

AHCCCS Community Forum Agenda  
Childless Adult Transition Plan Public Training  
June 1, 2011

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- I. Introductions and Overview
  - II. Childless Adult Transition Plan
    - a. Update
    - b. Fact Sheet
    - c. Resources
  - III. Web Overview
  - IV. AHCCCS Updates
  - V. Discussion
- 

Notes:

**AHCCCS Care (Childless Adults) Transition Plan  
Fact Sheet  
June 1, 2011**

**Eligibility for the AHCCCS Care program will be frozen July 1, 2011 until additional funds become available to reopen enrollment into the program. No one will be approved for AHCCCS Care for the month of July 2011 and ongoing. The enrollment freeze is waiting for approval from the Centers for Medicare and Medicaid Services (CMS) and will not be implemented until federal approval is granted.**

**What is the AHCCCS Care program?**

AHCCCS Care or Childless Adults, as it is sometimes known, is a waiver program for adults who have not been determined eligible under one of the regular Medicaid groups (aged, blind, disabled, pregnant, under 18 or parent of a deprived child). An asset test is not required and they must have income under 100% of the Federal Poverty Level (FPL). Eligibility must be renewed every 12 months.

**How many people are on AHCCCS Care?**

As of June 1, 2011 there are nearly 225,000 AHCCCS Care members.

**What will happen to those already on AHCCCS Care?**

All AHCCCS Care members with eligibility that began before July 2011 will remain eligible for the program, unless they lose eligibility because they no longer meet the requirements. This includes the requirement to comply with the renewal process.

AHCCCS will make an administrative change from AHCCCS Care to SSI MAO for people who are aged, blind or disabled (SSI MAO enrollment will not be frozen), if the member is over age 65, under age 65 and has Medicare or is diagnosed as seriously mentally ill (SMI) by the Department of Health Services. AHCCCS Care members who are diagnosed with HIV/AIDS will be administratively changed to SSI MAO, if they lose eligibility for AHCCCS Care for failure to complete the renewal process. Most SMI and HIV/AIDS members under the age of 65 will have to later be determined disabled under federal requirements by the Disability Determination Service Administration, Department of Economic Security. If an SMI member does not meet the federally defined criteria of disabled for Medicaid under the SSI MAO category, AHCCCS will continue their coverage under the AHCCCS Care category, as long as they meet all other required eligibility criteria, such as income.

**What can AHCCCS Care members do?**

AHCCCS Care members should do everything in their power to complete their renewal on time. They can complete a paper renewal form or complete an electronic renewal on line at [www.healthearizona.org](http://www.healthearizona.org). They should also report any changes in address to their eligibility worker to insure no loss of contact.

**How will AHCCCS Care members know their renewal date?**

**1st Notice:** All AHCCCS Care members will be notified 60 days before the due date of their renewal and given information about how to comply.

**2nd Notice:** If they have not complied they will receive a notice telling them their benefits will stop, the date they will stop and giving them appeal rights.

**3rd Notice:** AHCCCS will send another notice on the 25<sup>th</sup> of each month as a 3<sup>rd</sup> warning that AHCCCS Care members have until the end of that month to comply with the renewal process.

Renewal dates can be found on [www.myahcccs.com](http://www.myahcccs.com). On July 1, 2011 [www.myahcccs.com](http://www.myahcccs.com) will include the member's renewal date. AHCCCS registered providers can obtain an AHCCCS Care member's renewal date through the provider portal on the AHCCCS website effective July 1, 2011.

**What appeal rights will AHCCCS Care members have?**

If AHCCCS Care members lose their eligibility and they believe their eligibility was not determined correctly, they can ask for a hearing and request that their eligibility be continued until the final decision is made.

**Alternative resources**

See: <http://www.azahcccs.gov/community> for ideas about helping people who are not eligible for AHCCCS Care or other AHCCCS programs.

## IDEAS FOR MED FAMILIES WHO LOSE THEIR AHCCCS COVERAGE

1. Report changes in income on their **SHORT CHANGE FORM** (form is mailed to MED families and is identified using light green paper) or call DES to see if they are eligible for other AHCCCS programs.
2. **Keep denial letters for AHCCCS coverage.** Some other programs will want to see proof they are not eligible for AHCCCS.
3. **Refer to Community Action Programs** that have discounted medical services for a small annual enrollment fee.

### Maricopa County

Health Care Connect

Phone: **602-288-7564**

On the Web: [www.healthcareconnect.org/contactus.php](http://www.healthcareconnect.org/contactus.php)

### Pima and Santa Cruz County

Pima Community Access Program (PCAP) Medical Discount Programs

Phone: **520-694-0418**

On the Web: [www.pcap.cc](http://www.pcap.cc)

### Yuma County

Community Access Programs of Arizona and Mexico (CAPAZ-MEX)

Phone: **928-627-9222**

On the Web: [www.rcfbh.org/programCAPAZMEX](http://www.rcfbh.org/programCAPAZMEX)

4. Refer families who need primary care services to **Community Health Centers** that provide primary care services, and may offer additional services such as pharmacy, dental and behavioral health on a sliding fee scale.

### Community Health Centers

Phone: **602-253-0090**

On the Web: [www.aachc.org](http://www.aachc.org)

5. Veterans of the United States Armed Services can be referred to the Arizona **Department of Veteran's Services Administration:**

**602-255-3373**

On the web: <http://www.azdvs.gov>

6. Refer families to the **high risk insurance pool** to see if they qualify  
**1-866-717-5826** or <https://www.pcip.gov/>

7. Refer higher income families to websites where they can research **private insurance plans**, such as:
- People can search for health insurance directly on the healthcare.gov website, or specifically at this link: <http://finder.healthcare.gov/?state=AZ&x=9&y=16>
- Health Insurance Sort <http://www.healthinsurancesort.com>
- Lower Health Quotes.com <http://www.lowerhealthquotes.com>
- Low-Income-Health-Insurance.com <http://www.low-income-health-insurance.com>
8. Refer families who cannot afford their **prescription drugs** to low cost/no cost sources, such as:
- Copper RX:  
**1-888-227-8315** or <http://azgovernor.gov/coppercard/> .
- Partnership for Prescription Assistance  
 Link to web: <http://www.pparx.org/> )
- St. Elizabeth's Health Center (in Pima County) offers prescription assistance to eligible residents of Pima County up to \$200 each patient per year.
- Voice TTY **520-623-0344**  
 TOLL FREE: **1-800-234-0344**
9. Refer families to **Health Hotlines**:
- In Maricopa & Pinal Counties:  
**1-800-235-9678** or [www.kidshealthlink.org](http://www.kidshealthlink.org)
- Pima & Santa Cruz Counties  
**1-800-311-0627**
10. Inform families with high medical expenses to contact their medical provider to work on a payment arrangement.
11. If any member of the family receives Medicare, contact their local SHIP office (**State Health Insurance Assistance Programs**) for help using their Medicare benefits to their best advantage:  
 SHIP Offices  
**1-800-432-4040; 1-800-Medicare** or <https://www.azdes.gov/common.aspx>

12. Check for **other resources** in the Health Care Resources for Arizona's Low Income and Uninsured Families Manual at:

In English: <http://www.azchildren.org/MyFiles/PDF/2008%20Health%20Manual%20-%20FINAL%20ENGLISH%20-%20updated%202-09.pdf>

Or in Spanish:

<http://www.azchildren.org/MyFiles/PDF/2008%20Health%20Manual%20-%20FINAL%20Spanish.pdf>

13. **Other resources** available in Maricopa County offering free primary care, prescriptions and dental services:

Mission of Mercy- Offers free primary care and prescriptions

Mobile locations throughout Maricopa County (see flyer)

**(602) 486-7798**

MOM Clinic Flyer

St. Vincent De Paul- Medical and Dental Clinic

Call **602-261-6868**

420 W. Watkins Road

Phoenix, AZ 85002

<http://www.stvincentdepaul.net/PS-VirginiaGPiper.htm>



# Pre-Existing Condition Insurance Plan

[HOME](#) | [LEARN MORE](#) | [ELIGIBILITY](#) | [FIND YOUR STATE](#) | [HOW TO APPLY](#) | [Q&A](#) | [CONTACT US](#) | [En Español](#)

## HEALTH REFORM *and* PEOPLE with PRE-EXISTING CONDITIONS

The Pre-Existing Condition Insurance Plan makes health insurance available to people who have had a problem getting insurance due to a pre-existing condition.

The Pre-Existing Condition Insurance Plan:

- Covers a broad range of health benefits, including primary and specialty care, hospital care, and prescription drugs.
- Does not charge you a higher premium just because of your medical condition.
- Does not base eligibility on income.

[Apply Now](#)



### Your Questions Answered

**Question:** Who is eligible for Pre-Existing Condition Insurance Plan?

**Answer:** To be eligible for the Pre-Existing Condition Insurance Plan,

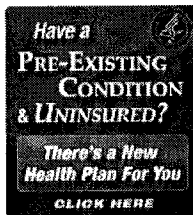
- You must be a citizen or national of the United States or reside in the U.S. legally.
- You must have been without health coverage for at least the last six months. Please note that if you currently have insurance coverage that doesn't cover your medical condition or are enrolled in a state high risk pool, you are not eligible for the Pre-Existing Condition Insurance Plan.
- You must have a pre-existing condition or have been denied coverage because of your health condition.

[More Questions and Answers...](#)

### Add a PCIP.gov Badge to Your Website

Add this image and embed code to your website to direct your visitors here to PCIP.gov.

[Show Embed Code](#)



### July 2011 Program Changes

The Pre-Existing Condition Insurance Plan is being updated for July 2011, including new rates for some enrollees. [Click here](#) for info on the upcoming changes or go to the [Learn More](#) page for more details on the changes.

### Be Careful!

You can only enroll in the Pre-Existing Condition Insurance Plan by applying for coverage using the methods described on the [Apply](#) page. Do not respond to phony calls or letters asking you to enroll for a fee.

### Get Informed

Go to [HealthCare.gov](#) and take the time to learn about your health insurance options under the Affordable Care Act. It's important to make an informed decision before enrolling in any program.



## AHCCCS Public Notices

### Community Forums

AHCCCS will hold a number of public meetings over the next few months to provide updates on various aspects of Arizona's Medicaid Reform Plan. Specific information for each session is provided below.

### Upcoming Meetings

- **May 23, 2011** - MED Phase-Out Plan and Community Resources [71KB]  
Handouts
- **June 1, 2011** - Childless Adult Transition Plan and Community Resources [28KB]
- **June 23, 2011** - Proposed Respite Changes [60KB]
- **July 6, 2011** - Childless Adult Transition Plan and Community Resources [Coming soon]

### Previously Held Meetings

- **April 25, 2011** - AHCCCS held a public meeting on April 25, 2011, to obtain public comments on updates to the Arizona Medicaid program. For more information about the public meeting, see the notice below.

[Summary of Briefing \[15.5MB\]](#)  
[AHCCCS Public Informational Notice \[42KB\]](#)  
[Waiver Overview Presentation \[222KB\]](#)  
[MED Phase Out Plan Presentation \[51KB\]](#)

- **August 9, 2010 and September 2, 2010** - AHCCCS held two public meetings, on August 9th and September 2nd, to obtain public comment on updates to the Arizona Medicaid program. For more information about the public meetings, see the notice below.

[AHCCCS Public Informational Notice \[PDF, 47KB\]](#)

Please send any questions to: [PublicInput@azahcccs.gov](mailto:PublicInput@azahcccs.gov)

### Submit Comments

Written comments can also be submitted by clicking on the link below:

[Comment submission form](#)


## AHCCCS News & Updates [Subscribe](#)

- [Governor Brewer's Medicaid Reform Package](#)
- [ALTCS RFP Award Announcement](#)
- [Change in ALTCS Transfer Policies](#)
- [AHCCCS Update Regarding Health Care Reform](#)
- [KidsCare Wait List](#)

Looking for a previous story? Information previously located on this page has been placed in either the State Legislative Budget Activities pages or the Federal Activities page.

Note: Information provided in PDF files, unless otherwise noted.

### Governor Brewer's Medicaid Reform Package

Fri May 20, 2011 

Information about the implementation status of Arizona's Medicaid Reform plan is provided below. Continue to check the website for updates.

[Tracking AZ's Medicaid Reform Plan \[49KB\]](#)

Wed Mar 16, 2011

On March 15, 2011, Governor Brewer presented her plan to preserve Arizona's Medicaid program with reforms that will drive down costs by an estimated \$500 million in the State's General Fund for the partial first year. The plan was approved by the Legislature as part of the FY 2012 budget adoption and is subject to federal approval.

[Medicaid Reform Plan \[81KB\]](#)

#### 1. [AHCCCS October 1, 2011 Provider Rate Reductions](#)

Tues. May 24, 2011

[Laws 2011, Chapter 31](#), gives AHCCCS authority to reduce rates for all providers up to 5%. Effective October 1, 2011, AHCCCS will reduce by 5%:

*All Provider Rates, Except for:*

- Drugs administered in a physician's office
- Hospice rates - AHCCCS matches Medicare rates as required by Federal law.
- Payments for services provided by the Indian Health Service or Tribal 638 facilities claimed at 100% FMAP.

*All Payment Ratios:*

All payment ratios utilized for provider reimbursement will also be reduced by 5%. (e.g. all Cost-to-Charge Ratios (CCRs), By Report Percentages (BR), etc.)

Additional information, such as the Notice of Exempt Proposed Rulemaking and State Plan Amendment to CMS will be posted on the web as it becomes available.

#### 2. [Community Forums](#)

Wed May 18, 2011

AHCCCS will hold a number of public meetings over the next few months to provide updates on various aspects of Arizona's Medicaid Reform Plan. Specific information is provided in the link below.

[Community Forums](#)

#### 3. [Medical Expense Deduction \(MED\) Phase Out](#)

Fri April 29, 2011

In a letter dated April 29, 2011, CMS approved the MED Phase Out Plan. Anyone currently enrolled in this program will KEEP their coverage for the duration of their eligibility period. Beginning May 1, enrollment for this program will be frozen and AHCCCS will not accept any



new applications for coverage under the MED program. All MED members will be receiving notices regarding this enrollment freeze. The links below have more information, including resources to assist individuals.

[CMS Approval Letter - 4/29/11 \[116KB\]](#)  
[Final MED Phase Out Plan - 4/29/11 \[117KB\]](#)  
[Final Rule \[49KB\]](#)

[MED Fact Sheet and Resources](#)

**Wed Mar 16, 2011**

Pursuant to the flexibilities outlined in Secretary Sebelius' letter, Governor Brewer's Medicaid Reform Package includes the phase out of the MED program. A phase out plan was submitted to CMS on March 16, 2011. This MED phase out plan must be approved by CMS prior to implementation. More information is provided below.

[Medical Expense Deduction \(MED\) Phase Out](#)

#### 4. [Childless Adult Transition Plan](#)

Pursuant to the flexibilities outlined in Secretary Sebelius' letter, Governor Brewer's Medicaid Reform Package includes a freeze on the childless adult population. A transition plan was submitted to CMS on April 11, 2011. This transition plan must be approved by CMS prior to implementation. More information is provided below.

[Childless Adult Transition Plan](#)

#### 5. [Revised Waiver Proposal](#)

**Thurs Mar 31, 2011**

On March 31, 2011, AHCCCS submitted a revised Waiver Demonstration proposal to CMS incorporating provisions of the Governor's Medicaid Reform Plan. Waivers from various federal requirements are needed for flexibilities that will allow the State to manage its Medicaid program within budgetary constraints. The links below have more information including the proposal, how to submit comments about the proposal and public hearings about the proposal.

[Waiver Information](#)

[Estimated Impact Data \[17KB\]](#)

[Public Meeting Notice](#)

**Tues Mar 15, 2011**

In response to a number of requests, AHCCCS is providing details related to the medical utilization and costs of the expansion groups- including Waiver and Proposition 204 populations.

[Summary](#)

[Data Narrative and Detail](#)

#### 6. [Transplant Restoration Update](#)

**Wed April 6, 2011**

Governor Brewer's Medicaid Reform Plan restores the transplants AHCCCS previously covered for adult members age 21 and older, effective April 1, 2011. See the link below for additional information:

[Transplant Restoration Update\[81KB\]](#)

### **ALTCS RFP Award Announcement**

**Thurs May 13, 2011**

On May 5, 2011, AHCCCS awarded managed care program contracts to provide long term care services to Arizonans enrolled in the Arizona Long Term Care System (ALTCS). On May 12, 2011, AHCCCS awarded an additional capped contract. The contracts begin October 1, 2011, and are in place for up to a five year period. Please see the link below for updated information.

[ALTCS Award Announcement \[44KB\]](#)

**Mon Jan 31, 2011**

The AHCCCS Long Term Care Request for Proposal and Bidder's Library is now available. Use the link below for more information.

[YH12-0001 RFP and Bidder's Library](#)

### **Change in ALTCS Transfer Policies**

Thur Apr 28, 2011

Effective with ALTCS applications filed on and after May 1, 2011, uncompensated transfer penalty periods will be reduced and ended only when ALL transferred assets are returned. Penalty periods will no longer be shortened when only a partial return is made. For more information, click on the link below:


[ALTCS Transfer Change \[8KB\]](#)

### **AHCCCS Update Regarding Health Care Reform**

#### **1. [AHCCCS Activities](#)**

Fri Dec 16, 2010

Information regarding AHCCCS implementation of some of the Medicaid provisions of the Patient Protection and Affordable Care Act (ACA) is provided below. This document will be updated regularly as information becomes available.

[AHCCCS Activities- 5/13/11 \[45KB\]](#) 

For additional information about the ACA, please visit the [Federal Activities](#) page.

#### **2. [Incentives for Prevention of Chronic Disease](#)**

Fri May 13, 2011

On May 11, 2011, AHCCCS submitted its proposal for the Medicaid Incentives Prevention of Chronic Diseases grant opportunity.

[Proposal](#)

Thurs Mar 31, 2011

AHCCCS is reviewing and accepting comments for the Medicaid Incentives for Prevention of Chronic Diseases Program grant opportunity as part of an overall effort to reform the Medicaid program for Arizona.

#### **3. [Health Homes for Enrollees with Chronic Conditions](#)**

Wed March 23, 2011

On March 29, 2011, CMS approved Arizona's planning request for the funding opportunity provided under Section 2703 of the Affordable Care Act- "Health Homes for Enrollees with Chronic Conditions."

[AZ Planning Request](#)

### **KidsCare Wait List**

Wed May 25, 2011

There were 101,643 applicants on the KidsCare waiting list as of May 15, 2011. Please note, this number does not mean all individuals on the waiting list are actually eligible for KidsCare. AHCCCS has recently updated the list to remove duplicate applications, children who have turned 19 and would no longer qualify for KidsCare, and individuals currently eligible under other AHCCCS programs. Typically, 30% of all applicants are denied for the KidsCare program. However, this percentage will become less precise as more time goes by, since the applications on the waiting list will be older and circumstances for those applicants change. Thus, there is no good way to predict how many of the applicants on the waiting list might be eligible for KidsCare. Regardless, AHCCCS will continue to update the waiting list number at the end of each month.

Fri Dec 29, 2010

AHCCCS continues to work with CMS on issues related to the KidsCare program, including the impact of the Enrollment freeze. For additional information about the Enrollment cap, visit:

[KidsCare Enrollment Cap](#)

Information about denial and discontinuance activity in the KidsCare program can be found at:

[KidsCare Activity](#)

## Arizona's Medicaid Reform Plan AHCCCS Activities

On March 15, 2011, Governor Brewer announced a plan to preserve Arizona's Medicaid program through reforms designed to reduce costs by an estimated \$500 million in the State's General Fund. Many provisions of the plan are subject to federal approval. Below is information regarding implementation of the plan and the status of AHCCCS progress and federal approval. This document will be updated regularly.

### A. Medicaid Eligibility Reforms

#### 1. Changes to Childless Adults Program and Enrollment Freeze (Eff. 7/1/2011)

The Childless Adult program is for those persons not otherwise eligible for Medicaid<sup>1</sup> with income up to 100% FPL. As of May 1, 2011, there were 221,952 childless adults. Eligibility for Childless Adults is derived exclusively from the AHCCCS 1115 Waiver. In a letter dated February 15, 2011, the Centers for Medicare and Medicaid Services (CMS) confirmed that Arizona would not be in violation of the Maintenance of Effort (MOE) requirements in the Affordable Care Act (ACA) if it did not renew coverage for this waiver population.

Rather than eliminate coverage for the Childless Adults altogether, the revised Waiver Renewal seeks to change the nature of the Childless Adult program in Arizona from an open-ended entitlement program to one based on available funds. This would provide the State with the flexibility to manage enrollment based on available funding, including adding to enrollment if additional funds are made available. To meet current budget requirements, the proposal seeks to freeze enrollment July 1, 2011. Individuals enrolled prior to July 1 would retain their coverage, but no new individuals would be made eligible in this category unless additional funding becomes available. The proposal also includes an incentives strategy coupled with an annual fee to encourage healthy behaviors, as well as changing redeterminations from 12-months to 6-months. No children, elderly or individuals meeting the federal definition of disability will be impacted by this enrollment freeze or the incentives/fee strategy.

→ AHCCCS Progress:

- March 31, 2011: AHCCCS submitted its revised Waiver Renewal to CMS.
- April 11, 2011: AHCCCS submitted a transition plan for the freeze and phase out of the existing Childless Adult program for CMS approval.
- May 2, 2011: Notice of Proposed Exempt Rule Making was posted on the AHCCCS website.
- June 20, 2011: The 30-day comment period closes.

#### 2. Medical Expense Deduction program Phase-Out (Begin Phase Out 5/1/2011)

The Medical Expense Deduction (MED) program is for those individuals not otherwise eligible for AHCCCS under any other category and who have medical expenses that reduce their income below 40% FPL. As of May 1, 2011, there were 6,035 MED members. Eligibility for MED is derived exclusively from the AHCCCS 1115 Waiver. In a letter dated February 15, 2011, CMS confirmed that Arizona would not be in violation of the MOE requirements in the ACA if it did not renew coverage for this waiver population.

On March 31, 2011, AHCCCS submitted its revised Waiver Renewal to CMS, which does not renew coverage for the MED program after the expiration of the current waiver on September 30, 2011. Beginning May 1, enrollment for the MED program is frozen and no new applications will be accepted for this category pursuant to the MED Phase-Out Plan approved by CMS. All individuals currently enrolled in the MED program will retain their coverage. Since eligibility for MED does not exceed 6 months, the May 1 freeze has the effect of eliminating the MED program by October 1, 2011.

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<sup>1</sup> That is, they are not age 65 or older, blind, disabled, pregnant or do not have deprived dependent children in their household.

→ AHCCCS Progress:

- March 16, 2011: A draft MED Phase Out Plan was submitted to CMS for approval.
- March 17, 2011: Notification of the Phase Out plan and the Notice of Proposed Exempt Rule Making were posted on the AHCCCS website.
- April 18, 2011: The 30-day comment period closed; comments are posted on the website.
- April 29, 2011: CMS approves the MED Phase-Out Plan.

**3. Freeze New Enrollment of Parents between 75-100% FPL (Eff. 10/1/11)**

Coverage of parents between 75-100% FPL is an optional Medicaid expansion group under Section 1931 and Arizona's State Plan. This group is also referred to as TANF parents. About 60,000 parents between 75-100% FPL are enrolled in AHCCCS.

The proposal would freeze enrollment for new parents between 75-100% FPL and no new applicants would be accepted in this category. Individuals already enrolled would retain their coverage. No children would be impacted by this enrollment freeze. In order to freeze eligibility for this income level, CMS must approve a waiver of the MOE requirement in the ACA.

→ AHCCCS Progress: March 31: AHCCCS revised Waiver Renewal to CMS includes this request.

**4. Eliminate Federal Emergency Services (FES) (Eff.: 10/1/11)**

Persons who qualify for Federal Emergency Services (FES) meet all other eligibility requirements for Medicaid under Arizona's State Plan except for citizenship or qualified alien status. Services are limited to those required to treat an emergency medical condition as defined by federal law. The proposal eliminates FES coverage. Eliminating this eligibility category would require a waiver of the MOE requirement in the ACA.

→ AHCCCS Progress: March 31: AHCCCS revised Waiver Renewal to CMS includes this request.

**5. Six Month Eligibility Redeterminations (Eff. 10/1/11)**

States have discretion to establish the frequency of eligibility redeterminations as long as redetermination occurs at least every 12 months. The proposal is seeking to change the redetermination time frame from every 12 months to every 6 months for 1931 parents and childless adults to ensure that only those persons who meet the eligibility requirements are maintained on the program. In order to implement this change for non-waiver groups (i.e. parents), CMS must approve a waiver of the MOE requirement in the ACA.

→ AHCCCS Progress: March 31: AHCCCS revised Waiver Renewal to CMS includes this request.

## **B. Personal Responsibility Reforms**

### **6. Expand Mandatory Copayments and Cost Sharing (Eff. 10/1/11)**

A *mandatory* copayment is an amount paid by the AHCCCS member directly to a provider in order to receive a Medicaid covered service; services can be denied for failure to pay a mandatory copayment. Federal law only permits mandatory copayments for limited populations. AHCCCS currently has reached maximum limits on mandatory copayments for AHCCCS members as permitted by federal law. Thus, to expand mandatory copayments, AHCCCS requires waiver authority from CMS.

The proposal expands mandatory copayments for all adults and children to the same levels as the Transitional Medical Assistance population and adds copayments for non-emergency use of the emergency room as a requirement before receiving services. The proposal also requires annual fees for childless adult members who smoke, or who fail to meet steps that are within their control and outlined by their physician to manage a chronic disease.

→ AHCCCS Progress: March 31: AHCCCS revised Waiver Renewal to CMS includes this request.

### **7. Penalty for Missed Appointments (Eff. 10/1/11)**

In an effort to increase member accountability and provider satisfaction during a period of decreased funding for the program, the proposal includes a measure to allow healthcare providers to impose a charge for missed appointments. Missed appointment penalties are permitted in Medicare and similar charges are required of commercially insured patients. In February 2009, AHCCCS requested CMS guidance regarding charges by healthcare providers for missed appointments. CMS indicated longstanding policy prohibits charging Medicaid recipients a missed appointment penalty.

→ AHCCCS Progress: March 31: AHCCCS revised Waiver Renewal to CMS includes this request.

## **C. Benefit Reforms**

### **8. Restore Transplants Previously Covered (Eff. 4/1/11)**

Federal law requires mandatory services be provided to all Medicaid members and allows states to cover additional optional services. Federal law also permits states to place limits on services as long as the services are sufficient in amount, duration, and scope to reasonably achieve their purpose. Coverage of transplants is optional and AHCCCS' federal authority to cover transplants derives from the State Plan. On October 1, 2010, AHCCCS implemented a number of benefit limits including the elimination of certain transplant types for persons age 21 years and older. The Governor's plan included restoring coverage for these transplants.

→ AHCCCS Progress:

- April 1, 2011: AHCCCS restores transplants previously covered.
- April 7, 2011: Notice of Proposed Exempt Rule Making was published on the website.
- April 21 2011: AHCCCS submits SPA #11-005 to CMS
- May 6, 2011: the public comment period closed.

### **9. Impose Benefit/Service Limits (Eff. 10/1/11)**

Federal law requires mandatory services be provided to all Medicaid members and allows states to cover additional optional services. Federal law also permits states to place limits on services as long as the services are sufficient in amount, duration, and scope to reasonably achieve their purpose.

**State Plan Changes.** The proposal includes the following changes to the State Plan:

- 25-day inpatient hospital limit for adults; and
- 12-visit limit to the emergency department for adults.

→ AHCCCS Progress: June 2011: Additional information will be available on the website including a fact sheet, FAQs, a Notice of Proposed Exempt Rule Making and a State Plan Amendment.

**Policy Changes.** The proposal includes the following changes to AHCCCS policy:

- Reduction in the amount of respite hours covered for Long Term Care members and enrollees receiving Behavioral Health Services (amount to be determined). Respite is a waiver service and limitations are listed in rule and in the AHCCCS Medical Policy Manual (AMPM).

→ AHCCCS Progress:

- June 23, 2011: AHCCCS will hold a public meeting to discuss the agency's specific proposal regarding reduction of respite hours. Following the public meeting, AHCCCS changes will include a Notice of Proposed Exempt Rule Making and a change in the AMPM.

#### **10. Eliminate Non-Emergency Medical Transportation (Eff. 10/1/11)**

Federal law requires non-emergency medical transportation (NEMT) be provided to all Medicaid recipients. The proposal eliminates NEMT for non-disabled childless adults and non-disabled parents in the expansion population in Maricopa and Pima counties, and institutes copayments for NEMT for non-disabled childless adults and non-disabled parents in all other counties. In order to implement this proposal, AHCCCS must obtain a waiver from federal regulations.

→ AHCCCS Progress:

- August 2010: AHCCCS requested authority to waive the requirement to provide NEMT for childless adults and individuals in the MED program in Maricopa and Pima counties.
- December 2010: CMS denies request.
- March 31, 2011: AHCCCS submits revised Waiver Renewal to CMS including this request and proposing to review utilization data after one year and, if it is determined that the change resulted in a significant restriction in access to care, restore the benefit.

#### **D. Other Reforms**

#### **11. Modify Reimbursement Rates (Eff. 10/1/11)**

The proposal reduces provider rates and managed care organization payments and eliminates the growth in outlier payments. Currently, AHCCCS anticipates that all provider rates will be reduced by 5% with exemptions *only* for Indian Health Services and 638 facilities receiving 100% federal pass-through funding, and hospice rates, which are set by the federal government. These changes will be made through the State Plan Amendment process.

→ AHCCCS Progress: June 2011: Additional information will be on the website. This will include a Notice of Proposed Exempt Rule Making and a State Plan Amendment.

#### **12. State Reimbursement of Medicare Liability (Eff. 10/1/11)**

For over three decades, state Medicaid programs, including Arizona, have paid for health care coverage for individuals who were eligible for Medicare but were not enrolled in Medicare because of errors in the methodology used by the Social Security Administration (SSA) to determine federal disability benefits. The SSA has acknowledged this error and implemented the Special Disability Workload (SDW) project to correct the error. The proposal seeks \$40 million in reimbursements for payments that were made by the State but should have been made by Medicare. More information on this issue can be found here: Background on Medicare Liability.

→ AHCCCS Progress: March 31: AHCCCS revised Waiver Renewal to CMS includes this request.

#### **13. Avoid Indian Health Service Cost Shift (Eff. 10/1/11)**

AHCCCS provides care for qualified American Indians who receive services at the Indian Health Services (IHS) or 638 facilities with 100% federal dollars. This proposal seeks federal authority to exempt benefit restrictions and eligibility changes for those services and benefits obtained through IHS or 638 facilities to ensure the viability of their programs. In addition, the State is still seeking similar authority to exempt benefits eliminated on October 1, 2010. More information about this request can be found on the Federal Activities page.

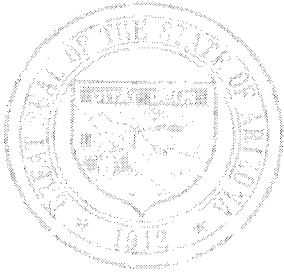
→ AHCCCS Progress: March 31: AHCCCS revised Waiver Renewal to CMS includes this request.

## Future Long Term Reforms:

### 14. Innovations in Medicaid

While Arizona is nationally recognized as one of the most integrated and efficient Medicaid models in the country, opportunities exist to continue to innovate and build upon AHCCCS' mature model. Specifically, AHCCCS is seeking authority in the following areas:

- **Payment Reform.** AHCCCS is seeking the ability to partner with providers and health plans to improve quality outcomes. To support those types of initiatives, AHCCCS needs waiver authority to allow the agency to enter into shared saving arrangements to reward health plans and providers for achieving goals, such as reducing hospital admissions or readmissions.
  - **Care Integration.** In her letter to Arizona from February 15, 2011, Secretary Sebelius identified care integration as a means of improving quality and achieving cost efficiencies in the Medicaid program. Specifically, the Secretary highlighted the need for Arizona to consider revising its current policy of maintaining a carved out behavioral health benefit. Accordingly, the State is considering ways to integrate care in two areas:
    - Integrating care for Children's Rehabilitative Services. AHCCCS will be exploring opportunities to further integrate care for special needs children, such as creation of a specialty health plan. This process will include an extensive consumer engagement strategy. AHCCCS is partnering with St. Luke's Health Initiatives to assist in this effort. This strategy will also include opportunities for input and collaboration with the provider community and other stakeholders.
    - Integrating care for the Seriously Mentally Ill (SMI) and Dual eligibles. AHCCCS will be working with the Arizona Department of Health Services to explore the development of health homes for SMIs and the creation of a specialty plan for the SMI population. This process will also include an extensive consumer engagement strategy. AHCCCS is partnering with St. Luke's Health Initiatives to assist in this effort. There will also be opportunities for input and collaboration with the provider community and other stakeholders.
- AHCCCS Progress:
- March 11, 2011: AHCCCS submits its planning grant proposal under the ACA §2703- "Health Homes for Enrollees with Chronic Conditions" to develop integrated health homes for SMIs.
  - March 29, 2011: CMS awards AHCCCS planning grant funding.
  - March 31, 2011: AHCCCS submits revised Waiver Renewal to CMS including this request.



# AHCCCS

## Public Training Session

### Proposed Respite Changes



#### **PURPOSE:**

AHCCCS will hold a number of community forums to provide updates on various aspects of Arizona's Medicaid Reform Plan. This session will include discussion and opportunity for public comment regarding the:

- Proposal to reduce respite hours from the current allowable of 720 hours/year to 360 hours/year<sup>1</sup>.
- Delay to changes in the Cost Effectiveness Study threshold for the Division of Developmental Disabilities as originally proposed by the DDD Sustainability Workgroup and included in the 1115 Waiver proposal for a 10/1/11 effective date. Based on stakeholder feedback, AHCCCS is delaying seeking authority for this change pending additional agency review and community engagement.

**DATE:** Thursday, June 23, 2011; 2:00-4:00

**LOCATION:** ABIL Conference Center  
5025 E. Washington St., Ste 200  
Phoenix, AZ 85034  
Phone: 602-256-2245  
The AHCCCS Flagstaff and Tucson offices will have conference lines available.

**RSVP:** Space is limited. RSVP to [Alma.Torres@azahcccs.gov](mailto:Alma.Torres@azahcccs.gov)  
For additional information visit: [www.azahcccs.gov/publicnotices](http://www.azahcccs.gov/publicnotices)

<sup>1</sup> Respite is a Waiver services provided only to members enrolled in ALTCS and BHS.