AHCCCS
Arizona Health Care Cost Containment System

# Arizona Overview

## System Design Matters

- Leverage 1115 Authority – Mandatory Medicaid enrollment since inception
- Developed model based on fully integrated Managed Care model (LTSS – PH – BH – duals)
- Built model on importance of robust case management system
- Developed staff and system infrastructure to support MLTSS Models including Duals
- Continue to engage and expand member input
- State must be invested in "Incremental" strategy

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## GAO - Conditions of Members (%)

| Condition | Asthma | Diabetes | HIV/AIDS | MH | SUD | Delivery | LTC | None |
|---|---|---|---|---|---|---|---|---|
| Asthma | | 24.5 | 3.9 | 65.1 | 29.1 | 6.5 | 7.3 | 17 |
| Diabetes | 18.5 | | 2.6 | 52.4 | 23.9 | 3.1 | 12.7 | 29.7 |
| HIV/AIDS | 17.9 | 15.6 | | 48.1 | 39.4 | 2.1 | 7.2 | 29 |
| MH | 17.6 | 18.7 | 2.8 | | 26.7 | 4.0 | 11.9 | 42.9 |
| SUD | 20.8 | 22.6 | 6.0 | 70.8 | | 4.5 | 10.2 | 15.6 |
| Delivery | 9.3 | 5.9 | 0.7 | 21.3 | 9.0 | | 0.5 | 66 |
| LTC | 12.5 | 28.6 | 2.8 | 74.7 | 24.4 | 0.6 | | 14.1 |

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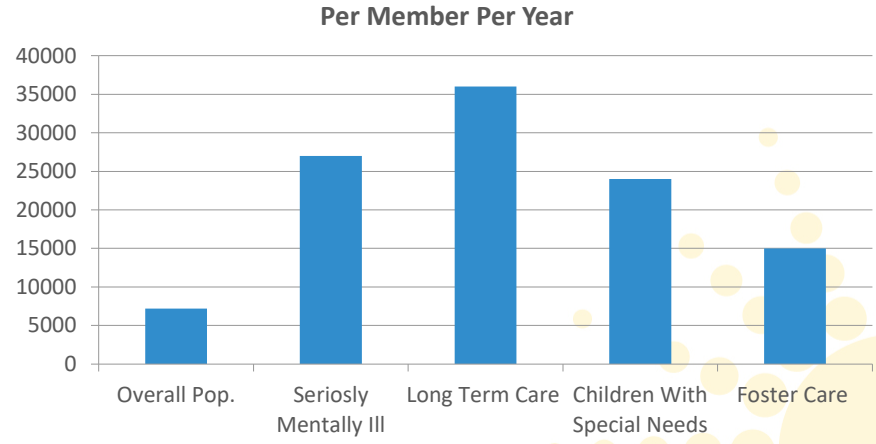
## Complex Populations – Medicaid Costs

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## Integration for Complex Members


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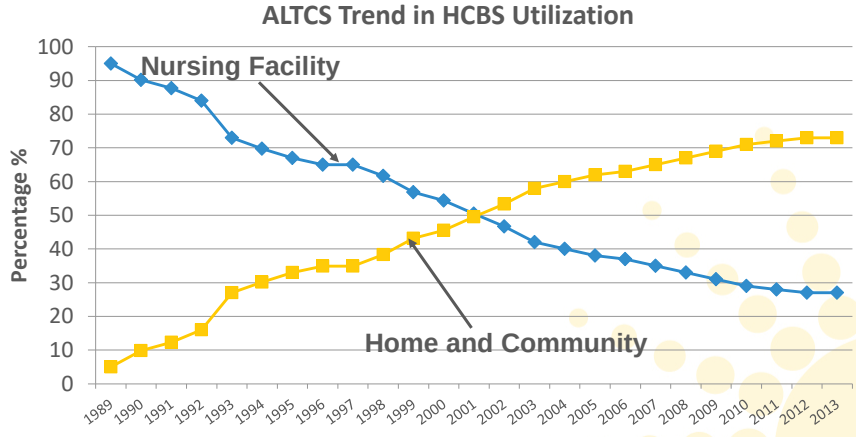
## Effective Use of Home and Community Based Care

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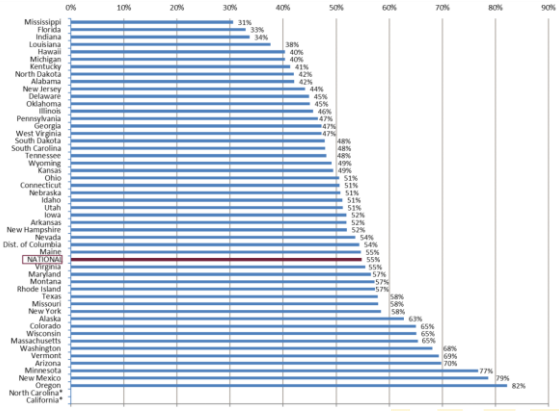
# The Percentage of Total LTSS Spending for HCBS

**Medicaid HCBS Expenditures as a Percentage of Total Medicaid LTSS Expenditures, by State, FY 2015**




* California and North Carolina were excluded from this figure because a high proportion of LTSS were delivered through managed care and detailed managed care information was not available for FY 2015.

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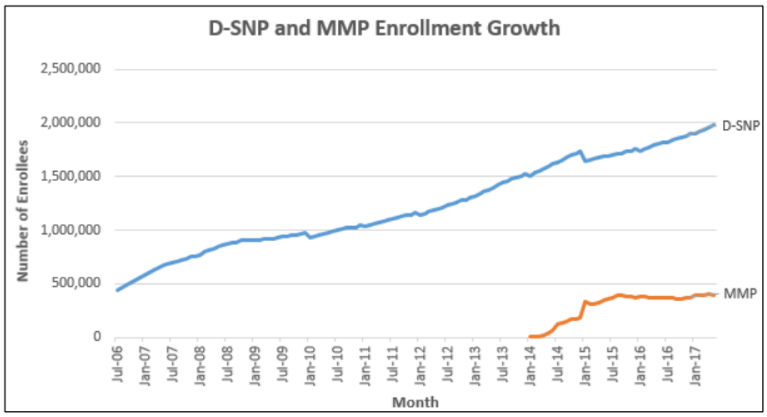
# National Dual Alignment Efforts




SOURCE: Centers for Medicare & Medicaid Services. "SNP Comprehensive Report." and "Monthly Enrollment Report by Contract." D-SNP enrollment unavailable in August 2006, October 2006 through Feb 2007, and April 2007.

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## Arizona DSNP History

- Started with MCOs being DSNPs as part of Medicare Part D implementation – limited passive enrollment
- Established statute so DSNP could be regulated by AHCCCS – not DOI
- MIPAA required Medicaid contract to be DSNP in 2012 Procurement
- Require all plans to offer DSNP in all areas of state – significant financial sanctions if not in place
- Alignment done based on Medicare assignment
- All plans approved for seamless conversion
- Over 7,000 Duals enrolled through Seamless Conversion – 90% retention rate

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## Dual Alignment Success

*RTI ASPE Minnesota Study (2016)*

- 48% less likely to have a hospital stay
- *6% less likely to have an ED visit and if so 38% fewer visits*
- *2.7 times more likely to have PCP visit but if so had 36% fewer visits*

*Avalere Study of Mercy Care Plan Duals (2012)*

- 31% lower rate hospitalization - 21% lower readmissions -43% lower rate of days spent in hospital
- 9% lower ED use

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## Arizona Summary

- Change is Incremental
- System Design Matters - Integration is critical aspect (including duals)
- For Arizona Managed Care was key in building case management and network
- Federal policy-makers need to continue to focus on policies that improve outcomes for Duals and LTSS
  - Duals Alignment - DSNP – Default enrollment
  - LTSS incentives have worked – need to continue to align incentives

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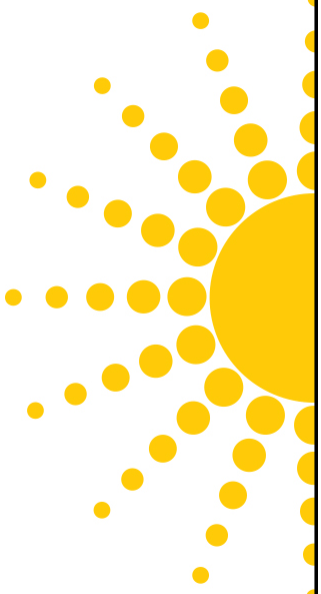
## Questions???



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