

AHCCCS CARE: Choice, Accountability, Responsibility, Engagement

AHCCCS CARE OVERVIEW

On September 30, 2016, the Centers for Medicare and Medicaid Services (CMS) approved Arizona's Section 1115 Waiver for a 5-year period from October 1, 2016 to September 30, 2021. The Waiver includes approval of the new AHCCCS CARE program. Traditionally, Medicaid has served children, pregnant women, persons with disabilities and the elderly. With a membership of over 1.8 million, AHCCCS serves a significant adult population, many of whom may be receiving health insurance coverage for the first time. AHCCCS CARE is a program specifically designed to engage adult members over 100% of the Federal Poverty Level (FPL) to improve health literacy and prepare for a transition into private health coverage.

WHO IS REQUIRED TO PARTICIPATE

Required Participation: Adults over 100% FPL in the New Adult Group are required to participate in the AHCCCS CARE program.

Exceptions: The following individuals are exempted from participation:

- Persons with serious mental illness
- American Indian/Alaska Natives
- Individuals considered medically frail
- Hardship exemptions for members who experience an out-of-pocket expense, such as health expenses, repairs to the home or transportation, or a death in the household.

Voluntary Participation: Adults over 100% FPL that are otherwise exempted and New Adult Group members below 100% FPL may opt in to the AHCCCS CARE program. Opting in allows the member to open and maintain an AHCCCS CARE Account funded by a third party, such as a charitable organization, or contribute their own funds. Contribution amounts and timing from members opting in are at the discretion of the member; no other program requirements apply.

MEMBER CONTRIBUTIONS

Premiums: Premiums serve as contributions into the member's AHCCCS CARE Account. The payment is the lesser of 2% of household income or \$25.

Strategic Coinsurance: These payments are applied retrospectively for services already received, rather than at point of service. This unique approach ensures members are not denied services and providers are not burdened with administrative hassle and uncompensated care. Coinsurance is required for the following services:

- **\$4.00 for opioid prescriptions or refills**, with the exception of members with cancer or in hospice care.
- **\$8.00 for non-emergency use of the emergency room.** This strategic coinsurance requirement is designed to help steer members to lower levels of care that are more appropriate in non-emergency situations.
- **\$5 or \$10 for specialist services without a PCP referral**, to support the medical home model.
- **\$4.00 for brand name drugs when generic available**, except when the physician determines the generic drug is not as efficacious as the brand name drug.

Failure to Pay: Members have a two month grace period to make payments. Members who do not make timely premium payments will be disenrolled, but may re-enroll at any time. There is no lockout period.

THE AHCCCS CARE ACCOUNT

The Account is styled as a flexible spending arrangement. The Account will hold only member premium payments and/or any contributions made by employers or charitable organizations. The Account will not hold strategic coinsurance payments as these monies will be returned to the State to offset program costs. The Account will be managed by a third party vendor to be selected by the State.

USING AHCCCS CARE ACCOUNT FUNDS FOR NON-COVERED SERVICES

AHCCCS CARE members in good standing may withdraw funds in the Account for the purchase of the following non-covered benefits: **Dental services; Vision services; Chiropractic services; Nutrition counseling; Recognized weight loss programs; Gym membership; Sunscreen.**

To be in good standing, the AHCCCS CARE member must: (1) make timely payments into the AHCCCS CARE Account for premiums and coinsurance liabilities; and (2) meet at least one Healthy Arizona Target. Members in good standing can also roll over unused funds from year to year.

INCENTIVIZING HEALTHY BEHAVIORS

Members meeting a Healthy Arizona target can choose to defer their AHCCCS CARE payment requirements for 6 months or roll their funds over into the next benefit year. Reporting of completing a healthy target is done through member self-attestation. The Health Arizona Targets include:

Preventive Health Targets: Annual well exam; Flu shot; Mammogram; Glucose screening

Managing Chronic Disease:

- Tobacco cessation defined as having quit smoking or use of tobacco for at least 6 months.
- Diabetes management, which requires that the AHCCCS CARE member has developed a care management plan with their PCP that includes exercise, steps to help follow a proper diet, maintaining blood sugar levels, adherence to medication and managing blood pressure.
- Asthma management, which includes that the AHCCCS CARE member establish an asthma action plan with their PCP that includes guidance on taking medicines properly, avoiding asthma triggers and tracking level of asthma control.
- Substance use disorder management, which requires establishing and following a care plan with their primary behavioral health provider that includes access to peer supports, medication management, individual or group counseling and any other modalities needed by the member.

EMPLOYER OR CHARITABLE CONTRIBUTIONS

The AHCCCS CARE program allows employers and charitable organizations to make contributions on behalf of their employees or to further their identified health goals, such as tobacco cessation or breast cancer awareness. These partnerships help promote the goals of a healthy Arizona workforce engaged in managing their own health.

AHCCCS WORKS

The AHCCCS Works program is designed to offer AHCCCS CARE members a connection to employment opportunities, job training, resume assistance, and other supports to obtain employment offered by the Arizona Department of Economic Security (DES). Eligibility is not conditioned upon obtaining employment or participating in any DES activity.

NEXT STEPS FOR IMPLEMENTATION

The next step is formulation of an Operational Protocol, which will provide details of how the program will be administered. The Operational Protocol is due to CMS 90 days after approval of the 1115 Waiver. AHCCCS must also issue a Request for Proposal and make an award for a third party vendor that will administer the AHCCCS CARE program.