200	-	-	-	-	-	145,600	69,300	80,100	-	-	-	-	8,400	-	-
2017.12	229,700	-	160,500	-	-	-	-	-	146,700	69,400	80,300	-	-	-	-	8,400	-	-
2018.1	230,100	-	160,800	-	-	-	-	-	147,700	69,500	67,300	-	-	-	-	10,200	-	-
2018.2	230,500	-	161,000	-	-	-	-	-	148,800	69,600	67,400	-	-	-	-	10,200	-	-
2018.3	231,000	-	161,300	-	-	-	-	-	149,900	69,700	67,500	-	-	-	-	10,300	-	-
2018.4	231,400	-	161,600	-	-	-	-	-	150,900	69,800	67,700	-	-	-	-	10,300	-	-
2018.5	231,800	-	161,900	-	-	-	-	-	152,000	70,000	67,800	-	-	-	-	10,400	-	-
2018.6	232,300	-	162,100	-	-	-	-	-	153,100	70,100	67,900	-	-	-	-	10,400	-	-

	Traditional								CMDP	Prop 204						NEA		
MONTH	Child	Child Exp	Adult	MMIC Reg	MMIC NEC	GAZ Reg	GAZ NEC	DD	Child	Adult Reg	Adult ESA	MMIC Reg	MMIC ESA	GAZ Reg	GAZ ESA	Adult	MMIC	GAZ
2015.7																		
2015.8																		
2015.9																		
2015.10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015.11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015.12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.10	493,300	59,200	345,600	-	-	-	-	-	292,600	149,600	685,000	-	-	-	-	151,300	-	-
2016.11	494,200	59,300	346,300	-	-	-	-	-	294,800	149,800	686,000	-	-	-	-	152,200	-	-
2016.12	495,100	59,400	346,800	-	-	-	-	-	296,800	150,000	687,200	-	-	-	-	153,100	-	-
2017.1	496,100	59,500	347,400	-	-	-	-	-	299,000	150,300	681,300	-	-	-	-	146,200	-	-
2017.2	497,100	59,600	348,100	-	-	-	-	-	301,100	150,500	682,500	-	-	-	-	147,100	-	-
2017.3	498,000	59,700	348,600	-	-	-	-	-	303,300	150,800	683,600	-	-	-	-	147,800	-	-
2017.4	498,900	59,800	349,200	-	-	-	-	-	305,500	151,000	684,700	-	-	-	-	148,700	-	-
2017.5	499,900	59,900	349,800	-	-	-	-	-	307,700	151,300	685,800	-	-	-	-	149,500	-	-
2017.6	500,900	60,000	350,400	-	-	-	-	-	309,900	151,600	687,000	-	-	-	-	150,300	-	-
2017.7	501,800	60,100	351,000	-	-	-	-	-	312,100	151,800	688,200	-	-	-	-	151,100	-	-
2017.8	502,800	60,200	351,600	-	-	-	-	-	314,400	152,100	689,200	-	-	-	-	152,000	-	-
2017.9	503,700	60,300	352,200	-	-	-	-	-	316,700	152,300	690,400	-	-	-	-	152,800	-	-
2017.10	522,000	62,200	365,000	-	-	-	-	-	329,900	157,800	712,700	-	-	-	-	158,300	-	-
2017.11	523,000	62,300	365,600	-	-	-	-	-	332,300	158,000	714,000	-	-	-	-	159,000	-	-
2017.12	524,000	62,400	366,200	-	-	-	-	-	334,700	158,300	715,100	-	-	-	-	159,900	-	-
2018.1	525,000	62,500	366,800	-	-	-	-	-	337,100	158,600	729,400	-	-	-	-	159,000	-	-
2018.2	526,100	62,600	367,500	-	-	-	-	-	339,500	158,800	730,600	-	-	-	-	159,900	-	-
2018.3	527,000	62,700	368,100	-	-	-	-	-	341,900	159,100	731,800	-	-	-	-	160,700	-	-
2018.4	528,100	62,800	368,700	-	-	-	-	-	344,500	159,400	732,900	-	-	-	-	161,600	-	-
2018.5	529,100	62,900	369,300	-	-	-	-	-	346,900	159,600	734,200	-	-	-	-	162,400	-	-
2018.6	530,100	63,100	370,000	-	-	-	-	-	349,400	159,800	735,400	-	-	-	-	163,300	-	-

Arizona Health Care Cost Containment System
Behavioral Health PP Total

	Traditional								CMDP	Prop 204						NEA		
MONTH	Child	Child Exp	Adult	MMIC Reg	MMIC NEC	GAZ Reg	GAZ NEC	DD	Child	Adult Reg	Adult ESA	MMIC Reg	MMIC ESA	GAZ Reg	GAZ ESA	Adult	MMIC	GAZ
2015.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015.8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015.10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015.11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015.12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016.10	712,400	59,200	499,200	-	-	-	-	-	422,600	216,000	754,600	-	-	-	-	151,300	-	-
2016.11	713,700	59,300	500,100	-	-	-	-	-	425,700	216,300	755,800	-	-	-	-	152,200	-	-
2016.12	715,100	59,400	500,900	-	-	-	-	-	428,700	216,700	757,100	-	-	-	-	153,100	-	-
2017.1	716,500	59,500	501,800	-	-	-	-	-	431,800	217,100	758,300	-	-	-	-	153,900	-	-
2017.2	717,900	59,600	502,700	-	-	-	-	-	434,900	217,400	759,600	-	-	-	-	154,800	-	-
2017.3	719,200	59,700	503,500	-	-	-	-	-	438,100	217,800	760,800	-	-	-	-	155,600	-	-
2017.4	720,600	59,800	504,400	-	-	-	-	-	441,200	218,100	762,100	-	-	-	-	156,500	-	-
2017.5	722,000	59,900	505,200	-	-	-	-	-	444,400	218,500	763,300	-	-	-	-	157,400	-	-
2017.6	723,400	60,000	506,100	-	-	-	-	-	447,600	218,900	764,600	-	-	-	-	158,200	-	-
2017.7	724,700	60,100	507,000	-	-	-	-	-	450,800	219,200	765,900	-	-	-	-	159,100	-	-
2017.8	726,100	60,200	507,800	-	-	-	-	-	454,100	219,600	767,100	-	-	-	-	160,000	-	-
2017.9	727,500	60,300	508,700	-	-	-	-	-	457,400	219,900	768,400	-	-	-	-	160,800	-	-
2017.10	750,800	62,200	524,900	-	-	-	-	-	474,500	226,900	792,700	-	-	-	-	166,600	-	-
2017.11	752,200	62,300	525,800	-	-	-	-	-	477,900	227,300	794,100	-	-	-	-	167,400	-	-
2017.12	753,700	62,400	526,700	-	-	-	-	-	481,400	227,700	795,400	-	-	-	-	168,300	-	-
2018.1	755,100	62,500	527,600	-	-	-	-	-	484,800	228,100	796,700	-	-	-	-	169,200	-	-
2018.2	756,600	62,600	528,500	-	-	-	-	-	488,300	228,400	798,000	-	-	-	-	170,100	-	-
2018.3	758,000	62,700	529,400	-	-	-	-	-	491,800	228,800	799,300	-	-	-	-	171,000	-	-
2018.4	759,500	62,800	530,300	-	-	-	-	-	495,400	229,200	800,600	-	-	-	-	171,900	-	-
2018.5	760,900	62,900	531,200	-	-	-	-	-	498,900	229,600	802,000	-	-	-	-	172,800	-	-
2018.6	762,400	63,100	532,100	-	-	-	-	-	502,500	229,900	803,300	-	-	-	-	173,700	-	-

Behavioral Health PMPMs

	Traditional								CMDP	Prop 204						NEA		
MONTH	Child	Child Exp	Adult	MMIC Reg	MMIC NEC	GAZ Reg	GAZ NEC	DD	Child	Adult Reg	Adult ESA	MMIC Reg	MMIC ESA	GAZ Reg	GAZ ESA	Adult	MMIC	GAZ
2015.7																		
2015.8																		
2015.9																		
2015.10	41.42	41.42	59.86	1,877.30	1,877.30	1,877.30	1,877.30	140.85	1,009.13	59.86	59.86	1,877.30	1,877.30	1,877.30	1,877.30	59.86	1,877.30	1,877.30
2015.11	41.42	41.42	59.86	1,877.30	1,877.30	1,877.30	1,877.30	140.85	1,009.13	59.86	59.86	1,877.30	1,877.30	1,877.30	1,877.30	59.86	1,877.30	1,877.30
2015.12	41.42	41.42	59.86	1,877.30	1,877.30	1,877.30	1,877.30	140.85	1,009.13	59.86	59.86	1,877.30	1,877.30	1,877.30	1,877.30	59.86	1,877.30	1,877.30
2016.1	41.42	41.42	59.86	1,877.30	1,877.30	1,877.30	1,877.30	140.85	1,009.13	59.86	59.86	1,877.30	1,877.30	1,877.30	1,877.30	59.86	1,877.30	1,877.30
2016.2	41.42	41.42	59.86	1,877.30	1,877.30	1,877.30	1,877.30	140.85	1,009.13	59.86	59.86	1,877.30	1,877.30	1,877.30	1,877.30	59.86	1,877.30	1,877.30
2016.3	41.42	41.42	59.86	1,877.30	1,877.30	1,877.30	1,877.30	140.85	1,009.13	59.86	59.86	1,877.30	1,877.30	1,877.30	1,877.30	59.86	1,877.30	1,877.30
2016.4	41.42	41.42	59.86	1,877.30	1,877.30	1,877.30	1,877.30	140.85	1,009.13	59.86	59.86	1,877.30	1,877.30	1,877.30	1,877.30	59.86	1,877.30	1,877.30
2016.5	41.42	41.42	59.86	1,877.30	1,877.30	1,877.30	1,877.30	140.85	1,009.13	59.86	59.86	1,877.30	1,877.30	1,877.30	1,877.30	59.86	1,877.30	1,877.30
2016.6	41.42	41.42	59.86	1,877.30	1,877.30	1,877.30	1,877.30	140.85	1,009.13	59.86	59.86	1,877.30	1,877.30	1,877.30	1,877.30	59.86	1,877.30	1,877.30
2016.7	40.93	40.93	59.16	1,855.28	1,855.28	1,855.28	1,855.28	139.20	997.29	59.16	59.16	1,855.28	1,855.28	1,855.28	1,855.28	59.16	1,855.28	1,855.28
2016.8	40.93	40.93	59.16	1,855.28	1,855.28	1,855.28	1,855.28	139.20	997.29	59.16	59.16	1,855.28	1,855.28	1,855.28	1,855.28	59.16	1,855.28	1,855.28
2016.9	40.93	40.93	59.16	1,855.28	1,855.28	1,855.28	1,855.28	139.20	997.29	59.16	59.16	1,855.28	1,855.28	1,855.28	1,855.28	59.16	1,855.28	1,855.28
2016.10	42.78	42.78	66.05	1,879.40	1,879:40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2016.11	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2016.12	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2017.1	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2017.2	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2017.3	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2017.4	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2017.5	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2017.6	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2017.7	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2017.8	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2017.9	42.78	42.78	66.05	1,879.40	1,879.40	1,879.40	1,879.40	135.46	903.55	66.05	66.05	1,879.40	1,879.40	1,879.40	1,879.40	66.05	1,879.40	1,879.40
2017.10	44.06	44.06	68.03	1,935.78	1,935.78	1,935.78	1,935.78	139.53	930.65	68.03	68.03	1,935.78	1,935.78	1,935.78	1,935.78	68.03	1,935.78	1,935.78
2017.11	44.06	44.06	68.03	1,935.78	1,935.78	1,935.78	1,935.78	139.53	930.65	68.03	68.03	1,935.78	1,935.78	1,935.78	1,935.78	68.03	1,935.78	1,935.78
2017.12	44.06	44.06	68.03	1,935.78	1,935.78	1,935.78	1,935.78	139.53	930.65	68.03	68.03	1,935.78	1,935.78	1,935.78	1,935.78	68.03	1,935.78	1,935.78
2018.1	44.06	44.06	68.03	1,935.78	1,935.78	1,935.78	1,935.78	139.53	930.65	68.03	68.03	1,935.78	1,935.78	1,935.78	1,935.78	68.03	1,935.78	1,935.78
2018.2	44.06	44.06	68.03	1,935.78	1,935.78	1,935.78	1,935.78	139.53	930.65	68.03	68.03	1,935.78	1,935.78	1,935.78	1,935.78	68.03	1,935.78	1,935.78
2018.3	44.06	44.06	68.03	1,935.78	1,935.78	1,935.78	1,935.78	139.53	930.65	68.03	68.03	1,935.78	1,935.78	1,935.78	1,935.78	68.03	1,935.78	1,935.78
2018.4	44.06	44.06	68.03	1,935.78	1,935.78	1,935.78	1,935.78	139.53	930.65	68.03	68.03	1,935.78	1,935.78	1,935.78	1,935.78	68.03	1,935.78	1,935.78
2018.5	44.06	44.06	68.03	1,935.78	1,935.78	1,935.78	1,935.78	139.53	930.65	68.03	68.03	1,935.78	1,935.78	1,935.78	1,935.78	68.03	1,935.78	1,935.78
2018.6	44.06	44.06	68.03	1,935.78	1,935.78	1,935.78	1,935.78	139.53	930.65	68.03	68.03	1,935.78	1,935.78	1,935.78	1,935.78	68.03	1,935.78	1,935.78

Arizona Health Care Cost Containment System
Behavioral Health FMAP Table

	Traditional								CMDP	Prop 204						NEA		
MONTH	Child	Child Exp	Adult	MMIC Reg	MMIC NEC	GAZ Reg	GAZ NEC	DD	Child	Adult Reg	Adult ESA	MMIC Reg	MMIC ESA	GAZ Reg	GAZ ESA	Adult	MMIC	GAZ
2015.7																		
2015.8																		
2015.9																		
2015.10	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	87.57%	68.92%	87.57%	68.92%	87.57%	100.00%	100.00%	100.00%
2015.11	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	87.57%	68.92%	87.57%	68.92%	87.57%	100.00%	100.00%	100.00%
2015.12	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	87.57%	68.92%	87.57%	68.92%	87.57%	100.00%	100.00%	100.00%
2016.1	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	90.68%	68.92%	90.68%	68.92%	90.68%	100.00%	100.00%	100.00%
2016.2	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	90.68%	68.92%	90.68%	68.92%	90.68%	100.00%	100.00%	100.00%
2016.3	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	90.68%	68.92%	90.68%	68.92%	90.68%	100.00%	100.00%	100.00%
2016.4	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	90.68%	68.92%	90.68%	68.92%	90.68%	100.00%	100.00%	100.00%
2016.5	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	90.68%	68.92%	90.68%	68.92%	90.68%	100.00%	100.00%	100.00%
2016.6	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	90.68%	68.92%	90.68%	68.92%	90.68%	100.00%	100.00%	100.00%
2016.7	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	90.68%	68.92%	90.68%	68.92%	90.68%	100.00%	100.00%	100.00%
2016.8	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	90.68%	68.92%	90.68%	68.92%	90.68%	100.00%	100.00%	100.00%
2016.9	68.92%	100.00%	68.92%	68.92%	100.00%	68.92%	100.00%	68.92%	68.92%	68.92%	90.68%	68.92%	90.68%	68.92%	90.68%	100.00%	100.00%	100.00%
2016.10	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	90.77%	69.24%	90.77%	69.24%	90.77%	100.00%	100.00%	100.00%
2016.11	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	90.77%	69.24%	90.77%	69.24%	90.77%	100.00%	100.00%	100.00%
2016.12	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	90.77%	69.24%	90.77%	69.24%	90.77%	100.00%	100.00%	100.00%
2017.1	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	89.85%	69.24%	89.85%	69.24%	89.85%	95.00%	95.00%	95.00%
2017.2	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	89.85%	69.24%	89.85%	69.24%	89.85%	95.00%	95.00%	95.00%
2017.3	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	89.85%	69.24%	89.85%	69.24%	89.85%	95.00%	95.00%	95.00%
2017.4	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	89.85%	69.24%	89.85%	69.24%	89.85%	95.00%	95.00%	95.00%
2017.5	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	89.85%	69.24%	89.85%	69.24%	89.85%	95.00%	95.00%	95.00%
2017.6	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	89.85%	69.24%	89.85%	69.24%	89.85%	95.00%	95.00%	95.00%
2017.7	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	89.85%	69.24%	89.85%	69.24%	89.85%	95.00%	95.00%	95.00%
2017.8	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	89.85%	69.24%	89.85%	69.24%	89.85%	95.00%	95.00%	95.00%
2017.9	69.24%	100.00%	69.24%	69.24%	100.00%	69.24%	100.00%	69.24%	69.24%	69.24%	89.85%	69.24%	89.85%	69.24%	89.85%	95.00%	95.00%	95.00%
2017.10	69.53%	100.00%	69.53%	69.53%	100.00%	69.53%	100.00%	69.53%	69.53%	69.53%	89.91%	69.53%	89.91%	69.53%	89.91%	95.00%	95.00%	95.00%
2017.11	69.53%	100.00%	69.53%	69.53%	100.00%	69.53%	100.00%	69.53%	69.53%	69.53%	89.91%	69.53%	89.91%	69.53%	89.91%	95.00%	95.00%	95.00%
2017.12	69.53%	100.00%	69.53%	69.53%	100.00%	69.53%	100.00%	69.53%	69.53%	69.53%	89.91%	69.53%	89.91%	69.53%	89.91%	95.00%	95.00%	95.00%
2018.1	69.53%	100.00%	69.53%	69.53%	100.00%	69.53%	100.00%	69.53%	69.53%	69.53%	91.55%	69.53%	91.55%	69.53%	91.55%	94.00%	94.00%	94.00%
2018.2	69.53%	100.00%	69.53%	69.53%	100.00%	69.53%	100.00%	69.53%	69.53%	69.53%	91.55%	69.53%	91.55%	69.53%	91.55%	94.00%	94.00%	94.00%
2018.3	69.53%	100.00%	69.53%	69.53%	100.00%	69.53%	100.00%	69.53%	69.53%	69.53%	91.55%	69.53%	91.55%	69.53%	91.55%	94.00%	94.00%	94.00%
2018.4	69.53%	100.00%	69.53%	69.53%	100.00%	69.53%	100.00%	69.53%	69.53%	69.53%	91.55%	69.53%	91.55%	69.53%	91.55%	94.00%	94.00%	94.00%
2018.5	69.53%	100.00%	69.53%	69.53%	100.00%	69.53%	100.00%	69.53%	69.53%	69.53%	91.55%	69.53%	91.55%	69.53%	91.55%	94.00%	94.00%	94.00%
2018.6	69.53%	100.00%	69.53%	69.53%	100.00%	69.53%	100.00%	69.53%	69.53%	69.53%	91.55%	69.53%	91.55%	69.53%	91.55%	94.00%	94.00%	94.00%

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: HCA Arizona Health Care Cost Containment System
Program: 10-10005 Medicaid Behavioral Health - Expansion

Expenditure Categories		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	77,702.3	17,820.7	95,523.0
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Expenditure Categories Total:	0.0	77,702.3	17,820.7	95,523.0
Fund Source					
Appropriated Funds					
1000-A	General Fund (Appropriated)	0.0	831.9	4,070.4	4,902.3
		0.0	831.9	4,070.4	4,902.3
Non-Appropriated Funds					
2120-N	AHCCCS Fund (Non-Appropriated)	0.0	76,870.4	13,391.8	90,262.2
2576-N	Hospital Assessment (Non-Appropriated)	0.0	0.0	358.5	358.5
		0.0	76,870.4	13,750.3	90,620.7
	Fund Source Total:	0.0	77,702.3	17,820.7	95,523.0

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 10-10005 Medicaid Behavioral Health - Expansion

Fund: 1000-A General Fund

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	831.9	4,070.4	4,902.3
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
	Appropriated Total:	0.0	831.9	4,070.4	4,902.3
Fund Total:		0.0	831.9	4,070.4	4,902.3
Program Total For Selected Funds:		0.0	831.9	4,070.4	4,902.3

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 10-10005 Medicaid Behavioral Health - Expansion

Fund: 2120-N AHCCCS Fund

Non-Appropriated		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	76,870.4	13,391.8	90,262.2
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Non-Appropriated Total:		0.0	76,870.4	13,391.8	90,262.2
Fund Total:		0.0	76,870.4	13,391.8	90,262.2
Program Total For Selected Funds:		0.0	76,870.4	13,391.8	90,262.2

All dollars are presented in thousands (not FTE).

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: HCA Arizona Health Care Cost Containment System

Program: 10-10005 Medicaid Behavioral Health - Expansion

Fund: 2576-N Hospital Assessment

		FY 2016 Actual	FY 2017 Expd. Plan	FY 2018 Fund. Issue	FY 2018 Total
Non-Appropriated					
0000	FTE	0.0	0.0	0.0	0.0
6000	Personal Services	0.0	0.0	0.0	0.0
6100	Employee Related Expenses	0.0	0.0	0.0	0.0
6200	Professional and Outside Services	0.0	0.0	0.0	0.0
6500	Travel In-State	0.0	0.0	0.0	0.0
6600	Travel Out of State	0.0	0.0	0.0	0.0
6700	Food (Library for Universities)	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	358.5	358.5
7000	Other Operating Expenses	0.0	0.0	0.0	0.0
8000	Equipment	0.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Non-Appropriated Total:		0.0	0.0	358.5	358.5
Fund Total:		0.0	0.0	358.5	358.5
Program Total For Selected Funds:		0.0	0.0	358.5	358.5

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 10-100 Medicaid Behavioral Health - Expansion

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
FTE Positions		
FTE	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Personal Services		
Personal Services	0.0	0.0
Boards and Commissions	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Employee Related Expenses		
Employee Related Expenses	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Professional & Outside Services		
External Prof/Outside Serv Budg And Appn	0.0	0.0
External Investment Services	0.0	0.0
Other External Financial Services	0.0	0.0
Attorney General Legal Services	0.0	0.0
External Legal Services	0.0	0.0
External Engineer/Architect Cost - Exp	0.0	0.0
External Engineer/Architect Cost- Cap	0.0	0.0
Other Design	0.0	0.0
Temporary Agency Services	0.0	0.0
Hospital Services	0.0	0.0
Other Medical Services	0.0	0.0
Institutional Care	0.0	0.0
Education And Training	0.0	0.0
Vendor Travel	0.0	0.0
Professional & Outside Services Excluded from Cost Alloca	0.0	0.0
Vendor Travel - Non Reportable	0.0	0.0
External Telecom Consulting Services	0.0	0.0
Non - Confidential Specialist Fees	0.0	0.0
Confidential Specialist Fees	0.0	0.0
Outside Actuarial Costs	0.0	0.0
Other Professional And Outside Services	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Travel In-State	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 10-100 Medicaid Behavioral Health - Expansion

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel In-State		
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Travel Out-of-State		
Travel Out of State	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Food (Library for Universities)		
Food (Library for Universities)	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Aid to Organizations & Individuals		
Aid to Organizations and Individuals	0.0	77,702.3
Expenditure Category Total	**0.0**	**77,702.3**
Fund Source		
Appropriated		
1000-A General Fund (Appropriated)	0.0	831.9
	0.0	**831.9**
Non-Appropriated		
2120-N AHCCCS Fund (Non-Appropriated)	0.0	76,870.4
	0.0	**76,870.4**
Fund Source Total	**0.0**	**77,702.3**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Other Operating Expenditures	0.0	0.0
Insurance & Related Charges	0.0	0.0
Information Technology Services	0.0	0.0
Utilities	0.0	0.0
Non-Building or Land Rent	0.0	0.0
Building Rent Charges to State Agencies	0.0	0.0
COP Building Rent Charges to State Agencies	0.0	0.0
Rental of Land & Buildings	0.0	0.0
Interest Payments	0.0	0.0
Internal Acct, Budgeting and Financial Svcs.	0.0	0.0
Payments for Internal Services	0.0	0.0
Repair & Maintenance	0.0	0.0
Software Support and Maintenance	0.0	0.0
Operating Supplies	0.0	0.0
Resale Supplies	0.0	0.0
Sales of Assets	0.0	0.0

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 10-100 Medicaid Behavioral Health - Expansion

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Other Operating Expenditures		
Conference, Education & Training	0.0	0.0
Advertising	0.0	0.0
Printing & Photography	0.0	0.0
Postage & Delivery	0.0	0.0
Miscellaneous Operating	0.0	0.0
Depreciation Expense	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Equipment		
Vehicles - Capital Leases	0.0	0.0
Furniture - Capital Leases	0.0	0.0
EDP Equipment - Mainframe - Capital Leases	0.0	0.0
EDP Equipment - Midrange - Capital Leases	0.0	0.0
EDP Equipment - PCs/LAN - Capital Leases	0.0	0.0
Telecommunication Equipment - Capital Leases	0.0	0.0
Other Equipment - Capital Leases	0.0	0.0
Capital Equipment Purchases	0.0	0.0
Vehicles - Non-Capital	0.0	0.0
Furniture - Non-Capital	0.0	0.0
EDP Equipment - Mainframe - Non-Capital	0.0	0.0
Telecommunication Equipment - Non Capital	0.0	0.0
Other Equipment - Non-Capital	0.0	0.0
Purchased Or Licensed Software/Website	0.0	0.0
Internally Generated Software/Website	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Capital Outlay		
Capital Outlay	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Debt Services		
Debt Service	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Cost Allocation		
Cost Allocation	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

All dollars are presented in thousands (not FTE).

Program Expenditure Schedule

Agency: HCA Arizona Health Care Cost Containment System

Program: 10-100 Medicaid Behavioral Health - Expansion

Expenditure Category	FY 2016 Actual	FY 2017 Expd. Plan
Transfers		
Transfers	0.0	0.0
Expenditure Category Total	**0.0**	**0.0**

All dollars are presented in thousands (not FTE).

Arizona Health Care Cost Containment System
FY 2018 Budget Submittal
Rent Expenses ($1,000s)

Location	Rent Type	Sq ft	FY17 Agency Total	General Fund	Federal Fund
1500 E Cherry St., Cottonwood	ISA	3,800	28.8	14.4	14.4
1010 N Finance Center Dr., Tucson	Private	13,000	296.5	148.3	148.3
3262 Bob Dr., Prescott Valley	ISA	370	5.9	3.0	3.0
2250 Highway 60 & 70, Globe	Private	1,876	21.6	10.8	10.8
2717 N 4th St., Flagstaff	Private	2,160	37.6	18.8	18.8
141 E Palm Ln., Ste. 108, Phoenix	Private	1,470	23.2	11.6	11.6
3850 W 16th St., Yuma	Private	1,300	21.6	10.8	10.8
500 N Florence St., Casa Grande	Private	2,086	16.7	8.4	8.4
519 E Beale St., Ste. 150, Kingman	ISA	1,023	12.9	6.5	6.5
820 E Fry Blvd., Sierra Vista	ISA	900	16.9	8.5	8.5
Highway 191, Chinle	Private	2,800	66.4	33.2	33.2
408 N Kendrick, Ste. A, Flagstaff	Private	640	11.7	11.7	-
Total			559.8	285.8	274.1

Arizona Health Care Cost Containment System
FY 2018 Budget Submittal
Risk Management Budget ($1,000s)

Unit	General Fund	Federal Fund	Childrens Health Insurance Program
FY 2017			
Central Administration	93.5	93.5	-
Indian Advisory Council	0.5	0.5	-
AHCCCS Administration	14.2	14.2	-
Children's Health Insurance Program Administration	1.7	-	5.6
Total	109.9	108.2	5.6

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
FY 2018 ADMINISTRATIVE COSTS SUMMARY

By Program:	FY 2018 Total	Admin %*	Admin Amount
1001 Administration[2]	95,784.8	24.2%	23,195.9
1002 DOA Data Center[1]	5,717.5	100.0%	5,717.5
1004 SLI DES Eligibility[3]	54,874.5	10.0%	5,487.5
1011 CHIP Administration[2]	1,719.9	24.2%	416.5
4001 SLI AHCCCS Administration[2]	6,807.0	24.2%	1,648.4
4002 SLI DES Administration[3]	38,358.7	10.0%	3,835.9
	203,262.4		**40,301.7**

By Administrative Area:	
Director's Office	7,869.7
Human Resources	959.4
Information Technology	4,754.0
Business and Finance	8,525.9
Other Central Administration	18,192.7
	40,301.7

Methodology:

[1] DOA Data Center is appropriated within the Operating Lump Sum Appropriation and is considered 100% administration.

[2] CHIP Administration, and Operating Lump Sum Administration (which are now all appropriated together in the AHCCCS Operating Lump Sum Appropriation) andProp 204 (SLI AHCCCS Administration) are considered 24.7% administrative cost. This percentage is based on an analysis of administrative functions.

[3] SLI DES Eligibility and SLI DES Administration are considered 10% administration and 90% program.

*For the purposes of this budget area, Administrative Percentage is the percentage of all costs that are in direct relation any part of the AHCCCS Administration function. Programmatic administration is excluded for this percentage calculation.

Administrative Costs

Agency: HCA Arizona Health Care Cost Containment System

Administrative Costs Summary

Common Administrative Area	FY 2018
Other Central Administration	7,869.7
Business and Finance	959.4
Information Technology	4,754.0
Human Resources	8,525.9
Director's Office	18,192.7
Administrative Costs Total:	40,301.7

Administrative Cost / Total Expenditure Ratio

	Request	Admin %
FY 2018	13,783,705.7	0.3%

Administrative Costs Detail

Common Administrative Area Administrative Activity	Admin Costs %	Program Costs %	Discussion
Director's Office			
Director's Office	82.4	17.6	This area does mostly administrative cost work, but does directly touch programmatic cost work at a small percentage. These tasks include direct impact on program
Human Resources	100.0	0.0	Human Resources does not do any work that is directly associated with programmatic admin costs.
Information Technology	20.9	79.1	Information Technology has a direct impact on programmatic costs of 79.1% due to serving programs directly through electronic technology.
Business and Finance	83.7	16.3	Business and Finance is mainly an administrative cost, but does have some fuctions that are directly associated with programmatic costs (i.e., impact on products and care that members receive and programmatic collections).
Other Central Administration	5.9	94.1	Other Central Administration has very little admin cost because divisions left in this category include eligibility and customer service and have a direct programmatic impact. Also included under Other Central Administration are several SLIs (DOA Data Center, Indian Advisory Council, DES Eligibility, Office of Administration Hearings, DHS Title XIX Pass-Through, DES Title XIX Pass-Through, DES Administration)

State of Arizona Federal Funds Statement

Transmittal Statement

Arizona Health Care Cost Containment System

Governor Ducey:

This and the accompanying schedules constitute the Statement of Federal Funds for this agency for Fiscal Year 2018.

To the best of my knowledge all statements and explanations submitted are true and correct

Agency Head Signature _____

Grant Name	2016 Expenditures	2017 Expenditures	2018 Expenditures
ACA - State Innovation Models: Funding for Model Design and Model Testi	965.7	0.0	0.0
Affordable Care Act: Testing Experience and Functional Assessment Tools	17.1	0.0	0.0
ARRA - State Grants to Promote Health Information Technology	20,751.0	55,790.1	55,790.1
Block Grants for Community Mental Health Services	0.0	11,615.5	11,615.5
Block Grants for Prevention and Treatment of Substance Abuse	0.0	40,103.7	40,103.7
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrati	2,118.9	3,477.7	102,895.3
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrati	2,601,277.8	2,401,554.0	2,561,446.6
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrati	2,448,123.9	2,500,394.4	2,952,764.3
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrati	97,259.5	89,299.2	130,231.0
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrati	4,074,457.9	4,839,620.1	5,055,824.7
Developmental Disabilities Basic Support and Advocacy Grants	133.4	68.6	68.6
Projects for Assistance in Transition from Homelessness (PATH)	0.0	1,295.0	1,295.0
Substance Abuse and Mental Health Services_Projects of Regional and Nat	0.0	110.4	110.4
Substance Abuse and Mental Health Services_Projects of Regional and Nat	0.0	63.5	63.5
Substance Abuse and Mental Health Services_Projects of Regional and Nat	0.0	460.7	460.7

Listing of All Federal Funds by Grant

Agency: HCA Arizona Health Care Cost Containment System

Title: ACA - State Innovation Models: Funding for Model Design and Model Testing Assistance

Grant No: 1G1CMS331385-01 **CFDA:** 93.624 **Grantor:** Department of Health and Human Services

Periodic: One-Time **Start Date:** 2/1/2015 **End Date:** 1/31/2016

Type of Grant: **If Other, Explain:**

Fed. % or $ Cap: **Source of Match:**

Administrative costs are permitted to be paid using this federal money: ☐

AFIS fund number where the grant is maintained: 2000

Is this American Recovery and Reinvestment Act money (Stimulus)? No

Description: The Center for Medicare and Medicaid Innovation (Innovation Center) announces the second round of funding for the State Innovation Models (SIM) program. SIM is based on the premise that state innovation with broad stakeholder input and engagement, including multi-payer models, will accelerate delivery system transformation to provide better care at lower costs. SIM is focused on public and private sector collaboration to transform the state's delivery system. SIM provides financial and technical support to states to test the ability of state governments to use their regulatory and policy levers to accelerate health transformation. In Round 1, CMS partnered with 6 Model Test states to implement state-wide health transformation strategies and 19 Model Design states to develop and refine State Healthcare Innovation Plans to guide future implementation efforts.

Drawing on lessons from the funding opportunity released in Round 1, State Innovation Models: Funding for Model Design and Testing Assistance (CMS-1G1-12-001) (Round 1 FOA), Round 2 of SIM specifies additional parameters that CMS believes correlate with successful state-wide health transformation. These parameters are described in this Funding Announcement in the form of requirements for Round 2 applications. CMS will fund up to 12 Model Test states with approximately $20-100 million grants per state, with funding based in part on the size of the state population and the scope of the transformation proposal. Additionally, CMS will provide up to $3 million per state for up to 15 Model Design cooperative agreements to design new State Health System Innovation Plans or enhance existing plans developed in Round 1. All Round 1 Model Design states must apply for Round 2 of SIM. The Round 1 FOA indicated that states receiving Round 1 Model Design awards must submit a Model Testing proposal for the Round 2 FOA. CMS is amending that requirement to submit a testing proposal in Round 2, so that a Model Design state may either apply for a Model Test award or may apply for a second Model Design award in order to enhance their State Health System Innovation Plan for future testing.

Title: Affordable Care Act: Testing Experience and Functional Assessment Tools

AFIS Grant No: 1H1CMS331305-01 **CFDA:** 93.627 **Grantor:** Department of Health and Human Services

Periodic: Periodic Renewal **Start Date:** 4/1/2014 **End Date:** 3/31/2018

T of Grant: **If Other, Explain:**

F % or $ Cap: 100% **Source of Match:**

Administrative costs are permitted to be paid using this federal money: ☑

AFIS fund number where the grant is maintained: 2000

Is this American Recovery and Reinvestment Act money (Stimulus)? No

Description: To support State Medicaid agencies in testing, collecting, and reporting the Initial Core Set of Health Care Quality Measures for Adults Enrolled in Medicaid to CMS. Additionally, the grant funding will also support States' efforts to use thisthese data for improving the quality of care for adults covered by Medicaid.

Title: ARRA - State Grants to Promote Health Information Technology

AFIS Grant No: 93.719 **CFDA:** 93.719 **Grantor:** Department of Health and Human Services

Periodic: On-going **Start Date:** **End Date:**

Type of Grant: **If Other, Explain:**

Fed. % or $ Cap: **Source of Match:** NA

Administrative costs are permitted to be paid using this federal money: ☑

AFIS fund number where the grant is maintained: 2120

Is this American Recovery and Reinvestment Act money (Stimulus)? Yes

Description: Promote the electronic movement and use of health information among organizations using nationally recognized interoperability standards. Enable providers to qualify for Medicare and Medicaid financial incentives, authorized by ARRA, by providing health information exchange that meets meaningful use requirements. Improve health care quality and efficiency. A subset of grantees received additional funding to focus on breakthrough innovations for health information exchange that can be leveraged widely to support nationwide health information exchange and interoperability.

Title: Block Grants for Community Mental Health Services

AFIS Grant No: 099056 **CFDA:** 93.958 **Grantor:** Department of Health and Human Services

Periodic: **Start Date:** **End Date:**

Type of Grant: **If Other, Explain:**

Fed. % or $ Cap: **Source of Match:**

Administrative costs are permitted to be paid using this federal money: ☐

AFIS fund number where the grant is maintained:

Is American Recovery and Reinvestment Act money (Stimulus)? No

Description: To provide financial assistance to States and Territories to enable them to carry out the State's plan for providing comprehensive community mental health services to adults with a serious mental illness and to children with a serious emotional disturbance; monitor the progress in implementing a comprehensive community based mental health system; provide technical assistance to States and the Mental Health

Listing of All Federal Funds by Grant

Agency: HCA Arizona Health Care Cost Containment System

Planning Council that will assist the States in planning and implementing a comprehensive community based mental health system.

Title: Block Grants for Prevention and Treatment of Substance Abuse
AFIS Grant No: 099043 CFDA: 93.959 Grantor: Department of Health and Human Services
Periodic: Start Date: End Date:
Type of Grant: If Other, Explain: Administrative costs are permitted to be paid using this federal money: ☐
Fed. % or $ Cap: Source of Match:
AFIS fund number where the grant is maintained:
Is this American Recovery and Reinvestment Act money (Stimulus)? No
Description: To provide financial assistance to States and Territories to support projects for the development and implementation of prevention, treatment and rehabilitation activities directed to the diseases of alcohol and drug abuse.

Title: Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations
AFIS Grant No: 93.779 CFDA: 93.779 Grantor: Department of Health and Human Services
Periodic: Ongoing Start Date: End Date:
Type of Grant: If Other, Explain: Based on regular FMAP. 100% Federal reimbursement is available for IHS Facilities. 100% match for Newly Eligible Adults. Administrative costs are permitted to be paid using this federal money: ☑
Fed. % or $ Cap: 68.46% Source of Match: General, County, TPL, Tobacco, IGA and ISA Funds
AFIS fund number where the grant is maintained: 2120&200
Is this American Recovery and Reinvestment Act money (Stimulus)? No
Description: The Centers for Medicare & Medicaid Services (CMS) conducts research, demonstrations, and evaluations in support of CMS' key role as a beneficiary-centered purchaser of high-quality health care at a reasonable cost. These grants are awarded are in the form of research grants and cooperative agreements; Hispanic health services grants; historically black colleges and university grants. For fiscal years 2010 and 2011, CMS research, demonstrations and evaluations will focus on expanding agency efforts to improve the efficiency of payment, delivery, access and quality of our health care programs that serve millions of beneficiaries.

Title: Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations
AFIS Grant No: 93.779 CFDA: 93.779 Grantor: Department of Health and Human Services
Periodic: Ongoing Start Date: End Date:
Type of Grant: If Other, Explain: Administrative costs are matched at Federal Financial Participation (FFP) Rates that vary depending on the activity. Administrative costs are permitted to be paid using this federal money: ☑
Fed. % or $ Cap: Generally 50% Source of Match: General Fund, IGA and ISA Fund
AFIS fund number where the grant is maintained: 2120
Is this American Recovery and Reinvestment Act money (Stimulus)? No
Description: The Centers for Medicare & Medicaid Services (CMS) conducts research, demonstrations, and evaluations in support of CMS' key role as a beneficiary-centered purchaser of high-quality health care at a reasonable cost. These grants are awarded are in the form of research grants and cooperative agreements; Hispanic health services grants; historically black colleges and university grants. For fiscal years 2010 and 2011, CMS research, demonstrations and evaluations will focus on expanding agency efforts to improve the efficiency of payment, delivery, access and quality of our health care programs that serve millions of beneficiaries.

Title: Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations
AFIS Grant No: 93.779 CFDA: 93.779 Grantor: Department of Health and Human Services
Periodic: Ongoing Start Date: End Date:
Type of Grant: If Other, Explain: Based on regular FMAP. 100% Federal match is available for IHS Facilities. Administrative costs are permitted to be paid using this federal money: ☑
Fed. % or $ Cap: 68.46% Source of Match: General Fund, County Funds, IGA and ISA Fund
AFIS fund number where the grant is maintained: 2223
Is this American Recovery and Reinvestment Act money (Stimulus)? No
Description: The Centers for Medicare & Medicaid Services (CMS) conducts research, demonstrations, and evaluations in support of CMS' key role as a beneficiary-centered purchaser of high-quality health care at a reasonable cost. These grants are awarded are in the form of research grants and cooperative agreements; Hispanic health services grants; historically black colleges and university grants. For fiscal years 2010 and 2011, CMS research, demonstrations and evaluations will focus on expanding agency efforts to improve the efficiency of payment, delivery, access and quality of our health care programs that serve millions of beneficiaries.

Title: Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations
AFIS Grant No: 937807 CFDA: 93.779 Grantor: Department of Health and Human Services
Periodic: Ongoing Start Date: End Date:

Listing of All Federal Funds by Grant

Agency: HCA Arizona Health Care Cost Containment System

Type of Grant: **If Other, Explain:** Based on regular FMAP. 100% Federal match is available for IHS Facilities. 88.96% average match is available for Expansion State Adults. **Administrative costs are permitted to be paid using this federal money:** ☑

Fed. % or $ Cap: 68.46% or 88.96% **Source of Match:** General Fund, Tobacco Funds, IGA and ISA Fund

AFIS fund number where the grant is maintained: 2120

Is this American Recovery and Reinvestment Act money (Stimulus)? No

Description: The Centers for Medicare & Medicaid Services (CMS) conducts research, demonstrations, and evaluations in support of CMS' key role as a beneficiary-centered purchaser of high-quality health care at a reasonable cost. These grants are awarded are in the form of research grants and cooperative agreements; Hispanic health services grants; historically black colleges and university grants. For fiscal years 2010 and 2011, CMS research, demonstrations and evaluations will focus on expanding agency efforts to improve the efficiency of payment, delivery, access and quality of our health care programs that serve millions of beneficiaries.

Title: Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations

AFIS Grant No: 937794 **CFDA:** 93.779 **Grantor:** Department of Health and Human Services

Periodic: Ongoing **Start Date:** **End Date:**

Type of Grant: **If Other, Explain:** **Administrative costs are permitted to be paid using this federal money:** ☑

Fed. % or $ Cap: 77.92% **Source of Match:** General Fund

AFIS fund number where the grant is maintained: 2409

Is this American Recovery and Reinvestment Act money (Stimulus)? No

Description: The Centers for Medicare & Medicaid Services (CMS) conducts research, demonstrations, and evaluations in support of CMS' key role as a beneficiary-centered purchaser of high-quality health care at a reasonable cost. These grants are awarded are in the form of research grants and cooperative agreements; Hispanic health services grants; historically black colleges and university grants. For fiscal years 2010 and 2011, CMS research, demonstrations and evaluations will focus on expanding agency efforts to improve the efficiency of payment, delivery, access and quality of our health care programs that serve millions of beneficiaries.

Title: Developmental Disabilities Basic Support and Advocacy Grants

AFIS Grant No: 93.630 **CFDA:** 93.630 **Grantor:** Department of Health and Human Services

Periodic: **Start Date:** 5/1/2012 **End Date:** 7/31/2014

Type of Grant: **If Other, Explain:** **Administrative costs are permitted to be paid using this federal money:** ☑

Fed. % or $ Cap: 100% **Source of Match:**

AFIS fund number where the grant is maintained: 2000

Is this American Recovery and Reinvestment Act money (Stimulus)? No

Description: Developmental Disabilities Basic Support and Advocacy Grants: To enable individuals with developmental disabilities to become independent, productive, integrated and included into their communities. Funding under these programs is to assist States in the development of a plan for a comprehensive and coordinated system of services and other activities to enhance the lives of individuals with developmental disabilities and their families to their maximum potential, and to support a system which protects the legal and human rights of individuals with developmental disabilities.

Title: Medical Assistance Program

AFIS Grant No: 937219 **CFDA:** 93.778 **Grantor:** Department of Health and Human Services

Periodic: On-going **Start Date:** **End Date:**

Type of Grant: **If Other, Explain:** **Administrative costs are permitted to be paid using this federal money:** ☑

Fed. % or $ Cap: 50% **Source of Match:** ADHS CPE

AFIS fund number where the grant is maintained: 2000

Is this American Recovery and Reinvestment Act money (Stimulus)? No

Description: To provide financial assistance to States for payments of medical assistance on behalf of cash assistance recipients, children, pregnant women, and the aged who meet income and resource requirements, and other categorically-eligible groups. In certain States that elect to provide such coverage, medically-needy persons, who, except for income and resources, would be eligible for cash assistance, may be eligible for medical assistance payments under this program. Financial assistance is provided to States to pay for Medicare premiums, copayments and deductibles of qualified Medicare beneficiaries meeting certain income requirements. More limited financial assistance is available for certain Medicare beneficiaries with higher incomes.

Title: Projects for Assistance in Transition from Homelessness (PATH)

AFIS Grant No: 099038 **CFDA:** 93.150 **Grantor:** Department of Health and Human Services

Periodic: **Start Date:** **End Date:**

Type of Grant: **If Other, Explain:** **Administrative costs are permitted to be paid using this federal money:** ☐

Fed. % or $ Cap: **Source of Match:**

AFIS fund number where the grant is maintained:

Is this American Recovery and Reinvestment Act money (Stimulus)? No

Listing of All Federal Funds by Grant

Agency: HCA Arizona Health Care Cost Containment System

Description: To provide financial assistance to States to support services for individuals who are suffering from serious mental illness or serious mental illness and substance abuse; and are homeless or at imminent risk of becoming homeless. Programs and activities include: (1) Outreach services; (2) screening and diagnostic treatment services; (3) habilitation and rehabilitation services; (4) community mental health services; (5) alcohol or drug treatment services; (6) staff training; (7) case management services; (8) supportive and supervisory services in residential settings; (9) referrals for primary health services, job training, educational services, and relevant housing services; and (10) prescribed set of housing services.

Title: Substance Abuse and Mental Health Services_Projects of Regional and National Significance

AFIS Grant No: 092077 CFDA: 93.243 Grantor: Department of Health and Human Services

Periodic: Start Date: End Date:

Type of Grant: If Other, Explain: Administrative costs are permitted to be paid using this federal money: ☐

Fed. % or $ Cap: Source of Match:

AFIS fund number where the grant is maintained:

Is this American Recovery and Reinvestment Act money (Stimulus)? No

Description: Substance Abuse and Mental Health Service Administration (SAMHSA) was reauthorized by the Children's Health Action of 2000, Public law 106-310. Under this reauthorization, SAMHSA was given the authority to address priority substance abuse treatment, prevention and mental health needs of regional and national significance through assistance (grants and cooperative agreements) to States, political subdivisions of States, Indian tribes and tribal organizations, and other public or nonprofit private entities. Under these sections, CSAT, CMHS and CSAP seek to expand the availability of effective substance abuse treatment and recovery services available to Americans to improve the lives of those affected by alcohol and drug additions, and to reduce the impact of alcohol and drug abuse on individuals, families, communities and societies and to address priority mental health needs of regional and national significance and assist children in dealing with violence and traumatic events through by funding grant and cooperative agreement projects. Grants and cooperative agreements may be for (1) knowledge and development and application projects for treatment and rehabilitation and the conduct or support of evaluations of such projects; (2) training and technical assistance; (3) targeted capacity response programs (4) systems change grants including statewide family network grants and client-oriented and consumer run self-help activities and (5) programs to foster health and development of children; (6) coordination and integration of primary care services into publicly-funded community mental health centers and other community-based behavioral health settings funded under Affordable Care Act (ACA).

Title: Substance Abuse and Mental Health Services_Projects of Regional and National Significance

AFIS Grant No: 092075 CFDA: 93.243 Grantor: Department of Health and Human Services

Periodic: Start Date: End Date:

Type of Grant: If Other, Explain: Administrative costs are permitted to be paid using this federal money: ☐

Fed. % or $ Cap: Source of Match:

AFIS fund number where the grant is maintained:

Is this American Recovery and Reinvestment Act money (Stimulus)? No

Description: Substance Abuse and Mental Health Service Administration (SAMHSA) was reauthorized by the Children's Health Action of 2000, Public law 106-310. Under this reauthorization, SAMHSA was given the authority to address priority substance abuse treatment, prevention and mental health needs of regional and national significance through assistance (grants and cooperative agreements) to States, political subdivisions of States, Indian tribes and tribal organizations, and other public or nonprofit private entities. Under these sections, CSAT, CMHS and CSAP seek to expand the availability of effective substance abuse treatment and recovery services available to Americans to improve the lives of those affected by alcohol and drug additions, and to reduce the impact of alcohol and drug abuse on individuals, families, communities and societies and to address priority mental health needs of regional and national significance and assist children in dealing with violence and traumatic events through by funding grant and cooperative agreement projects. Grants and cooperative agreements may be for (1) knowledge and development and application projects for treatment and rehabilitation and the conduct or support of evaluations of such projects; (2) training and technical assistance; (3) targeted capacity response programs (4) systems change grants including statewide family network grants and client-oriented and consumer run self-help activities and (5) programs to foster health and development of children; (6) coordination and integration of primary care services into publicly-funded community mental health centers and other community-based behavioral health settings funded under Affordable Care Act (ACA).

Title: Substance Abuse and Mental Health Services_Projects of Regional and National Significance

AFIS Grant No: 092070 CFDA: 93.243 Grantor: Department of Health and Human Services

Periodic: Start Date: End Date:

Type of Grant: If Other, Explain: Administrative costs are permitted to be paid using this federal money: ☐

Fed. % or $ Cap: Source of Match:

AFIS fund number where the grant is maintained:

Is this American Recovery and Reinvestment Act money (Stimulus)? No

Description: Substance Abuse and Mental Health Service Administration (SAMHSA) was reauthorized by the Children's Health Action of 2000, Public law 106-310. Under this reauthorization, SAMHSA was given the authority to address priority substance abuse treatment, prevention and mental health needs of regional and national significance through assistance (grants and cooperative agreements) to States, political subdivisions of States, Indian tribes and tribal organizations, and other public or nonprofit private entities. Under these sections, CSAT, CMHS and CSAP seek to expand the availability of effective substance abuse treatment and recovery services available to Americans to improve the lives of those affected by alcohol and drug additions, and to reduce the impact of alcohol and drug abuse on individuals, families, communities and

societies and to address priority mental health needs of regional and national significance and assist children in dealing with violence and traumatic events through by funding grant and cooperative agreement projects. Grants and cooperative agreements may be for (1) knowledge and development and application projects for treatment and rehabilitation and the conduct or support of evaluations of such projects; (2) training and technical assistance; (3) targeted capacity response programs (4) systems change grants including statewide family network grants and client-oriented and consumer run self-help activities and (5) programs to foster health and development of children; (6) coordination and integration of primary care services into publicly-funded community mental health centers and other community-based behavioral health settings funded under Affordable Care Act (ACA).

Federal Funds' Sources & Uses
Summary Of All Federal Funds Grants

Agency: HCA Arizona Health Care Cost Containment System

	FY 2016 Actual	FY 2017 Estimate	FY 2018 Estimate
FTE Positions	966.6	1,052.7	1,055.0
Beginning Balance	**0.0**	**0.0**	**0.0**
Revenues			
New Federal Revenue	9,245,088.1	9,943,852.9	10,912,669.4
Pass Through Funds (From other state agencies)	0.0	0.0	0.0
Transfers and Other Funds (In)	17.1	0.0	0.0
Total Revenue	**9,245,105.2**	**9,943,852.9**	**10,912,669.4**
Expenditures			
Personal Services	26,732.0	35,336.9	35,503.4
Employee Related Expenses	11,339.3	14,746.8	14,812.3
Professional and Outside Services	5,135.7	9,081.1	9,086.1
Travel In-State	48.9	60.0	62.6
Travel Out-of-State	19.1	25.9	28.3
Food	0.0	0.0	0.0
Pass-Through Funds (To Other State Agencies)	2,223,179.8	859,524.3	1,113,583.2
Pass-Through Funds (To Non-State Agencies)	263,212.5	306,925.8	359,593.8
Aid to Individuals	7,183,726.2	8,709,199.9	9,367,016.6
Other Operating Expenditures	20,210.5	19,175.8	19,840.7
Land Acquisition and Captial Projects	0.0	0.0	0.0
Capital and Non Capital Equipment	733.5	87.1	(546.9)
Cost Allocation / Indirect Costs	9.8	0.0	0.0
Transfers and Refunds (Out)	(489,242.1)	(10,310.7)	(6,310.7)
Total Expenditures	**9,245,105.2**	**9,943,852.9**	**10,912,669.4**
Ending Balance	**0.0**	**0.0**	**0.0**

Sources & Uses Details of All Grants

Agency: HCA Arizona Health Care Cost Containment System

Grant Title: ACA - State Innovation Models: Funding for Model Design and Model Testing Assistance

` Grant # : 1G1CMS331385-01-02 CFDA: 93.624

	FY 2016 Actual	FY 2017 Estimate	FY 2018 Estimate
FTE Positions	0.0	0.0	0.0
Beginning Balance	**0.0**	**0.0**	**0.0**
Revenues			
New Federal Revenue	965.7	0.0	0.0
Pass Through Funds (From other state agencies)	0.0	0.0	0.0
Transfers and Other Funds (In)	0.0	0.0	0.0
Total Revenue	**965.7**	**0.0**	**0.0**
Expenditures			
Personal Services	186.0	0.0	0.0
Employee Related Expenses	49.1	0.0	0.0
Professional and Outside Services	726.9	0.0	0.0
Travel In-State	2.0	0.0	0.0
Travel Out-of-State	1.6	0.0	0.0
Food	0.0	0.0	0.0
Pass-Through Funds (To Other State Agencies)	0.0	0.0	0.0
Pass-Through Funds (To Non-State Agencies)	0.0	0.0	0.0
Aid to Individuals	0.0	0.0	0.0
Other Operating Expenditures	0.1	0.0	0.0
Land Acquisition and Captial Projects	0.0	0.0	0.0
Capital and Non Capital Equipment	0.0	0.0	0.0
Cost Allocation / Indirect Costs	0.0	0.0	0.0
Transfers and Refunds (Out)	0.0	0.0	0.0
Total Expenditures	**965.7**	**0.0**	**0.0**
Ending Balance	**0.0**	**0.0**	**0.0**

Sources & Uses Details of All Grants

Agency: HCA Arizona Health Care Cost Containment System
Grant Title: Affordable Care Act: Testing Experience and Functional Assessment Tools
AFIS Grant # : 1H1CMS331305-01-00 CFDA: 93.627

	FY 2016 Actual	FY 2017 Estimate	FY 2018 Estimate
FTE Positions	0.0	0.0	0.0
Beginning Balance	**0.0**	**0.0**	**0.0**
Revenues			
New Federal Revenue	0.0	0.0	0.0
Pass Through Funds (From other state agencies)	0.0	0.0	0.0
Transfers and Other Funds (In)	17.1	0.0	0.0
Total Revenue	**17.1**	**0.0**	**0.0**
Expenditures			
Personal Services	9.4	0.0	0.0
Employee Related Expenses	3.3	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0
Travel Out-of-State	3.3	0.0	0.0
Food	0.0	0.0	0.0
Pass-Through Funds (To Other State Agencies)	0.0	0.0	0.0
Pass-Through Funds (To Non-State Agencies)	0.0	0.0	0.0
Aid to Individuals	0.0	0.0	0.0
Other Operating Expenditures	1.1	0.0	0.0
Land Acquisition and Captial Projects	0.0	0.0	0.0
Capital and Non Capital Equipment	0.0	0.0	0.0
Cost Allocation / Indirect Costs	0.0	0.0	0.0
Transfers and Refunds (Out)	0.0	0.0	0.0
Total Expenditures	**17.1**	**0.0**	**0.0**
Ending Balance	**0.0**	**0.0**	**0.0**

Sources & Uses Details of All Grants

Agency: HCA Arizona Health Care Cost Containment System
Grant Title: ARRA - State Grants to Promote Health Information Technology
Grant # : 93.719 CFDA: 93.719

	FY 2016 Actual	FY 2017 Estimate	FY 2018 Estimate
FTE Positions	0.0	0.0	0.0
Beginning Balance	**0.0**	**0.0**	**0.0**
Revenues			
New Federal Revenue	20,751.0	55,790.1	55,790.1
Pass Through Funds (From other state agencies)	0.0	0.0	0.0
Transfers and Other Funds (In)	0.0	0.0	0.0
Total Revenue	**20,751.0**	**55,790.1**	**55,790.1**
Expenditures			
Personal Services	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0
Travel Out-of-State	0.0	0.0	0.0
Food	0.0	0.0	0.0
Pass-Through Funds (To Other State Agencies)	0.0	0.0	0.0
Pass-Through Funds (To Non-State Agencies)	20,751.0	55,790.1	55,790.1
Aid to Individuals	0.0	0.0	0.0
Other Operating Expenditures	0.0	0.0	0.0
Land Acquisition and Captial Projects	0.0	0.0	0.0
Capital and Non Capital Equipment	0.0	0.0	0.0
Cost Allocation / Indirect Costs	0.0	0.0	0.0
Transfers and Refunds (Out)	0.0	0.0	0.0
Total Expenditures	**20,751.0**	**55,790.1**	**55,790.1**
Ending Balance	**0.0**	**0.0**	**0.0**

Pass Through Fund Details

Pass-Through Funds (To Non-State Agencies)

From/To Agency	From/To Fund		FY2016 Actual	FY2017 Estimate	FY2018 Estimate
unknown	unknown		20,751.0	55,790.1	55,790.1
		Subtotal:	20,751.0	55,790.1	55,790.1

Sources & Uses Details of All Grants

Agency: **HCA Arizona Health Care Cost Containment System**
Grant Title: **Block Grants for Community Mental Health Services**
AFIS Grant # : **099056** CFDA: 93.958

	FY 2016 Actual	FY 2017 Estimate	FY 2018 Estimate
FTE Positions	0.0	0.0	0.0
Beginning Balance	**0.0**	**0.0**	**0.0**
Revenues			
New Federal Revenue	0.0	11,615.5	11,615.5
Pass Through Funds (From other state agencies)	0.0	0.0	0.0
Transfers and Other Funds (In)	0.0	0.0	0.0
Total Revenue	**0.0**	**11,615.5**	**11,615.5**
Expenditures			
Personal Services	0.0	91.4	91.4
Employee Related Expenses	0.0	33.6	33.6
Professional and Outside Services	0.0	288.2	288.2
Travel In-State	0.0	0.0	0.0
Travel Out-of-State	0.0	0.1	0.1
Food	0.0	0.0	0.0
Pass-Through Funds (To Other State Agencies)	0.0	0.0	0.0
Pass-Through Funds (To Non-State Agencies)	0.0	0.0	0.0
Aid to Individuals	0.0	11,159.4	11,159.4
Other Operating Expenditures	0.0	23.3	23.3
Land Acquisition and Captial Projects	0.0	0.0	0.0
Capital and Non Capital Equipment	0.0	0.4	0.4
Cost Allocation / Indirect Costs	0.0	0.0	0.0
Transfers and Refunds (Out)	0.0	19.1	19.1
Total Expenditures	**0.0**	**11,615.5**	**11,615.5**
Ending Balance	**0.0**	**0.0**	**0.0**

Sources & Uses Details of All Grants

Agency: HCA Arizona Health Care Cost Containment System

Grant Title: Block Grants for Prevention and Treatment of Substance Abuse

` Grant # : 099043 CFDA: 93.959

	FY 2016 Actual	FY 2017 Estimate	FY 2018 Estimate
FTE Positions	0.0	0.0	0.0
Beginning Balance	**0.0**	**0.0**	**0.0**
Revenues			
New Federal Revenue	0.0	40,103.7	40,103.7
Pass Through Funds (From other state agencies)	0.0	0.0	0.0
Transfers and Other Funds (In)	0.0	0.0	0.0
Total Revenue	**0.0**	**40,103.7**	**40,103.7**
Expenditures			
Personal Services	0.0	315.4	315.4
Employee Related Expenses	0.0	116.1	116.1
Professional and Outside Services	0.0	994.9	994.9
Travel In-State	0.0	0.2	0.2
Travel Out-of-State	0.0	0.4	0.4
Food	0.0	0.0	0.0
Pass-Through Funds (To Other State Agencies)	0.0	0.0	0.0
Pass-Through Funds (To Non-State Agencies)	0.0	0.0	0.0
Aid to Individuals	0.0	38,528.8	38,528.8
Other Operating Expenditures	0.0	80.5	80.5
Land Acquisition and Captial Projects	0.0	0.0	0.0
Capital and Non Capital Equipment	0.0	1.5	1.5
Cost Allocation / Indirect Costs	0.0	0.0	0.0
Transfers and Refunds (Out)	0.0	65.9	65.9
Total Expenditures	**0.0**	**40,103.7**	**40,103.7**
Ending Balance	**0.0**	**0.0**	**0.0**

Sources & Uses Details of All Grants

Agency: HCA Arizona Health Care Cost Containment System
Grant Title: Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations
AFIS Grant # : 937794 CFDA: 93.779

	FY 2016 Actual	FY 2017 Estimate	FY 2018 Estimate
FTE Positions	38.2	45.9	45.9
Beginning Balance	**0.0**	**0.0**	**0.0**
Revenues			
New Federal Revenue	2,118.9	3,477.7	102,895.3
Pass Through Funds (From other state agencies)	0.0	0.0	0.0
Transfers and Other Funds (In)	0.0	0.0	0.0
Total Revenue	**2,118.9**	**3,477.7**	**102,895.3**
Expenditures			
Personal Services	254.2	918.2	918.2
Employee Related Expenses	109.8	362.2	362.2
Professional and Outside Services	0.2	183.5	183.5
Travel In-State	0.0	0.5	0.5
Travel Out-of-State	0.0	0.9	0.9
Food	0.0	0.0	0.0
Pass-Through Funds (To Other State Agencies)	0.0	0.0	0.0
Pass-Through Funds (To Non-State Agencies)	0.0	0.0	0.0
Aid to Individuals	1,720.3	1,757.8	97,175.4
Other Operating Expenditures	24.5	251.2	251.2
Land Acquisition and Captial Projects	0.0	0.0	0.0
Capital and Non Capital Equipment	0.1	3.4	3.4
Cost Allocation / Indirect Costs	9.8	0.0	0.0
Transfers and Refunds (Out)	0.0	0.0	4,000.0
Total Expenditures	**2,118.9**	**3,477.7**	**102,895.3**
Ending Balance	**0.0**	**0.0**	**0.0**

Sources & Uses Details of All Grants

Agency: HCA Arizona Health Care Cost Containment System

Grant Title: Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations

Grant # : 937807 CFDA: 93.779

	FY 2016 Actual	FY 2017 Estimate	FY 2018 Estimate
FTE Positions	0.0	0.0	0.0
Beginning Balance	**0.0**	**0.0**	**0.0**
Revenues			
New Federal Revenue	2,601,277.8	2,401,554.0	2,561,446.6
Pass Through Funds (From other state agencies)	0.0	0.0	0.0
Transfers and Other Funds (In)	0.0	0.0	0.0
Total Revenue	**2,601,277.8**	**2,401,554.0**	**2,561,446.6**
Expenditures			
Personal Services	3,743.7	4,401.9	4,440.9
Employee Related Expenses	1,463.9	1,749.3	1,764.3
Professional and Outside Services	787.5	1,031.2	1,031.2
Travel In-State	0.8	2.1	2.1
Travel Out-of-State	2.7	4.2	4.2
Food	0.0	0.0	0.0
Pass-Through Funds (To Other State Agencies)	498,073.4	17,636.5	23,636.5
Pass-Through Funds (To Non-State Agencies)	0.0	0.0	0.0
Aid to Individuals	2,571,434.7	2,375,352.3	2,529,184.1
Other Operating Expenditures	14,852.2	11,758.4	12,407.7
Land Acquisition and Captial Projects	0.0	0.0	0.0
Capital and Non Capital Equipment	161.0	13.8	(628.7)
Cost Allocation / Indirect Costs	0.0	0.0	0.0
Transfers and Refunds (Out)	(489,242.1)	(10,395.7)	(10,395.7)
Total Expenditures	**2,601,277.8**	**2,401,554.0**	**2,561,446.6**
Ending Balance	**0.0**	**0.0**	**0.0**

Pass Through Fund Details

Pass-Through Funds (To Other State Agencies)

From/To Agency	From/To Fund		FY2016 Actual	FY2017 Estimate	FY2018 Estimate
ADHS - BHS	Unknown		476,563.2	0.0	0.0
ADES Admin	Unknown		21,510.2	17,636.5	23,636.5
		Subtotal:	498,073.4	17,636.5	23,636.5

Sources & Uses Details of All Grants

Agency: HCA Arizona Health Care Cost Containment System
Grant Title: Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations
AFIS Grant # : 93.779 CFDA: 93.779

	FY 2016 Actual	FY 2017 Estimate	FY 2018 Estimate
FTE Positions	0.0	0.0	0.0
Beginning Balance	**0.0**	**0.0**	**0.0**
Revenues			
New Federal Revenue	2,448,123.9	2,500,394.4	2,952,764.3
Pass Through Funds (From other state agencies)	0.0	0.0	0.0
Transfers and Other Funds (In)	0.0	0.0	0.0
Total Revenue	**2,448,123.9**	**2,500,394.4**	**2,952,764.3**
Expenditures			
Personal Services	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0
Travel Out-of-State	0.0	0.0	0.0
Food	0.0	0.0	0.0
Pass-Through Funds (To Other State Agencies)	826,093.4	788,690.8	995,947.4
Pass-Through Funds (To Non-State Agencies)	0.0	0.0	0.0
Aid to Individuals	1,622,030.5	1,711,703.6	1,956,816.9
Other Operating Expenditures	0.0	0.0	0.0
Land Acquisition and Captial Projects	0.0	0.0	0.0
Capital and Non Capital Equipment	0.0	0.0	0.0
Cost Allocation / Indirect Costs	0.0	0.0	0.0
Transfers and Refunds (Out)	0.0	0.0	0.0
Total Expenditures	**2,448,123.9**	**2,500,394.4**	**2,952,764.3**
Ending Balance	**0.0**	**0.0**	**0.0**

Pass Through Fund Details

Pass-Through Funds (To Other State Agencies)

From/To Agency	From/To Fund		FY2016 Actual	FY2017 Estimate	FY2018 Estimate
To DES DD	Unknown		826,093.4	788,690.8	995,947.4
		Subtotal:	826,093.4	788,690.8	995,947.4

Sources & Uses Details of All Grants

Agency: HCA Arizona Health Care Cost Containment System
Grant Title: Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations
Grant # : 93.779 **CFDA:** 93.779

	FY 2016 Actual	FY 2017 Estimate	FY 2018 Estimate
FTE Positions	928.4	1,006.8	1,009.1
Beginning Balance	**0.0**	**0.0**	**0.0**
Revenues			
New Federal Revenue	97,259.5	89,299.2	130,231.0
Pass Through Funds (From other state agencies)	0.0	0.0	0.0
Transfers and Other Funds (In)	0.0	0.0	0.0
Total Revenue	**97,259.5**	**89,299.2**	**130,231.0**
Expenditures			
Personal Services	22,538.7	29,610.0	29,737.5
Employee Related Expenses	9,713.2	12,485.6	12,536.1
Professional and Outside Services	3,487.7	6,514.7	6,519.7
Travel In-State	46.1	57.2	59.8
Travel Out-of-State	11.5	20.3	22.7
Food	0.0	0.0	0.0
Pass-Through Funds (To Other State Agencies)	55,557.3	33,481.0	74,200.7
Pass-Through Funds (To Non-State Agencies)	0.0	0.0	0.0
Aid to Individuals	0.0	0.0	0.0
Other Operating Expenditures	5,332.6	7,062.4	7,078.0
Land Acquisition and Captial Projects	0.0	0.0	0.0
Capital and Non Capital Equipment	572.4	68.0	76.5
Cost Allocation / Indirect Costs	0.0	0.0	0.0
Transfers and Refunds (Out)	0.0	0.0	0.0
Total Expenditures	**97,259.5**	**89,299.2**	**130,231.0**
Ending Balance	**0.0**	**0.0**	**0.0**

Pass Through Fund Details

Pass-Through Funds (To Other State Agencies)

From/To Agency	From/To Fund	FY2016 Actual	FY2017 Estimate	FY2018 Estimate
Board of Nursing	Unknown	104.9	104.9	104.9
ADHS	Unknown	309.8	0.0	0.0
ADES	Unknown	46,283.4	29,383.3	63,383.3
ADOADC	Unknown	8,859.2	3,992.8	10,712.5
	Subtotal:	55,557.3	33,481.0	74,200.7

Sources & Uses Details of All Grants

Agency: HCA Arizona Health Care Cost Containment System
Grant Title: Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations
AFIS Grant # : 93.779 CFDA: 93.779

	FY 2016 Actual	FY 2017 Estimate	FY 2018 Estimate
FTE Positions	0.0	0.0	0.0
Beginning Balance	**0.0**	**0.0**	**0.0**
Revenues			
New Federal Revenue	4,074,457.9	4,839,620.1	5,055,824.7
Pass Through Funds (From other state agencies)	0.0	0.0	0.0
Transfers and Other Funds (In)	0.0	0.0	0.0
Total Revenue	**4,074,457.9**	**4,839,620.1**	**5,055,824.7**
Expenditures			
Personal Services	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0
Travel Out-of-State	0.0	0.0	0.0
Food	0.0	0.0	0.0
Pass-Through Funds (To Other State Agencies)	843,455.7	19,716.0	19,798.6
Pass-Through Funds (To Non-State Agencies)	242,461.5	251,135.7	303,803.7
Aid to Individuals	2,988,540.7	4,568,768.4	4,732,222.4
Other Operating Expenditures	0.0	0.0	0.0
Land Acquisition and Captial Projects	0.0	0.0	0.0
Capital and Non Capital Equipment	0.0	0.0	0.0
Cost Allocation / Indirect Costs	0.0	0.0	0.0
Transfers and Refunds (Out)	0.0	0.0	0.0
Total Expenditures	**4,074,457.9**	**4,839,620.1**	**5,055,824.7**
Ending Balance	**0.0**	**0.0**	**0.0**

Pass Through Fund Details

Pass-Through Funds (To Non-State Agencies)

From/To Agency	From/To Fund		FY2016 Actual	FY2017 Estimate	FY2018 Estimate
Schools	Unknown		44,315.7	45,826.1	47,202.8
DSH County	Unknown		4,170.8	13,776.0	0.0
DSH MIHS	Unknown		82,646.0	78,807.9	72,822.2
GMS County	Unknown		111,329.0	112,725.7	183,778.7
		Subtotal:	242,461.5	251,135.7	303,803.7

Pass-Through Funds (To Other State Agencies)

From/To Agency	From/To Fund		FY2016 Actual	FY2017 Estimate	FY2018 Estimate
DSH - ASH	Unknown		19,624.9	19,716.0	19,798.6
ADHS - BHS	Unknown		823,830.8	0.0	0.0
		Subtotal:	843,455.7	19,716.0	19,798.6

Sources & Uses Details of All Grants

Agency: HCA Arizona Health Care Cost Containment System

Grant Title: Developmental Disabilities Basic Support and Advocacy Grants

Grant # : 93.630 CFDA: 93.630

	FY 2016 Actual	FY 2017 Estimate	FY 2018 Estimate
FTE Positions	0.0	0.0	0.0
Beginning Balance	**0.0**	**0.0**	**0.0**
Revenues			
New Federal Revenue	133.4	68.6	68.6
Pass Through Funds (From other state agencies)	0.0	0.0	0.0
Transfers and Other Funds (In)	0.0	0.0	0.0
Total Revenue	**133.4**	**68.6**	**68.6**
Expenditures			
Personal Services	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0
Professional and Outside Services	133.4	68.6	68.6
Travel In-State	0.0	0.0	0.0
Travel Out-of-State	0.0	0.0	0.0
Food	0.0	0.0	0.0
Pass-Through Funds (To Other State Agencies)	0.0	0.0	0.0
Pass-Through Funds (To Non-State Agencies)	0.0	0.0	0.0
Aid to Individuals	0.0	0.0	0.0
Other Operating Expenditures	0.0	0.0	0.0
Land Acquisition and Captial Projects	0.0	0.0	0.0
Capital and Non Capital Equipment	0.0	0.0	0.0
Cost Allocation / Indirect Costs	0.0	0.0	0.0
Transfers and Refunds (Out)	0.0	0.0	0.0
Total Expenditures	**133.4**	**68.6**	**68.6**
Ending Balance	**0.0**	**0.0**	**0.0**

Sources & Uses Details of All Grants

Agency: HCA Arizona Health Care Cost Containment System
Grant Title: Projects for Assistance in Transition from Homelessness (PATH)
AFIS Grant # : 099038 CFDA: 93.150

	FY 2016 Actual	FY 2017 Estimate	FY 2018 Estimate
FTE Positions	0.0	0.0	0.0
Beginning Balance	**0.0**	**0.0**	**0.0**
Revenues			
New Federal Revenue	0.0	1,295.0	1,295.0
Pass Through Funds (From other state agencies)	0.0	0.0	0.0
Transfers and Other Funds (In)	0.0	0.0	0.0
Total Revenue	**0.0**	**1,295.0**	**1,295.0**
Expenditures			
Personal Services	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0
Travel Out-of-State	0.0	0.0	0.0
Food	0.0	0.0	0.0
Pass-Through Funds (To Other State Agencies)	0.0	0.0	0.0
Pass-Through Funds (To Non-State Agencies)	0.0	0.0	0.0
Aid to Individuals	0.0	1,295.0	1,295.0
Other Operating Expenditures	0.0	0.0	0.0
Land Acquisition and Captial Projects	0.0	0.0	0.0
Capital and Non Capital Equipment	0.0	0.0	0.0
Cost Allocation / Indirect Costs	0.0	0.0	0.0
Transfers and Refunds (Out)	0.0	0.0	0.0
Total Expenditures	**0.0**	**1,295.0**	**1,295.0**
Ending Balance	**0.0**	**0.0**	**0.0**

Sources & Uses Details of All Grants

Agency: HCA Arizona Health Care Cost Containment System

Grant Title: Substance Abuse and Mental Health Services_Projects of Regional and National Significance

S Grant # : 092077 CFDA: 93.243

	FY 2016 Actual	FY 2017 Estimate	FY 2018 Estimate
FTE Positions	0.0	0.0	0.0
Beginning Balance	**0.0**	**0.0**	**0.0**
Revenues			
New Federal Revenue	0.0	110.4	110.4
Pass Through Funds (From other state agencies)	0.0	0.0	0.0
Transfers and Other Funds (In)	0.0	0.0	0.0
Total Revenue	**0.0**	**110.4**	**110.4**
Expenditures			
Personal Services	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0
Travel Out-of-State	0.0	0.0	0.0
Food	0.0	0.0	0.0
Pass-Through Funds (To Other State Agencies)	0.0	0.0	0.0
Pass-Through Funds (To Non-State Agencies)	0.0	0.0	0.0
Aid to Individuals	0.0	110.4	110.4
Other Operating Expenditures	0.0	0.0	0.0
Land Acquisition and Captial Projects	0.0	0.0	0.0
Capital and Non Capital Equipment	0.0	0.0	0.0
Cost Allocation / Indirect Costs	0.0	0.0	0.0
Transfers and Refunds (Out)	0.0	0.0	0.0
Total Expenditures	**0.0**	**110.4**	**110.4**
Ending Balance	**0.0**	**0.0**	**0.0**

Sources & Uses Details of All Grants

Agency: HCA Arizona Health Care Cost Containment System
Grant Title: Substance Abuse and Mental Health Services_Projects of Regional and National Significance
AFIS Grant # : 092075 CFDA: 93.243

	FY 2016 Actual	FY 2017 Estimate	FY 2018 Estimate
FTE Positions	0.0	0.0	0.0
Beginning Balance	**0.0**	**0.0**	**0.0**
Revenues			
New Federal Revenue	0.0	63.5	63.5
Pass Through Funds (From other state agencies)	0.0	0.0	0.0
Transfers and Other Funds (In)	0.0	0.0	0.0
Total Revenue	**0.0**	**63.5**	**63.5**
Expenditures			
Personal Services	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0
Travel Out-of-State	0.0	0.0	0.0
Food	0.0	0.0	0.0
Pass-Through Funds (To Other State Agencies)	0.0	0.0	0.0
Pass-Through Funds (To Non-State Agencies)	0.0	0.0	0.0
Aid to Individuals	0.0	63.5	63.5
Other Operating Expenditures	0.0	0.0	0.0
Land Acquisition and Captial Projects	0.0	0.0	0.0
Capital and Non Capital Equipment	0.0	0.0	0.0
Cost Allocation / Indirect Costs	0.0	0.0	0.0
Transfers and Refunds (Out)	0.0	0.0	0.0
Total Expenditures	**0.0**	**63.5**	**63.5**
Ending Balance	**0.0**	**0.0**	**0.0**

Sources & Uses Details of All Grants

Agency: HCA Arizona Health Care Cost Containment System

Grant Title: Substance Abuse and Mental Health Services_Projects of Regional and National Significance

3 Grant # : 092070 CFDA: 93.243

	FY 2016 Actual	FY 2017 Estimate	FY 2018 Estimate
FTE Positions	0.0	0.0	0.0
Beginning Balance	**0.0**	**0.0**	**0.0**
Revenues			
New Federal Revenue	0.0	460.7	460.7
Pass Through Funds (From other state agencies)	0.0	0.0	0.0
Transfers and Other Funds (In)	0.0	0.0	0.0
Total Revenue	**0.0**	**460.7**	**460.7**
Expenditures			
Personal Services	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0
Travel Out-of-State	0.0	0.0	0.0
Food	0.0	0.0	0.0
Pass-Through Funds (To Other State Agencies)	0.0	0.0	0.0
Pass-Through Funds (To Non-State Agencies)	0.0	0.0	0.0
Aid to Individuals	0.0	460.7	460.7
Other Operating Expenditures	0.0	0.0	0.0
Land Acquisition and Captial Projects	0.0	0.0	0.0
Capital and Non Capital Equipment	0.0	0.0	0.0
Cost Allocation / Indirect Costs	0.0	0.0	0.0
Transfers and Refunds (Out)	0.0	0.0	0.0
Total Expenditures	**0.0**	**460.7**	**460.7**
Ending Balance	**0.0**	**0.0**	**0.0**

Listing of Performance Measures of All Grants

Agency: HCA Arizona Health Care Cost Containment System

Title: ACA - State Innovation Models: Funding for Model Design and Model Testing Assistance

Grant No: 1G1CMS331385-01 **CFDA:** 93.624 **Grantor:** Department of Health and Human Services

Period: One-Time **Start Date:** 2/1/2015 **End Date:** 1/31/2016

Type of Grant: **If Other, Explain:** **Administrative costs are permitted to be paid using this federal money:** ☐

Fed. % or $ Cap: **Source of Match:**

AFIS fund number where the grant is maintained: 2000

Is this American Recovery and Reinvestment Act money (Stimulus)? No

Description: The Center for Medicare and Medicaid Innovation (Innovation Center) announces the second round of funding for the State Innovation Models (SIM) program. SIM is based on the premise that state innovation with broad stakeholder input and engagement, including multi-payer models, will accelerate delivery system transformation to provide better care at lower costs. SIM is focused on public and private sector collaboration to transform the state's delivery system. SIM provides financial and technical support to states to test the ability of state governments to use their regulatory and policy levers to accelerate health transformation. In Round 1, CMS partnered with 6 Model Test states to implement state-wide health transformation strategies and 19 Model Design states to develop and refine State Healthcare Innovation Plans to guide future implementation efforts.

Drawing on lessons from the funding opportunity released in Round 1, State Innovation Models: Funding for Model Design and Testing Assistance (CMS-1G1-12-001) (Round 1 FOA), Round 2 of SIM specifies additional parameters that CMS believes correlate with successful state-wide health transformation. These parameters are described in this Funding Announcement in the form of requirements for Round 2 applications. CMS will fund up to 12 Model Test states with approximately $20-100 million grants per state, with funding based in part on the size of the state population and the scope of the transformation proposal. Additionally, CMS will provide up to $3 million per state for up to 15 Model Design cooperative agreements to design new State Health System Innovation Plans or enhance existing plans developed in Round 1. All Round 1 Model Design states must apply for Round 2 of SIM. The Round 1 FOA indicated that states receiving Round 1 Model Design awards must submit a Model Testing proposal for the Round 2 FOA. CMS is amending that requirement to submit a testing proposal in Round 2, so that a Model Design state may either apply for a Model Test award or may apply for a second Model Design award in order to enhance their State Health System Innovation Plan for future testing.

Performance Measure: Submit a State Innovation Plan by the conclusion of this grant.

FY 2015	FY 2016	FY 2017	FY 2018
NA	NA	NA	NA

Performance Measure Description:

The State of Arizona will have completed and submitted a State Innovation Plan at the conclusion of this Grant.

Listing of Performance Measures of All Grants

Agency: HCA Arizona Health Care Cost Containment System

Title: Affordable Care Act: Testing Experience and Functional Assessment Tools

AFIS Grant No: 1H1CMS331305-01 CFDA: 93.627 Grantor: Department of Health and Human Services

Periodic: Periodic Renewal Start Date: 4/1/2014 End Date: 3/31/2018

Type of Grant: If Other, Explain: Administrative costs are permitted to be paid using this federal money: ☑

Fed. % or $ Cap: 100% Source of Match:

AFIS fund number where the grant is maintained: 2000

Is this American Recovery and Reinvestment Act money (Stimulus)? No

Description: To support State Medicaid agencies in testing, collecting, and reporting the Initial Core Set of Health Care Quality Measures for Adults Enrolled in Medicaid to CMS. Additionally, the grant funding will also support States' efforts to use thisthese data for improving the quality of care for adults covered by Medicaid.

Performance Measure: Experience of Care Survey for Members Receiving HCBS

FY 2015	FY 2016	FY 2017	FY 2018
NA	55%	NA	NA

Performance Measure Description:

Due to the grant being in the early planning stages a definitive performance measure has not been established. The Experience of Care Survey will be conducted and performance measures will be determined at that time.

Listing of Performance Measures of All Grants

Agency: HCA Arizona Health Care Cost Containment System

Title: ARRA - State Grants to Promote Health Information Technology

A[illegible] Grant No: 93.719 **CFDA:** 93.719 **Grantor:** Department of Health and Human Services

[illegible]dic: On-going **Start Date:** **End Date:**

Type of Grant: **If Other, Explain:**

Fed. % or $ Cap: **Source of Match:** NA

Administrative costs are permitted to be paid using this federal money: ☑

AFIS fund number where the grant is maintained: 2120

Is this American Recovery and Reinvestment Act money (Stimulus)? Yes

Description: Promote the electronic movement and use of health information among organizations using nationally recognized interoperability standards. Enable providers to qualify for Medicare and Medicaid financial incentives, authorized by ARRA, by providing health information exchange that meets meaningful use requirements. Improve health care quality and efficiency. A subset of grantees received additional funding to focus on breakthrough innovations for health information exchange that can be leveraged widely to support nationwide health information exchange and interoperability.

Performance Measure: Electronic Health Record Adoption

FY 2015	FY 2016	FY 2017	FY 2018
3100		4473	

Performance Measure Description:

Number of Eligible Professional's and Eligible Hospitals in Arizona expected to apply and qualify for the Electronic Health Record Program. Numbers are based on payments received.

Listing of Performance Measures of All Grants

Agency: HCA Arizona Health Care Cost Containment System

Title: Block Grants for Community Mental Health Services

AFIS Grant No: 099056 CFDA: 93.958 Grantor: Department of Health and Human Services

Periodic: Start Date: End Date:

Type of Grant: If Other, Explain: Administrative costs are permitted to be paid using this federal money: ☐

Fed. % or $ Cap: Source of Match:

AFIS fund number where the grant is maintained:

Is this American Recovery and Reinvestment Act money (Stimulus)? No

Description: To provide financial assistance to States and Territories to enable them to carry out the State's plan for providing comprehensive community mental health services to adults with a serious mental illness and to children with a serious emotional disturbance; monitor the progress in implementing a comprehensive community based mental health system; provide technical assistance to States and the Mental Health Planning Council that will assist the States in planning and implementing a comprehensive community based mental health system.

Performance Measure: Percentage of funding utilized in the budget period (Funding Utilization Ratio)

FY 2015	FY 2016	FY 2017	FY 2018
87%		97%	

Performance Measure Description:

The funding utilization ratio is used to measure the administrative efficiency of the grant. The ratio compares the percentage of grant expenditure and encumbrance as of the fiscal year end with the percentage of budget period elapsed by the end of fiscal year.

The Arizona Department of Health Services (ADHS) will report on all FY 2015 and FY 2016 performance metrics for this grant. In FY 2017, management of this grant will transfer to AHCCCS.

Listing of Performance Measures of All Grants

Agency: HCA Arizona Health Care Cost Containment System

Title: Block Grants for Prevention and Treatment of Substance Abuse

A Grant No: 099043 **CFDA:** 93.959 **Grantor:** Department of Health and Human Services

F dic: **Start Date:** **End Date:**

Type of Grant: **If Other, Explain:** **Administrative costs are permitted to be paid using this federal money:** ☐

Fed. % or $ Cap: **Source of Match:**

AFIS fund number where the grant is maintained:

Is this American Recovery and Reinvestment Act money (Stimulus)? No

Description: To provide financial assistance to States and Territories to support projects for the development and implementation of prevention, treatment and rehabilitation activities directed to the diseases of alcohol and drug abuse.

Performance Measure: Percentage of funding utilized in the budget period (Funding Utilization Ratio)

FY 2015	FY 2016	FY 2017	FY 2018
100%	NA	NA	NA

Performance Measure Description:

The funding utilization ratio is used to measure the administrative efficiency of the grant. The ratio compares the percentage of grant expenditure and encumbrance as of the fiscal year end with the percentage of budget period elapsed by the end of fiscal year.

The calculated performance measure is over 100% because Pass Thru and/or Professional and Outside Services have already been encumbered through the execution of a completed contract, ISA or IGA, and are included in the total expenditures to date.

The Arizona Department of Health Services (ADHS) will report on all FY 2015 and FY 2016 performance metrics for this grant. In FY 2017, management of this grant will transfer to AHCCCS.

Listing of Performance Measures of All Grants

Agency: HCA Arizona Health Care Cost Containment System

Title: Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations

AFIS Grant No: 93.779 CFDA: 93.779 Grantor: Department of Health and Human Services

Periodic: Ongoing Start Date: End Date:

Type of Grant: If Other, Explain: Administrative costs are matched at Federal Financial Participation (FFP) Rates that vary depending on the activity.

Administrative costs are permitted to be paid using this federal money: ☑

Fed. % or $ Cap: 68.46% Source of Match: General Fund, County Funds, IGA and ISA Fund

AFIS fund number where the grant is maintained: 2120

Is this American Recovery and Reinvestment Act money (Stimulus)? No

Description: The Centers for Medicare & Medicaid Services (CMS) conducts research, demonstrations, and evaluations in support of CMS' key role as a beneficiary-centered purchaser of high-quality health care at a reasonable cost. These grants are awarded are in the form of research grants and cooperative agreements; Hispanic health services grants; historically black colleges and university grants. For fiscal years 2010 and 2011, CMS research, demonstrations and evaluations will focus on expanding agency efforts to improve the efficiency of payment, delivery, access and quality of our health care programs that serve millions of beneficiaries.

Performance Measure: Percent of well child visits in the first 15 months of life (EPSDT)

FY 2015	FY 2016	FY 2017	FY 2018
67.9	0	68.0	0

Performance Measure Description:

Based on Healthcare Effectiveness Data and Information Set (HEDIS) measures.

Listing of Performance Measures of All Grants

Agency: HCA Arizona Health Care Cost Containment System

Performance Measure: Administrative invoices paid within 30 days

FY 2015	FY 2016	FY 2017	FY 2018
95.8		95.0	95.0

Performance Measure Description:

Measure of the percentage of administrative invoices which are paid within 30 days

Listing of Performance Measures of All Grants

Agency: HCA Arizona Health Care Cost Containment System

Performance Measure: Percentage of members utilizing Home and Community Based Services (HCBS)

FY 2015	FY 2016	FY 2017	FY 2018
86.0	0	87.6	0

Performance Measure Description:

In order to prevent premature institutionalization, AHCCCS encourages clients to utilize HCBS services as a cost effective alternative to nursing facilities.

Listing of Performance Measures of All Grants

Agency: HCA Arizona Health Care Cost Containment System

Title: Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations

Grant No: 937794 **CFDA:** 93.779 **Grantor:** Department of Health and Human Services

Periodic: Ongoing **Start Date:** **End Date:**

Type of Grant: **If Other, Explain:** **Administrative costs are permitted to be paid using this federal money:** ☑

Fed. % or $ Cap: 77.92% **Source of Match:** General Fund

AFIS fund number where the grant is maintained: 2409

Is this American Recovery and Reinvestment Act money (Stimulus)? No

Description: The Centers for Medicare & Medicaid Services (CMS) conducts research, demonstrations, and evaluations in support of CMS' key role as a beneficiary-centered purchaser of high-quality health care at a reasonable cost. These grants are awarded are in the form of research grants and cooperative agreements; Hispanic health services grants; historically black colleges and university grants. For fiscal years 2010 and 2011, CMS research, demonstrations and evaluations will focus on expanding agency efforts to improve the efficiency of payment, delivery, access and quality of our health care programs that serve millions of beneficiaries.

Performance Measure: Percent of AHCCCS children's access to primary care provider

FY 2015	FY 2016	FY 2017	FY 2018
NA	NA	NA	NA

Performance Measure Description:

Due to the small KidsCare population size, this preformance measure is no longer being generated.

Listing of Performance Measures of All Grants

Agency: HCA Arizona Health Care Cost Containment System

Title: Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations

AFIS Grant No: 937807 CFDA: 93.779 Grantor: Department of Health and Human Services

Periodic: Ongoing Start Date: End Date:

Type of Grant: If Other, Explain: Based on regular FMAP. 100% Federal match is available for IHS Facilities. 88.96% average match is available for Expansion State Adults.

Administrative costs are permitted to be paid using this federal money: ☑

Fed. % or $ Cap: 68.46% or 88.96% Source of Match: General Fund, Tobacco Funds, IGA and ISA Fund

AFIS fund number where the grant is maintained: 2120

Is this American Recovery and Reinvestment Act money (Stimulus)? No

Description: The Centers for Medicare & Medicaid Services (CMS) conducts research, demonstrations, and evaluations in support of CMS' key role as a beneficiary-centered purchaser of high-quality health care at a reasonable cost. These grants are awarded are in the form of research grants and cooperative agreements; Hispanic health services grants; historically black colleges and university grants. For fiscal years 2010 and 2011, CMS research, demonstrations and evaluations will focus on expanding agency efforts to improve the efficiency of payment, delivery, access and quality of our health care programs that serve millions of beneficiaries.

Performance Measure: Percent of people under age 65 that are uninsured

FY 2015	FY 2016	FY 2017	FY 2018
19%	12%	12%	12%

Performance Measure Description:

One goal of Proposition 204 is to reduce the number of uninsured citizens in Arizona

Based on US Census Current Population Survey, 2014 Social and Economic Supplement

Listing of Performance Measures of All Grants

Agency: HCA Arizona Health Care Cost Containment System

Title: Developmental Disabilities Basic Support and Advocacy Grants

Grant No: 93.630 **CFDA:** 93.630 **Grantor:** Department of Health and Human Services

Periodic: **Start Date:** 5/1/2012 **End Date:** 7/31/2014

Type of Grant: **If Other, Explain:** **Administrative costs are permitted to be paid using this federal money:** ☑

Fed. % or $ Cap: 100% **Source of Match:**

AFIS fund number where the grant is maintained: 2000

Is this American Recovery and Reinvestment Act money (Stimulus)? No

Description: Developmental Disabilities Basic Support and Advocacy Grants: To enable individuals with developmental disabilities to become independent, productive, integrated and included into their communities. Funding under these programs is to assist States in the development of a plan for a comprehensive and coordinated system of services and other activities to enhance the lives of individuals with developmental disabilities and their families to their maximum potential, and to support a system which protects the legal and human rights of individuals with developmental disabilities.

Performance Measure: The number of individules with developemental and other disabilities employed

FY 2015	FY 2016	FY 2017	FY 2018
309		100	

Performance Measure Description:

It is the hope of WIIN and UAZ to help as many as 625 individules with disabilities to secure employment. WIIN ends September 30, 2015.

Listing of Performance Measures of All Grants

Agency: HCA Arizona Health Care Cost Containment System

Title: Medical Assistance Program

AFIS Grant No: 937219 CFDA: 93.778 Grantor: Department of Health and Human Services

Periodic: On-going Start Date: End Date:

Type of Grant: If Other, Explain: Administrative costs are permitted to be paid using this federal money: ☑

Fed. % or $ Cap: 50% Source of Match: ADHS CPE

AFIS fund number where the grant is maintained: 2000

Is this American Recovery and Reinvestment Act money (Stimulus)? No

Description: To provide financial assistance to States for payments of medical assistance on behalf of cash assistance recipients, children, pregnant women, and the aged who meet income and resource requirements, and other categorically-eligible groups. In certain States that elect to provide such coverage, medically-needy persons, who, except for income and resources, would be eligible for cash assistance, may be eligible for medical assistance payments under this program. Financial assistance is provided to States to pay for Medicare premiums, copayments and deductibles of qualified Medicare beneficiaries meeting certain income requirements. More limited financial assistance is available for certain Medicare beneficiaries with higher incomes.

Performance Measure: Overall percentage of providers who report into the ASIIS registry timely

FY 2015	FY 2016	FY 2017	FY 2018
NA		NA	

Performance Measure Description:

This is no longer a performance improvement project of AHCCCS.

Listing of Performance Measures of All Grants

Agency: HCA Arizona Health Care Cost Containment System

Title: Projects for Assistance in Transition from Homelessness (PATH)

Grant No: 099038 **CFDA:** 93.150 **Grantor:** Department of Health and Human Services

Periodic: **Start Date:** **End Date:**

Type of Grant: **If Other, Explain:** **Administrative costs are permitted to be paid using this federal money:** ☐

Fed. % or $ Cap: **Source of Match:**

AFIS fund number where the grant is maintained:

Is this American Recovery and Reinvestment Act money (Stimulus)? No

Description: To provide financial assistance to States to support services for individuals who are suffering from serious mental illness or serious mental illness and substance abuse; and are homeless or at imminent risk of becoming homeless. Programs and activities include: (1) Outreach services; (2) screening and diagnostic treatment services; (3) habilitation and rehabilitation services; (4) community mental health services; (5) alcohol or drug treatment services; (6) staff training; (7) case management services; (8) supportive and supervisory services in residential settings; (9) referrals for primary health services, job training, educational services, and relevant housing services; and (10) prescribed set of housing services.

Performance Measure: Percentage of funding utilized in the budget period (Funding Utilization Ratio)

FY 2015	FY 2016	FY 2017	FY 2018
100%	NA`	NA	NA

Performance Measure Description:

The funding utilization ratio is used to measure the administrative efficiency of the grant. The ratio compares the percentage of grant expenditure and encumbrance as of the fiscal year end with the percentage of budget period elapsed by the end of fiscal year.

The Arizona Department of Health Services (ADHS) will report on all FY 2015 and FY 2016 performance metrics for this grant. In FY 2017, management of this grant will transfer to AHCCCS.

Listing of Performance Measures of All Grants

Agency: HCA Arizona Health Care Cost Containment System

Title: Substance Abuse and Mental Health Services_Projects of Regional and National Significance

AFIS Grant No: 092070 CFDA: 93.243 Grantor: Department of Health and Human Services

Periodic: Start Date: End Date:

Type of Grant: If Other, Explain: Administrative costs are permitted to be paid using this federal money: ☐

Fed. % or $ Cap: Source of Match:

AFIS fund number where the grant is maintained:

Is this American Recovery and Reinvestment Act money (Stimulus)? No

Description: Substance Abuse and Mental Health Service Administration (SAMHSA) was reauthorized by the Children's Health Action of 2000, Public law 106-310. Under this reauthorization, SAMHSA was given the authority to address priority substance abuse treatment, prevention and mental health needs of regional and national significance through assistance (grants and cooperative agreements) to States, political subdivisions of States, Indian tribes and tribal organizations, and other public or nonprofit private entities. Under these sections, CSAT, CMHS and CSAP seek to expand the availability of effective substance abuse treatment and recovery services available to Americans to improve the lives of those affected by alcohol and drug additions, and to reduce the impact of alcohol and drug abuse on individuals, families, communities and societies and to address priority mental health needs of regional and national significance and assist children in dealing with violence and traumatic events through by funding grant and cooperative agreement projects. Grants and cooperative agreements may be for (1) knowledge and development and application projects for treatment and rehabilitation and the conduct or support of evaluations of such projects; (2) training and technical assistance; (3) targeted capacity response programs (4) systems change grants including statewide family network grants and client-oriented and consumer run self-help activities and (5) programs to foster health and development of children; (6) coordination and integration of primary care services into publicly-funded community mental health centers and other community-based behavioral health settings funded under Affordable Care Act (ACA).

Performance Measure: Percentage of funding utilized in the budget period (Funding Utilization Ratio)

FY 2015	FY 2016	FY 2017	FY 2018
27%		47%	

Performance Measure Description:

The funding utilization ratio is used to measure the administrative efficiency of the grant. The ratio compares the percentage of grant expenditure and encumbrance as of the fiscal year end with the percentage of budget period elapsed by the end of fiscal year.

The Arizona Department of Health Services (ADHS) will report on all FY 2015 and FY 2016 performance metrics for this grant. In FY 2017, management of this grant will transfer to AHCCCS.

Listing of Performance Measures of All Grants

Agency: HCA Arizona Health Care Cost Containment System

Title: Substance Abuse and Mental Health Services_Projects of Regional and National Significance

Grant No: 092075 **CFDA:** 93.243 **Grantor:** Department of Health and Human Services

Periodic: **Start Date:** **End Date:**

Type of Grant: **If Other, Explain:** **Administrative costs are permitted to be paid using this federal money:** ☐

Fed. % or $ Cap: **Source of Match:**

AFIS fund number where the grant is maintained:

Is this American Recovery and Reinvestment Act money (Stimulus)? No

Description: Substance Abuse and Mental Health Service Administration (SAMHSA) was reauthorized by the Children's Health Action of 2000, Public law 106-310. Under this reauthorization, SAMHSA was given the authority to address priority substance abuse treatment, prevention and mental health needs of regional and national significance through assistance (grants and cooperative agreements) to States, political subdivisions of States, Indian tribes and tribal organizations, and other public or nonprofit private entities. Under these sections, CSAT, CMHS and CSAP seek to expand the availability of effective substance abuse treatment and recovery services available to Americans to improve the lives of those affected by alcohol and drug additions, and to reduce the impact of alcohol and drug abuse on individuals, families, communities and societies and to address priority mental health needs of regional and national significance and assist children in dealing with violence and traumatic events through by funding grant and cooperative agreement projects. Grants and cooperative agreements may be for (1) knowledge and development and application projects for treatment and rehabilitation and the conduct or support of evaluations of such projects; (2) training and technical assistance; (3) targeted capacity response programs (4) systems change grants including statewide family network grants and client-oriented and consumer run self-help activities and (5) programs to foster health and development of children; (6) coordination and integration of primary care services into publicly-funded community mental health centers and other community-based behavioral health settings funded under Affordable Care Act (ACA).

Performance Measure: Percentage of funding utilized in the budget period (Funding Utilization Ratio)

FY 2015	FY 2016	FY 2017	FY 2018
10%		20%	

Performance Measure Description:

The funding utilization ratio is used to measure the administrative efficiency of the grant. The ratio compares the percentage of grant expenditure and encumbrance as of the fiscal year end with the percentage of budget period elapsed by the end of fiscal year.

The Arizona Department of Health Services (ADHS) will report on all FY 2015 and FY 2016 performance metrics for this grant. In FY 2017, management of this grant will transfer to AHCCCS.

Listing of Performance Measures of All Grants

Agency: HCA Arizona Health Care Cost Containment System

Title: Substance Abuse and Mental Health Services_Projects of Regional and National Significance

AFIS Grant No: 092077 CFDA: 93.243 Grantor: Department of Health and Human Services

Periodic: Start Date: End Date:

Type of Grant: If Other, Explain: Administrative costs are permitted to be paid using this federal money: ☐

Fed. % or $ Cap: Source of Match:

AFIS fund number where the grant is maintained:

Is this American Recovery and Reinvestment Act money (Stimulus)? No

Description: Substance Abuse and Mental Health Service Administration (SAMHSA) was reauthorized by the Children's Health Action of 2000, Public law 106-310. Under this reauthorization, SAMHSA was given the authority to address priority substance abuse treatment, prevention and mental health needs of regional and national significance through assistance (grants and cooperative agreements) to States, political subdivisions of States, Indian tribes and tribal organizations, and other public or nonprofit private entities. Under these sections, CSAT, CMHS and CSAP seek to expand the availability of effective substance abuse treatment and recovery services available to Americans to improve the lives of those affected by alcohol and drug additions, and to reduce the impact of alcohol and drug abuse on individuals, families, communities and societies and to address priority mental health needs of regional and national significance and assist children in dealing with violence and traumatic events through by funding grant and cooperative agreement projects. Grants and cooperative agreements may be for (1) knowledge and development and application projects for treatment and rehabilitation and the conduct or support of evaluations of such projects; (2) training and technical assistance; (3) targeted capacity response programs (4) systems change grants including statewide family network grants and client-oriented and consumer run self-help activities and (5) programs to foster health and development of children; (6) coordination and integration of primary care services into publicly-funded community mental health centers and other community-based behavioral health settings funded under Affordable Care Act (ACA).

Performance Measure: Percentage of funding utilized in the budget period (Funding Utilization Ratio)

FY 2015	FY 2016	FY 2017	FY 2018
16%		32%	

Performance Measure Description:

The funding utilization ratio is used to measure the administrative efficiency of the grant. The ratio compares the percentage of grant expenditure and encumbrance as of the fiscal year end with the percentage of budget period elapsed by the end of fiscal year.

The Arizona Department of Health Services (ADHS) will report on all FY 2015 and FY 2016 performance metrics for this grant. In FY 2017, management of this grant will transfer to AHCCCS.