



September 27, 2017

Michael Kowren
Procurement Specialist
AHCCCS Procurement Office
701 E. Jefferson, MD 5700
Phoenix, AZ 85034

Via email: Michael.Kowren@azahcccs.gov

RE: Task Order #YH18-0031
“Analysis of Prop 206 Impact on Provider Network Adequacy”

Dear Mr. Kowren:

Health Services Advisory Group, Inc. (HSAG) is pleased to submit this response to the above-mentioned task order referencing our contract number ADSP013-058531.

HSAG acknowledges receipt of answers to questions on Tuesday, September 26, 2017.

We understand the purpose of this analysis is to review the adequacy of the AHCCCS long-term care system provider network (including those providers contracted with DDD) and to identify any network deficiencies that may have resulted from the enactment of Prop 206, in order to ensure AHCCCS members' access to healthcare services.

I am the person authorized to bind the organization, and also the person responsible for our response to this task order. Please do not hesitate to contact me if you have any questions or require clarification. I can be reached at 602.801.6701 or mdalton@hsag.com.

Sincerely,

A handwritten signature in black ink that reads "Mary Ellen Dalton". The signature is written in a cursive, flowing style.

Mary Ellen Dalton, PhD, MBA, RN
President and Chief Executive Officer

MED:rp

Task Order Response

Health Services Advisory Group, Inc. (HSAG) is providing its response regarding the Arizona Health Care Cost Containment System (AHCCCS), Task Order #YH18-0031, Analysis of Prop 206 Impact on Provider Network Adequacy on the following pages.

The Required Elements 1-3 (8.1 on page 5 of 7 of the revised Task Order) are addressed in the cover letter submitted with this response.

HSAG Corporate Background & History

Since 1979, HSAG has provided innovative leadership on healthcare quality improvement projects for federal, state, and private sector clients, and is one of the most experienced quality improvement and external quality review organizations in the nation. HSAG is recognized as an agent of change in the healthcare industry because of its successful collaboration with providers across the continuum of care.

HSAG has more than 550 employees including healthcare and clinical professionals, technical researchers, data analysts, statisticians, and information technologists. HSAG's corporate headquarters is in Phoenix, Arizona, with satellite offices located in Glendale, California; Burlingame, California; Aurora, Colorado; Tampa, Florida; Honolulu, Hawaii; Columbus, Ohio; Oklahoma City, Oklahoma; and Christiansted, U.S. Virgin Islands. HSAG has a national presence and is directly involved in evaluating and improving the quality of care for a significant percentage of Medicare and Medicaid members.

MEDICARE

HSAG was originally established as a professional standards review organization (PSRO) reviewing Medicare hospitalizations for quality and utilization for the northern half of Arizona. HSAG was incorporated as a privately held, for-profit corporation under the laws of the State of Arizona in 1982, and is wholly-owned by its parent company, Health Services Holdings, Inc. (HSH). The Centers for Medicare & Medicaid Services (CMS) awarded HSAG the first peer review organization (PRO) contract for Arizona Medicare beneficiaries in 1984, later changing to a quality improvement organization (QIO). HSAG has performed QIO services for all CMS Scopes of Work (SOW). Today, HSAG is the Quality Innovation Network-Quality Improvement Organization (QIN-QIO) for Arizona, California, Florida, Ohio, and the U.S. Virgin Islands (25 percent of the Medicare population); and holds contracts for the End Stage Renal Disease Networks 7, 13, 15, and 17 (includes the states of Arkansas, Arizona, Northern California, Colorado, Florida, Hawaii, Louisiana, Oklahoma, New Mexico, Nevada, Wyoming and territories of American Samoa, Guam, and Mariana Islands (19 percent of the Medicare dialysis population).

MEDICAID

Since 1983, HSAG has been actively engaged in evaluating the quality of care received by Medicaid recipients. Currently, HSAG provides external quality review (EQR)-related services in 16 states: Arizona, California, Colorado, Florida, Georgia, Hawaii, Illinois, Iowa, Michigan, Nevada, New Hampshire, Ohio, Tennessee, Utah, Vermont, and Virginia, addressing quality, timeliness, and access to care for more than 45 percent of the nation's Medicaid population.

Experience and Capabilities

HSAG contracts with a broad range of government and private sector customers that allow it to employ a variety of staff members with specialized expertise. HSAG has built strong and lasting relationships with healthcare stakeholders, hospitals, practitioners, home health agencies, nursing homes, and health plans.

HSAG is the largest and most experienced External Quality Review Organization (EQRO) in the nation, offering services to 16 different and unique Medicaid agencies with local nuances and needs. HSAG is a subject matter expert in assessing managed long-term services and supports (MLTSS) programs and special needs plans (SNPs) as well as managed care organizations (MCOs). HSAG has the capability to bring to AHCCCS nationwide best practices and lessons learned in more states than any other organization. Moreover, the ability to compare data across similar plan structures and provide benchmarks is a unique resource sought after by many Medicaid agencies. In addition, HSAG is familiar with all Arizona Long Term Care System (ALTCSS) MCOs. HSAG has a thorough understanding of the activities that AHCCCS wants addressed, and has included all information necessary to assist AHCCCS in assessing HSAG's abilities, experience, and personnel qualifications. Specifically, the following section highlights HSAG's experience in key components of this project: Assessing Network Adequacy, Survey Development and Administration, and Conducting Compliance and Readiness Reviews.

ASSESSING NETWORK ADEQUACY

For the past 15 years, HSAG has planned, organized, and completed managed care provider network adequacy reviews. The reviews ensure that each MCO has adequate provider networks to deliver healthcare services to its managed care beneficiaries in coverage areas. As a general approach, HSAG uses the following key steps to validate network adequacy:

- Assess the network analysis needs of the State, including a review of existing standards and MCOs' efforts. Based on the State's needs, initial activities may include gap analyses between existing standards and activities relative to the revised federal.
- Develop validation materials (e.g., work plan, methodology, and data collection tools).
- Identify data sources and obtain network information from the MCOs and the State. This includes technical assistance to the MCOs regarding data requirements and data submissions.
- Conduct retrospective and comparative data analyses to validate multiple dimensions of access, including:
 - Network capacity
 - Geographic distribution
 - Availability of services, as appropriate



DEVELOPING AND ADMINISTERING SURVEYS

As an industry leader in measuring the effectiveness of healthcare, HSAG has extensive experience in survey management, instrument design, and report development. In 1995, HSAG began to develop health outcomes expertise with surveys that included patient-reported health status, quality of life, and satisfaction. HSAG quickly became a leader in the field by designing and conducting scientifically sound surveys aimed at assessing member satisfaction and provider satisfaction.

HSAG's extensive expertise with surveys enables it to efficiently and effectively integrate survey results with findings derived from other activities in order to identify relevant impacts to the provider network.

CONDUCTING COMPLIANCE AND READINESS REVIEWS

HSAG has performed compliance monitoring reviews for MCOs in numerous states since 2001. HSAG uses the most recent version of the CMS protocols for conducting EQR compliance reviews (*EQR Protocol 1: Assessment of Compliance with Medicaid Managed Care Regulations: A Mandatory Protocol for External Quality Review [EQR]*, Version 2.0, September 2012) to evaluate compliance with federal managed care regulations and select state contract standards related to access, structure and operations, as well as measurement and improvement standards. HSAG's compliance review team members are familiar with each state's contracts with the MCOs and they assist state personnel in achieving the goals outlined in a state's quality strategy. HSAG has proven methods for collaborating with states to design the focus of the review activities and the review process, and to develop the monitoring tools to assess quality and compliance. In several states, HSAG also is responsible for the corrective action plan process and follow-up reviews to ensure MCOs attain and maintain full compliance. Often, HSAG's findings of performance trends and the resulting recommendations are the catalyst to state level policy and contract revisions, statewide improvement initiatives, and technical assistance forums.

CMS requires state Medicaid agencies to provide quality oversight and monitoring of the MCOs' MLTSS providers, and to monitor the quality of services provided to MLTSS recipients. HSAG has conducted readiness reviews, quality oversight, and monitoring for MLTSS services. HSAG develops standardized desk readiness review data collection tools and processes to assess and document MCO compliance in key functional areas of health plan operations related to the delivery of MLTSS services.

The team working on this task order will include staff from Data Science & Advanced Analytics (DSAA) as well as State & Corporate Services (S&CS), who have supported AHCCCS in several activities, including performance measures (PM) calculations, Consumer Assessment of Healthcare Providers and Systems (CAHPS^{®1}) survey activities, substance abuse studies, and production of the Annual Technical Report.

¹ CAHPS[®] is a registered trademark of the Agency for Healthcare Research and Quality (AHRQ).

DATA SCIENCE & ADVANCED ANALYTICS (DSAA)

DSAA consists of six operational areas and staffs an extensive team of analysts, statisticians, clinicians, and data scientists to support HSAG's contracts. With its commitment to the creation of quality products and reports, DSAA is well positioned to assist clients with any analytic need. The team works in collaboration with both internal and external clients to achieve efficient and effective solutions to today's healthcare questions. The following provides an overview of DSAA's teams and capabilities.

1. **Federal Analytics:** provides the data analyses to support the teams' efforts in providing technical assistance, sharing best practices, conducting targeted improvement initiatives, providing patient and provider education services, investigating grievances, supporting policy, determining annual payment updates, and monitoring program performance to thousands of healthcare facilities through several federal CMS contracts.
2. **Hospital Improvement Innovation Network (HIIN):** collects data and calculates measure rates on behalf of hundreds of hospitals via standardized measures and created a secure web-based portal to allow hospitals to: select the measures they wish to monitor and track; submit measure data via file upload or web forms; and view, analyze, and track measure rates over time via an embedded visual dashboard and comprehensive downloadable reports.
3. **Performance Measures and Surveys:** calculates performance measure rates, creates consumer scorecards that rate plans based on performance, determines performance awards, oversees the administration of CAHPS® surveys, provider surveys, and produces reports assessing patient and provider satisfaction with healthcare services for several state Medicaid agencies.
4. **Advanced Analytics:** consults with several customers to develop novel methodologies that target the customers' questions of effectiveness of programs and policies.
5. **Data Science:** employs data-driven scientific methods to perform a wide variety of activities in support of federal agencies in the implementation, maintenance, and/or evaluation of several policy-driven initiatives.
6. **State Analytics:** provides analytic expertise for HSAG's EQR-related services in 16 states, including assistance with identifying project requirements, defining project methodologies, planning and executing analyses, and preparing final reports.

STATE & CORPORATE SERVICES (S&CS)

As an EQRO, HSAG evaluates MCOs, prepaid inpatient health plans (PIHPs), and Primary Care Case Management (PCCM) entities, as required by the Code of Federal Regulations 42 CFR Part 438, and aggregates information on the timeliness, access, and quality of healthcare services furnished to Medicaid enrollees. HSAG provides EQR-related services in 16 states and serves as the designated EQRO in 15 states. HSAG's quality review services affect more than 33 million Medicaid recipients, or more than 45 percent of the nation's Medicaid population.

With our extensive experience, HSAG is an NCQA HEDIS Certified Survey Vendor and NCQA Licensed Organization (LO) with the capability of conducting certified HEDIS compliance audits. HSAG staffs its EQRO and Medicaid contracts with highly skilled and credentialed professionals such as Certified HEDIS Compliance Auditors (CHCAs), Certified Professionals

in Healthcare Quality (CPHQs), registered nurses (RNs), Master's-prepared social workers (MSWs), statisticians, biostatisticians, and epidemiologists. HSAG also has the capacity to compare a large volume of data and create customized reports that assist states in monitoring their Medicaid programs. HSAG develops a customized strategy for each state that is designed to achieve the state's specific goals and objectives. This customized approach has proven effective in helping HSAG's clients achieve higher quality services in their managed care programs.

The EQR process currently consists of four mandatory activities and five optional activities, in addition to producing an annual EQR technical report and providing technical assistance, as needed. Each of the mandatory and optional activities has a corresponding EQR protocol, which HSAG follows when performing each EQR activity. In addition, HSAG performs the following EQRO activities:

- Performance improvement projects and validation
- Performance measure validation
- Compliance monitoring
- Clinical and non-clinical focused studies
- Technical assistance
- Technical reports
- Network adequacy assessments
- Readiness reviews
- NCQA HEDIS Compliance Audits™
- Pay for Performance (P4P) audits
- Health Insurance Marketplace qualified health plan audits
- Independent waiver assessments
- Medical case review
- Case management review
- Fraud and abuse reviews
- Independent peer reviews
- Quality improvement plan development/review
- Quality strategy development/review
- Utilization management review

Capacity/Availability to Complete Task Order on Schedule

If awarded the task order, HSAG can begin work immediately. HSAG can complete the activities included in the task order by January 2, 2018, assuming that data is provided in accordance with the schedules laid out in the Methodology and Approach section below and the data are of sufficiently high quality and accuracy as to not require extensive preparation and cleaning.

Key Personnel

HSAG has assembled a strong management and analytic team to support this project. Following is an overview of key personnel and their experience. Detailed resumes for all staff members are located in Appendix A.

Paul Niemann, PhD, MA, BS, BA, (Project Director), serves as Associate Director, DSAA, and has more than 9 years of experience in the healthcare industry with expertise in data and cost analysis, risk mitigation, and statistical and impact evaluations relating to Medicare and Medicaid healthcare reform. In his current role at HSAG, Dr. Niemann directs, coordinates, and provides oversight on a number of analytic activities for a wide array of clients. He provides research leadership, analytic expertise, and mentoring to junior level staff. Dr. Niemann acts as an internal and external liaison for analytic activities by planning, executing, and monitoring projects; as well as managing client relations, and providing technical assistance. He develops methodologically sound evaluations/studies to determine the impact of policy and programs on payments and payment reform, member utilization and outcomes, provider behavior, and estimates savings and implementation costs related to healthcare reform. Dr. Niemann is proficient in several statistical evaluation tools including Stata and SAS, and has extensively used administrative claims data as part of designing and implementing impact evaluations.

Prior to joining HSAG in 2016, Dr. Niemann was a senior consultant to Health Management Associates, Inc., in Denver, where he created caseloads and cost estimates for health plans to help them make informed decisions regarding participating in a pilot program for Medicare and Medicaid dual eligibles, as well as researching and developing risk mitigation strategies and performing data analyses. While at the Colorado Department of Health Care Policy and Financing, he was a supervisor in the Budget Division and a rates analyst in the Rate Section, where he developed rates for the State's home- and community-based services (HCBS) programs, including programs for people with intellectual and developmental disabilities (IDD).

Dr. Niemann earned a Doctorate and a Master of Arts in Economics from the University of California at Santa Barbara. He earned a Bachelor of Arts in Economics and a Bachelor of Science in Mathematics from the University of Colorado at Denver. Dr. Niemann has been published in various law and economics reviews.

Kim M. Elliott, PhD, CPHQ, (Project Director, Tasks 5 and 6), serves as Executive Director, HEDIS & PM Audits Team, State & Corporate Services, and has more than 25 years of experience in the healthcare industry with expertise in organizational management, stakeholder relationship development, system improvements, audits and survey, quality management, and performance improvements. Dr. Elliott is a national and local speaker on quality, maternal and child health, and intersection of quality and program integrity topics. She has advanced knowledge of managed care programs, as well as commercial, Medicaid, and Medicare products. In her current role at HSAG, Dr. Elliott directs the HEDIS and PM Audit Team for HSAG's EQRO contracts in various states. She coordinates the internal and external resources to achieve the goals and objectives of the contracts and is responsible for accurate and timely completion of activities and deliverables. Dr. Elliott is responsible for applying NCQA requirements, as well as state and federal Medicaid managed care regulations to daily activities, overall management of audit projects, budgets, and performing financial oversight. She is responsible for providing direction of medical record review and audit processes for validation of HEDIS, CMS Core Measure sets, and state-specific performance measures. Dr. Elliott analyzes data, measures project progress against project requirements, objectives, and success criteria, makes recommendations, and develops strategies and solutions. She also continues to serve as the director of state EQRO contracts, as well as lead various focus study projects.

In her previous role as Director, S&CS, Dr. Elliott provided oversight throughout all stages of the contract including responding to RFPs, project initiation, recruitment selection, orientation, training, staff supervision, client relations, project planning and budgeting, completion of field work, and report preparation and finalization. She was the primary contact, accountable for state and subcontract communications, staffing, and completion of all contracted EQRO activities, provided technical assistance to state Medicaid and managed care plan staff members related to all EQR activities, and provided actionable recommendations, when applicable, on quality improvement strategies.

Prior to joining HSAG in 2016, Dr. Elliott served more than 15 years for the AHCCCS as an administrator and manager of clinical quality management. She led a clinical quality management team of professional and non-professionals consisting of quality management, quality improvement, maternal and child health/early, periodic, screening, diagnostic and treatment, behavioral health quality, and electronic health record incentive project teams for the Medicaid and CHIP programs in Arizona. She led quality and clinical efforts related to acute, long-term care, special needs, behavioral health, foster children, and developmentally disabled populations. Dr. Elliott assumed leadership in the development and implementation of the State's quality strategy in compliance with CMS' requirements, and in alignment with the Agency's strategic plan focused on improving quality of care, member and provider satisfaction, cost effectiveness, and administrative efficiency.

Dr. Elliott earned a Doctor of Philosophy in health sciences from Honolulu University in Hawaii. She earned a Master of Arts in organizational management and a Bachelor of Science in business administration from the University of Phoenix. She is a Certified Professional in Health Care Quality (CPHQ) from the National Association of Health Care Quality, and is a Master Trainer in Chronic Disease Self-Management from Stanford University.

Amy Kearney, BA, serves as Director, DSAA, with more than 26 years of healthcare industry experience with expertise in leadership, mentoring, strategic communication, auditing, and self-motivational techniques. In her current role, Ms. Kearney directs and coordinates analyst work activities related to projects in support of EQRO activities. She provides research leadership, analytic expertise, and mentoring to junior level staff. Ms. Kearney acts as an internal and external liaison for analytic activities by planning, executing, and monitoring projects; supervising staff; managing client relations; and providing technical assistance. She is responsible for maintaining and monitoring company-client relationships and ongoing client satisfaction for assigned contracts. As the administrative lead for the team conducting numerous encounter data validation studies in various states, Ms. Kearney assists in the development and implementation of staff training related to conducting external quality review activities, study design, and execution. She is accountable for ensuring completion of assigned analytic tasks according to contract specifications and ensuring completed tasks meet client and budget requirements. In a prior role as associate director for the Informatics Research and Development Team, Ms. Kearney directed work related to S&CS projects, and as the administrative team lead for numerous encounter data validation activities.

Prior to joining HSAG in 2013, Ms. Kearney held several roles during her 12 years at TriWest Healthcare Alliance, including director, ICD 10/HIPAA, manager of data reporting and analysis, and manager of healthcare data-actuarial services. She worked for more than eight years in reimbursement analyses for Horizon Healthcare, located in Albuquerque, New Mexico.

Ms. Kearney earned a Bachelor of Arts in business administration at the University of New Mexico-Anderson School of Management, located in Albuquerque. She is a certified, licensed Analyst of the Predictive Index[®] system, a certified TriWest Lean Six Sigma Yellow Belt, and earned a TriWest Project Management Certification.

Brian Starr, MPP, BA, (Tasks 1, 2, 3, and 9), presently serves as Analyst, Data Science & Advanced Analytics (DSAA), with more than 6 years of experience in research and data analysis specializing in SAS programming, workflow procedures, and methods, as well as establishing methodologies. In his current role with HSAG, Mr. Starr's responsibilities include establishing methodologies and analyzing data to obtain meaningful results, reviewing reports for accuracy, and developing production codes for customized, as well as standardized, reoccurring reports. He is responsible for providing analyses on several projects, including the EQRO contract for the state of Ohio. For this EQRO contract, Mr. Starr is responsible for the calculation of 26 performance measures to evaluate the performance of the Ohio Medicaid Health Homes initiative. Further, Mr. Starr is responsible for the calculation, and reporting of clinical and access performance measures for the Aged, Blind or Disabled (ABD), and Covered Families and Children (CFC) populations for the state of Ohio.

Prior to joining HSAG in 2014, Mr. Starr held the positions of senior associate and research analyst for the Global Economics Group, where he managed and conducted complex economic and statistical analysis for use in class action securities litigation on the plaintiffs' behalf. He also trained new research analysts in SAS programming, workflow procedures, and research methods. His work as lead economist served the Cook County Health & Hospital System with the analytical and economic framework to better quantify healthcare costs and expenditures at the patient level, utilizing extensive and thorough patient care data. Mr. Starr developed SAS programs to compute economic damages from possible liber manipulation on thousands of corporate and municipal bond holdings over a period of more than four years.

Mr. Starr earned a Master of Public Policy from the School of Public Affairs, Arizona State University, located in Tempe, Arizona. He earned a Bachelor of Arts in economics, cum laude, from Knox College in Galesburg, Illinois.

Cindy Strickland, JD, (Task 4), serves as Senior Research Analyst, DSAA, and has more than 4 years of experience in the healthcare industry with expertise as a former private practice attorney with extensive experience in research strategies, oversight of focus groups, and statutory, regulatory, and contract analysis. She has a strong understanding of public health, and medical and healthcare policy issues. In her current role at HSAG, Ms. Strickland performs research, review, and writing in support of HSAG's contract for the Agency for Healthcare Research and Quality (AHRQ) Patient Safety Organization Privacy Protection Center (PSOPPC). She aids in development of the Common Formats for Community Pharmacy Version 1.0, and the update of the Common Formats Hospital Version 2.0, participating in preparation of support documentation including event descriptions, specifications for patient safety aggregate reports, delineation of data elements to be collected for various types of events, creation of flowcharts and documenting technical specifications for submission and reporting of Patient Safety Event data. Ms. Strickland was responsible for evaluation and reporting related to Task 3, the Leading Edge Advanced Practice Topics (LEAPT) program, part of the Partnership for Patients (PfP) Evaluation contract for the Centers for Medicare & Medicaid Services (CMS). She was also partially responsible for research and analysis on the American Recovery and



Reinvestment Act, Health Information Technology for Economic and Clinical Health (ARRA HITECH) Hospital eMeasures contract.

Prior to joining HSAG in 2012, Ms. Strickland served as lead counsel and staff attorney for 18 years, working on a variety of cases such as medical malpractice, product liability, toxic tort, and commercial tort. She worked closely with healthcare providers to evaluate clients' past treatment, future needs, and insurance issues. She is familiar with state agencies and programs including AHCCCS ALTCS, and Division of Developmental Disabilities (DDD), and the operation and regulation of nursing homes, hospitals and other healthcare providers.

Ms. Strickland earned a Juris Doctor, *cum laude*, and a Bachelor of Science in anthropology, *summa cum laude*, from Arizona State University, located in Tempe, Arizona.

Mary Wiley, MEd, BSW, RN, (Tasks 5 and 6), serves as Project Director, State & Corporate Services, and has more than 39 years of experience in the healthcare industry as a registered nurse (RN) in a variety of clinical and government settings with expertise in project management, contract management, quality improvement, utilization management, strategic planning, and oversight of regulatory activities. In her current role at HSAG, Ms. Wiley provides oversight and project management support for HSAG's EQRO contracts and other projects as assigned. She serves as the contract manager for the Florida and Arizona EQRO contracts, and coordinates activities for both states in the areas of performance improvement projects, performance measure validation, compliance reviews, and technical reports. In addition, Ms. Wiley conducts quarterly meetings that enhance the managed care plans' knowledge of EQRO activities, as well as encounter data validation and focused studies in Florida. She has served as a compliance review auditor for the state of Utah. Previously, Ms. Wiley was director, professional services, managing stakeholder activities for the California QIO; including the California Department of Public Health (CDPH), Medi-Cal, California Culture Change Coalition, California Association of Health Facilities, LeadingAge, California Department of Aging, and the California Association of Long Term Care Medical Directors. She co-led the Partnership to Improve Dementia Care initiative, sponsored by CMS, to decrease the use of unnecessary antipsychotics and implement resident-centered care in Arizona nursing homes.

Prior to joining HSAG in 2012, Ms. Wiley worked for the Arizona Department of Health Services for more than 19 years where she was responsible for the oversight and management of the survey and certification program for all healthcare and child care facilities. She also held the position of director of quality resource management for the Arizona State Hospital managing programs that included performance improvement, utilization review, risk management, and safety programs; contract monitoring; health records and information management system departments. She coordinated all accrediting and licensing activities, including Joint Commission on Accreditation of Healthcare Organizations (JCAHO) and Medicare surveys.

Ms. Wiley earned a Master of Education from Northern Arizona University in Flagstaff; a Bachelor of Social Work from Arizona State University in Tempe; and an Associate of Arts in Nursing from Mesa Community College, also in Arizona. She is certified in the Accelerated Leadership Development Program and Advanced Interviewing; and is a National Certified Investigator/Inspector (NCIT).

Methodology and Approach

The analysis described below is intended to provide a review of the impact to the AHCCCS long-term care system provider network (including those providers contracted with DDD) from the enactment of Proposition 206, in order to ensure AHCCCS members' access to healthcare services. The following services will be included in each phase of the analysis: Nursing Facility and HCB services. HCB services include the following: Attendant Care; Personal Care; Homemaker; Respite; Habilitation and Assisted Living and DDD Group Homes; and Day Treatment and Training and Adult Day Health; and Center Based and Group Supportive Employment Programs. Analysis and projections will be performed by the Healthcare Common Procedure Coding System (HCPCS) service codes, managed care organization, and geographic areas of the state. The geographic areas of the state are defined as the following Geographical Service Areas (GSA):

- GSA 1 – Mohave, Coconino, Navajo, Apache, Yavapai
- GSA 2 – Maricopa, Gila, Pinal
- GSA 3 – La Paz, Yuma, Pima, Santa Cruz, Graham, Cochise, Greenlee

TASK 1 – PROVIDER SURVEY

HSAG is cognizant of the urgency of this activity's timeline considering the report delivery to legislature on February 2, 2018. To maximize efficiency and encourage maximum participation, HSAG is proposing to conduct the provider survey using Survey Monkey, as opposed to a traditional mail or phone survey. Providers will be contacted by email two weeks prior to the opening of the survey to let them know the purpose of the survey and when the survey will be released. A second email will be sent to providers inviting them to participate in the survey and contain a link to the survey on Survey Monkey. To minimize skipped questions and increase the completion rate, the invitation to participate in the survey will include a copy of the survey in the email to allow the provider to look at questions and gather data before signing on to Survey Monkey to complete the online survey.

Based on its previous experience with provider surveys, HSAG typically allows the survey to be open for at least one month. Given the abbreviated schedule necessary for this survey, HSAG would recommend the survey be open for three weeks. HSAG will make efforts to maximize the response rate by sending out notifications prior to survey administration and increase communication frequency.

To meet the expectation of stratifying survey results by provider type while ensuring a sufficient sample size, HSAG recommends that all providers be included in the survey. This is due to the fact that the smaller the population to be surveyed, the larger the sample size must be as a proportion of the total population to obtain a given level of statistical significance. This means that when the population size is less than approximately 1,500, 95% statistical significance requires sample sizes of at least 20% of the total population. Given that survey fielding will need to be less than one month, HSAG recommends that all providers of each provider type be included in the survey. For the few provider types with more than 1,500 providers, the additional survey will only improve the sample size and improve the statistical significance of the results.

Additionally, it is important to recognize that there is a probability of significant response bias when surveying providers about impacts from changes in public policy. Providers who have been, or believe they will be, negatively impacted by Proposition 206 are more likely to respond to the survey. Under normal circumstances, this is controlled using random sampling and the use of incentives to encourage even participation. However, under a voluntary survey with no financial incentive for participation, the results and projections from the survey will be presented as upper bound estimates of the impact of Proposition 206.

The survey will be designed to capture a wide range of information pertaining to the impact of Proposition 206. This will allow for a detailed picture of provider cost structures and other characteristics. This, in combination with the implementation schedule of Proposition 206, will allow for a projection of future impacts resulting from Proposition 206.

The proposed schedule of primary activities is presented below.

Task and Sub-Task/Description	Start Date	End Date
Study Planning		
Identify Providers and Provider Groups and Obtain Provider Email Addresses from AHCCCS	10/06/2017	10/11/2017
Develop Survey Instrument and Submit to AHCCCS	10/06/2017	10/13/2017
Send Preliminary Email Announcing Forthcoming Survey	10/11/2017	10/13/2017
AHCCCS Provides Feedback on Survey Instrument	10/13/2017	10/15/2017
Finalize Survey Instrument	10/18/2017	10/20/2017
Load Survey Instrument into Survey Monkey and Conduct Testing	10/23/2017	10/27/2017
Data Collection & Analysis		
Send Survey Invitation Email	10/30/2017	10/30/2017
Survey Open	10/30/2017	11/17/2017
Download Data and Conduct Analysis	11/27/2017	12/01/2017
Reporting		
Prepare Survey Results Section of the Comprehensive Network Report	12/04/2017	12/15/2017
Compile Comprehensive Network Report	12/18/2017	12/22/2017
Submit Final Comprehensive Network Report to AHCCCS	01/02/2018	01/02/2018

TASK 2 – ANALYSIS OF NON-PROVISION OF SERVICE REPORT

The first phase of this task will consist of an analysis of the non-provision of service rate as a fraction of units of service provided by type of provider. This measure will be calculated for 2014–2016 as well as for the first six months of 2017.

Analysis of the impact of Proposition 206 will be based on dates of services in the first six months of 2017. HSAG assumes that it will have access to claims and encounter data through September 2017. This will provide a three-month runout for services provided through June 2017. Failure to consider runout would lead to results that overstate any impact of Proposition 206 by undercounting the units of service provided. HSAG understands that it takes at least six months after the date of service for all claims to be available. However, HSAG believes that enough claims will be available with a three-month runout for a valid analysis. If a six-month runout were used, the analysis would be limited to only three months of Proposition 206 impact, likely eliminating any observable impacts.

In the second phase, HSAG will conduct an analysis of the providers who appear to have been most impacted by Proposition 206 based on the first phase of the analysis. The purpose of the second phase is to identify common characteristics of impacted providers. Characteristics may include provider type, geographic location, as well as provider size, as measured by number of units of service or total reimbursement.

Task and Sub-Task/Description	Start Date	End Date
Data Collection and Data Preparation		
Obtain Claims and Encounter Data for 01/2014 through 09/2017 from AHCCCS	10/06/2017	10/11/2017
Obtain Non-provision of Service Reports for 01/2014 through 06/2017 from AHCCCS	10/06/2017	10/11/2017
Generate Statewide and Provider-specific Data from Claims/Encounter Data and Provider File Data	10/12/2017	11/03/2017
Calculate Annualized Non-provision of Service Rate for Each Service and Identify Impacted Providers	11/06/2017	11/10/2017
Data Analysis		
Conduct Analysis of Characteristics of Impacted Providers	11/13/2017	12/01/2017
Reporting		
Prepare Non-provision of Service Section of the Comprehensive Network Report	12/04/2017	12/15/2017
Compile Comprehensive Network Report	12/18/2017	12/22/2017
Submit Final Comprehensive Network Report to AHCCCS	01/02/2018	01/02/2018