

AGENCY SUMMARY	
AHCCCS	
Phyllis Biedess, Director	HCA
Contact: Lynn Dunton, Assistant Director	
(602) 417-4534	

Agency Mission:

Reaching across Arizona to provide comprehensive, quality health care for those in need.

Agency Description:

The Arizona Health Care Cost Containment System (AHCCCS) program is a partnership that includes the State, its counties, the Federal Government, program contractors and health plans from the public and 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 a health care program for low income Arizonans, based on competitively bid prepaid capitated contracts designed to provide quality health care while containing costs. The Administration's main responsibilities are quality assurance of medical care, provider and plan oversight, and procurement of contract providers. The major medical programs are acute care, behavioral health services, and long term care. The Administration determines eligibility for the Arizona Long Term Care System, Children's Health Insurance Program (KidsCare), Qualified Medicare Beneficiaries, and for other SSI related Medical Assistance Only programs. Federal funding through Title XIX of the Social Security Act is provided to AHCCCS by the Health Care Financing Administration, which is under the Department of Health and Human Services.

Agency Summary:

	(\$ Thousands)		
	FY 1999 Actual	FY 2000 Estimate	FY 2001 Estimate
➤ ACUTE MEDICAL SERVICES (SLI)	1,252,413.0	1,402,756.0	1,496,920.0
➤ LONG-TERM CARE	461,941.2	517,044.3	568,248.8
➤ ADVISORY COUNCIL ON INDIAN HEALTH CARE (SLI)	204.3	213.1	216.7
➤ ADMINISTRATION	103,372.9	107,626.8	109,024.4
Capital Funds	0.0	0.0	0.0
Agency Total	1,817,931.4	2,027,639.8	2,174,410.2

Funding and FTE Summary:

	(\$ Thousands)		
	FY 1999 Actual	FY 2000 Estimate	FY 2001 Estimate
General Funds	465,988.1	493,585.2	528,533.6
Other Appropriated Funds	19,002.6	69,683.6	88,724.3
Other Non Appropriated Funds	267,703.1	296,798.0	303,946.2
Federal Funds	1,065,237.6	1,167,573.0	1,253,206.1
Operating Funds Subtotal	1,817,931.4	2,027,639.8	2,174,410.2
Capital Funds	0.0	0.0	0.0
Agency Total	1,817,931.4	2,027,639.8	2,174,410.2
FTE Positions	2,332.7	2,407.5	2,424.5

Agency Goals and Key Performance Measures:

- ◆ Goal 1 To focus on the need for AHCCCS to improve relations with communities, constituencies, special interest groups and the public at large.

Key Performance Measures	FY 1998	FY 1999	FY 2000	FY 2001
● Grievances received per 10,000 members	NA	67.4	70	70
● Member satisfaction: percent of choice exercised in moving from current health plan	3.0	3.5	4.0	4.0

- ◆ Goal 2 To alter the existing AHCCCS medical care delivery system to accommodate new concepts in managed care and new as well as special populations, within the context of welfare reform.

Key Performance Measures	FY 1998	FY 1999	FY 2000	FY 2001
● Percent of two year old children enrolled in AHCCCS who have received age appropriate immunizations	70	85	90	90
● KidsCare enrollment	NA	18,167	35,100	37,500
● Premium Sharing Program enrollment	NA	2,828	7,500	7,400
● Percent of children receiving preventive well child care (EPSDT)	65	70	75	80
● Percent of children receiving at least one annual dental visit	35	40	45	50

- ◆ Goal 3 To continue to focus on emerging public policy in health care; its implications for the AHCCCS program and its impact on the AHCCCS desire for permanency.

Key Performance Measures	FY 1998	FY 1999	FY 2000	FY 2001
● Percent of women initiating prenatal care within 6 weeks of enrollment	47.8	49	51	52
● Percent of nursing facility residents who receive their influenza immunizations	97	96	95	95
● Percent of children with access to primary care provider	75.7	77.0	79.0	80.0

- ◆ Goal 4 To improve AHCCCS' core business processes to prepare the agency to efficiently deal with fluctuations in Arizona's economy while still providing cost effective quality health care to those in need.

2000 - 2001 ARIZONA MASTER LIST OF STATE GOVERNMENT PROGRAMS

Key Performance Measures	FY 1998	FY 1999	FY 2000	FY 2001
● Percent of claims electronically submitted	30	50	55	60
● Percent of ALTCS applications processed timely	92	94	94	94
◆ Goal 5 To ensure our human resources are encouraged, developed, and provided opportunities for future growth creating a culture where people want to be innovative and make improvements.				

Key Performance Measures	FY 1998	FY 1999	FY 2000	FY 2001
● Percent of AHCCCS employees' with positive job satisfaction	78	78	85	85
● Percent of AHCCCS work force that surpasses community labor force diversity demographics	100	100	100	100
● Percent of AHCCCS' employee turnover	11.6	11.4	11.0	11.0
● Quality recognition awards (AQA, SOE) submitted	1	5	5	5

HCA.1 PROGRAM SUMMARY
ACUTE MEDICAL SERVICES (SLI)
 Contact: Lynn Dunton, Assistant Director
 Phone: (602) 417-4534
 A.R.S. Title 36; Title XIX, SSA

Program Mission:

To provide quality health care to eligible populations through contracted health plans.

Program Description:

Health plans receive a monthly capitation payment to cover the full range of approved services for AHCCCS enrollees. In addition to capitation, health plans also receive funding to pay for certain services needed by members prior to enrollment in a health plan. AHCCCS also maintains some populations in a fee for service environment. The largest is the Native American population served by or through the Indian Health Service. Undocumented aliens, non qualified aliens and some qualified aliens who entered the country on or after August 22, 1996, are covered for emergency services only, with those services reimbursed on a fee-for-service basis. AHCCCS pays Medicare premiums for qualified low-income Medicare beneficiaries and special low-income Medicare beneficiaries, allowing for the federal Medicare program to serve as a source of payment for a share of AHCCCS costs. Disproportionate Share Hospital Payments provide supplementary payments to hospitals serving large numbers of low-income patients.

Funding and FTE Amounts:

	(\$ Thousands)		
	FY 1999 Actual	FY 2000 Estimate	FY 2001 Estimate
General Funds	403,586.2	421,122.8	440,670.5
Other Appropriated Funds	19,002.6	69,683.6	88,724.3
Other Non Appropriated Funds	122,047.6	142,210.0	146,531.0
Federal Funds	707,776.6	769,739.2	820,994.5
Program Total	1,252,413.0	1,402,756.0	1,496,920.0
FTE Positions	76.0	142.0	159.0

This Program Contains the Following Subprograms:

- ▶ 1931(b) Eligibility Family Assistance
- ▶ Supplemental Security Income (ssi)
- ▶ Sobra Women
- ▶ Sobra Children
- ▶ Medically Needy/medically Indigent
- ▶ Eligible Assistance Children (eac)
- ▶ Eligible Low-income Children (elic)
- ▶ Federal Emergency Services
- ▶ State Emergency Services
- ▶ Medicare Premiums
- ▶ Disproportionate Share Payments
- ▶ Premium Sharing
- ▶ Children's Health Insurance
- ▶ Family Planning Services
- ▶ Adoption Subsidy/foster Care
- ▶ Graduate Medical Education
- ▶ Healthcare Group

HCA.1.1 SUBPROGRAM SUMMARY
1931(B) ELIGIBILITY FAMILY ASSISTANCE
 Contact: Diane Ross, Assistant Director
 Phone: (602) 417-4322
 A.R.S. 36-2901.4(b)

Subprogram Mission:

To provide quality health care to families eligible for 1931(b) Medicaid for families with dependent children.

Subprogram Description:

When the Personal Responsibility and Work Opportunities Reconciliation Act was enacted, it delinked Medicaid benefits from the Aid To Families With Dependent Children (AFDC) cash assistance program. The Medicaid 1931 family coverage group was established to provide medical assistance to families who would have met the AFDC cash assistance eligibility criteria in place on July 1996, and the requirements in Section 1931 of the Social Security Act. This coverage category includes parents and their children under age 18; if 18 they must be students in a secondary school with the expectation of completing their education before they reach age 19; applicants who are in the last tri-mester of pregnancy and have no other children. When these persons become ineligible due to excess income from employment they qualify for up to twenty-four months of transitional medical assistance. If they become ineligible due to receipt of child support income, they qualify for four consecutive months of continued medical coverage.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 1999 Actual	FY 2000 Estimate	FY 2001 Estimate
General Funds	63,639.7	55,287.1	56,896.2
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	7,141.8	13,877.2	12,854.9
Federal Funds	171,857.7	167,337.8	169,086.4
Program Total	<u>242,639.2</u>	<u>236,502.1</u>	<u>238,837.5</u>
FTE Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>

Subprogram Goals and Performance Measures:

- ◆ Goal 1 To ensure the management and delivery of quality acute care services are provided to AHCCCS members.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● 1931 (b) Eligibility Family Assistance monthly enrollment	104,813	82,951	103,688	104,000

HCA.1.2 SUBPROGRAM SUMMARY
SUPPLEMENTAL SECURITY INCOME (SSI)
 Contact: Diane Ross, Assistant Director
 Phone: (602) 417-4322
 A.R.S. 36-2901

Subprogram Mission:

To provide comprehensive quality health care to individuals eligible for Supplemental Security Income (SSI).

Subprogram Description:

The SSI program is administered by the Social Security Administration. Individuals receiving SSI monthly cash payments are automatically eligible for AHCCCS acute care services. The three major SSI categories are individuals who are 65 years or older, blind, or disabled. Eligibility for the SSI program is based on uniform federal requirements. The Medical Assistance Only (MAO) population is not eligible for cash assistance, but is still eligible for Medicaid. SSI-MAO eligibility is based on SSI eligibility criteria and eligibility is determined by the AHCCCS Administration.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 1999 Actual	FY 2000 Estimate	FY 2001 Estimate
General Funds	69,864.7	71,162.6	73,840.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	9,809.3	16,220.9	17,453.3
Federal Funds	179,643.8	191,548.2	201,757.2
Program Total	<u>259,317.8</u>	<u>278,931.7</u>	<u>293,051.1</u>
FTE Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>

Subprogram Goals and Performance Measures:

- ◆ Goal 1 To ensure the management and delivery of quality acute care services are provided to AHCCCS members.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● Supplemental Security Income monthly enrollment	70,287	72,975	75,490	77,435

HCA.1.3 SUBPROGRAM SUMMARY
SOBRA WOMEN
 Contact: Lynn Dunton, Assistant Director
 Phone: (602) 417-4534
 A.R.S. 36-2901

Subprogram Mission:

To provide comprehensive quality health care to eligible pregnant women.

Subprogram Description:

Under the provisions of the federal Sixth Omnibus Budget Reconciliation Act (SOBRA), the state provides care to pregnant women, whose family income does not exceed specified percentages of the Federal Poverty Level (FPL). Percentages of the FPL are specified in SOBRA, Title XIX and A.R.S. 36-2901. Based on changes included in the Omnibus Budget Reconciliation Act of 1989, the federal government currently requires states to provide care to pregnant women and their infants (under 1 year old) whose family income does not exceed 140 percent of the Federal Poverty Level (\$23,388 for a family of four in FY 2000). AHCCCS commonly refers to these individuals as "SOBRA Women and Infants", after the Sixth Omnibus Budget Reconciliation Act took effect in 1987. DES determines eligibility for this program. The federal government also allows states the option to increase the income limit to 185 percent of the Federal Poverty Level.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 1999 Actual	FY 2000 Estimate	FY 2001 Estimate
General Funds	29,751.1	30,492.1	48,748.3
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	9,067.5	9,222.6	7,951.5
Federal Funds	82,098.9	84,523.7	73,477.6
Program Total	<u>120,917.5</u>	<u>124,238.4</u>	<u>130,177.4</u>
FTE Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>

Subprogram Goals and Performance Measures:

- ◆ Goal 1 To ensure the management and delivery of quality acute care services are provided to AHCCCS members.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● SOBRA Women monthly enrollment	12,210	12,864	13,247	13,580

HCA.1.4 SUBPROGRAM SUMMARY
SOBRA CHILDREN
 Contact: Lynn Dunton, Assistant Director
 Phone: (602) 417-4534
 A.R.S. 36-2901

Subprogram Mission:

To provide comprehensive quality health care to eligible children.

Subprogram Description:

Under the provisions of the federal Sixth Omnibus Budget Reconciliation Act (SOBRA), the state provides care to children born after September 30, 1983, whose family income does not exceed specified percentages of the Federal Poverty Income Level (FPL). Percentages of the FPL are specified in SOBRA, Title XIX and A.R.S. 36-2901. Based on changes included in the Omnibus

Budget Reconciliation Act of 1989, the federal government currently requires states to provide care to children whose families income does not exceed the amount specified for the specific age group. There are three children's groups: children under age 1 at 140% FPL, children under age 6 at 133% FPL, and children age 6 or over born after September 30, 1983 at 100% FPL. DES determines eligibility for this program. The federal government also allows states the option to increase the income limit to 185 percent of the Federal Poverty Income Level.

Funding and FTE Amounts: (\$ Thousands)

	FY 1999 Actual	FY 2000 Estimate	FY 2001 Estimate
General Funds	61,706.5	67,937.6	55,064.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	6,898.6	13,404.6	17,697.5
Federal Funds	149,548.1	174,748.6	204,076.9
Program Total	218,153.2	256,090.8	276,838.4
FTE Positions	0.0	0.0	0.0

Subprogram Goals and Performance Measures:

- ◆ Goal 1 To ensure the management and delivery of quality acute care services are provided to AHCCCS members.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● SOBRA Children monthly enrollment	111,547	125,405	152,579	167,435

HCA.1.5 SUBPROGRAM SUMMARY
MEDICALLY NEEDED/MEDICALLY INDIGENT
 Contact: Lynn Dunton, Assistant Director
 Phone: (602) 417-4534
 A.R.S. 36-2901

Subprogram Mission:

To provide comprehensive quality health care to eligible Medically Needy/Medically Indigent (MN/MI) individuals.

Subprogram Description:

Arizona law provides AHCCCS acute care eligibility to individuals meeting specified resource limits and income criteria (as specified in A.R.S. Titles 11 and 36). MN/MI eligible persons are either low income individuals or persons with sufficient medical expenses to "spend-down" to the qualifying income level for the state-funded program. Unlike the criteria for eligibility in other groups, the Medically Needy statutes allow medical expenses to be used to reduce the applicant's total annual income; this is referred to as allowing the applicant to "spend down" to the eligible income limit. The spend-down provisions, however, do not apply to the calculation of the applicant's net worth of resources. The counties determine MN/MI eligibility. Any pregnant woman or child applying is screened to determine their potential eligibility for AHCCCS under the SOBRA program before they can be approved for MN/MI. An exception is made for hospitalized Medically Needy applicants who are screened by the counties as potentially eligible for federal coverage. They are required to complete and submit a federal application to the Department of Economic Security within three days of the county screening, but may be approved for MI/MN pending the DES eligibility determination. The Department of Economic Security has 45 days in which to determine if the applicant is eligible for a federal group, such as 1931 (b) Eligibility or the Sixth Omnibus Budget Reconciliation

Act (SOBRA). DES tries to determine eligibility within ten days from the date they receive a completed application and verification from the county. If they are unable to complete the eligibility within this period of time, the applicant may still enroll as an MN/MI; but, applicants who refuse to cooperate with this federal application process will be denied AHCCCS acute care coverage.

Funding and FTE Amounts: (\$ Thousands)

	FY 1999 Actual	FY 2000 Estimate	FY 2001 Estimate
General Funds	105,582.9	105,851.5	113,358.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	46,969.6	36,949.7	34,321.2
Federal Funds	2,391.2	0.0	0.0
Program Total	154,943.7	142,801.2	147,679.8
FTE Positions	0.0	0.0	0.0

Subprogram Goals and Performance Measures:

- ◆ Goal 1 To ensure the management and delivery of quality acute care services are provided to AHCCCS members.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● Medically Needy/Medically Indigent monthly enrollment	23,815	21,300	20,995	20,630

HCA.1.6 SUBPROGRAM SUMMARY
ELIGIBLE ASSISTANCE CHILDREN (EAC)
 Contact: Lynn Dunton, Assistant Director
 Phone: (602) 417-4534
 A.R.S. 36-2901

Subprogram Mission:

To provide comprehensive quality health care to Eligible Assistance Children.

Subprogram Description:

These children, ages 0 through 13 years, are recipients certified by the Department of Economic Security (DES) to be eligible for the Federal Food Stamp Program, but financially ineligible for Title XIX. A six-month guaranteed enrollment period is provided to Eligible Assistance Children who have been determined AHCCCS-eligible for the first time. This guaranteed enrollment period is a one time only benefit. Eligibility for the Eligible Assistance Children program, which is determined after the guarantee period has expired, will correspond to the Food Stamp certification period of the household. DES determines eligibility for this program.

Funding and FTE Amounts: (\$ Thousands)

	FY 1999 Actual	FY 2000 Estimate	FY 2001 Estimate
General Funds	474.2	33.7	30.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	28.2	84.5	7.2
Federal Funds	10.1	0.0	0.0
Program Total	512.5	118.1	37.2
FTE Positions	0.0	0.0	0.0

Subprogram Goals and Performance Measures:

- ◆ Goal 1 To ensure the management and delivery of quality acute care services are provided to AHCCCS

members.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● Eligible Assistance Children monthly enrollment	1,376	468	242	240

HCA.1.7 SUBPROGRAM SUMMARY
ELIGIBLE LOW-INCOME CHILDREN (ELIC)
 Contact: Lynn Dunton, Assistant Director
 Phone: (602) 417-4534
 A.R.S. 36-2905

Subprogram Mission:

To provide comprehensive quality health care to Eligible Low-Income Children.

Subprogram Description:

These are children, ages 0 through 13, who belong to families whose annual income exceeds financial eligibility for the Medically Indigent program; however, the family income cannot exceed 100% of the Federal Poverty Level for the appropriate family size. Eligible Low-Income Children program participants are generally determined eligible for six-month periods. The county of residence will determine eligibility for this program.

Funding and FTE Amounts: (\$ Thousands)

	FY 1999 Actual	FY 2000 Estimate	FY 2001 Estimate
General Funds	640.0	191.8	334.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	38.0	114.4	61.5
Federal Funds	12.3	0.0	0.0
Program Total	690.3	306.2	396.1
FTE Positions	0.0	0.0	0.0

Subprogram Goals and Performance Measures:

- ◆ Goal 1 To ensure the management and delivery of quality acute care services are provided to AHCCCS members.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● Eligibility Low-Income Children monthly enrollment	423	280	201	200

HCA.1.8 SUBPROGRAM SUMMARY
FEDERAL EMERGENCY SERVICES
 Contact: Lynn Dunton, Assistant Director
 Phone: (602) 417-4534
 A.R.S. 36-2901

Subprogram Mission:

To provide comprehensive quality health care to individuals eligible for the Federal Emergency Services Program (FES).

Subprogram Description:

The Federal Emergency Services Program (FES) is available to individuals who, except for their citizenship/alien status, meet Federal Title XIX income and resource eligibility requirements. The program provides emergency services to three general categories: persons not qualifying for full Medicaid services because they are non-qualified aliens who entered the U.S. prior to August 22, 1996; qualified aliens who entered the country on or

after August 22, 1996, but not yet entitled to full services; and illegal immigrants. This program only covers emergency services, including labor and delivery. As of July 1, 1997, prenatal care is no longer covered. Eligibility for FES for pregnant women, children or families with children under age 18 years is determined by the Department of Economic Security. Eligibility for individuals who are age 65 or older, blind, or disabled is determined by AHCCCS. The length of eligibility will normally be one to three months, except for pregnant women who are eligible through their pregnancy and may be retroactively eligible for up to three months before date of application.

Funding and FTE Amounts: (\$ Thousands)

	FY 1999 Actual	FY 2000 Estimate	FY 2001 Estimate
General Funds	2,621.5	13,296.0	14,471.3
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	11,606.7	3,652.4	4,357.9
Federal Funds	27,167.1	33,311.6	37,192.5
Program Total	41,395.3	50,260.0	56,021.7
FTE Positions	0.0	0.0	0.0

Subprogram Goals and Performance Measures:

- ◆ Goal 1 To ensure the management and delivery of quality acute care services are provided to AHCCCS members.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● Federal Emergency Services monthly enrollment	4,161	4,748	5,674	6,461

HCA.1.9 SUBPROGRAM SUMMARY
STATE EMERGENCY SERVICES
 Contact: Lynn Dunton, Assistant Director
 Phone: (602) 417-4534
 A.R.S. 36-2901

Subprogram Mission:

To provide comprehensive quality health care to individuals eligible for the State Emergency Services Program.

Subprogram Description:

Beginning July 1, 1993, individuals who do not meet Federal Title XIX requirements, but who do meet state Medically Needy/Medically Indigent or Eligible Low-Income Children eligibility requirements, except for their citizenship/alien status, may be eligible for emergency services under the State Emergency Services Program (SES). Services are available only if an individual is receiving or in need of emergency services. Pregnant women that lawfully entered the United States before August 22, 1996, may receive prenatal care in addition to emergency services. Eligibility for SES is determined by the county of residence. The length of eligibility normally is one to two months, and it is retroactive for two days prior to the date of county notification to AHCCCS of the individual's eligibility. Services are reimbursed on a fee-for-service basis only.

2000 - 2001 ARIZONA MASTER LIST OF STATE GOVERNMENT PROGRAMS

Funding and FTE Amounts:	(\$ Thousands)		
	FY 1999	FY 2000	FY 2001
	Actual	Estimate	Estimate
General Funds	14,703.9	15,603.0	15,895.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	873.4	2,573.1	2,839.2
Federal Funds	282.2	0.0	0.0
Program Total	15,859.5	18,176.1	18,734.3
FTE Positions	0.0	0.0	0.0

Subprogram Goals and Performance Measures:

- ◆ Goal 1 To ensure the management and delivery of quality acute care services are provided to AHCCCS members.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● State Emergency Services monthly enrollment	220	249	264	290

HCA.1.10 SUBPROGRAM SUMMARY
MEDICARE PREMIUMS
 Contact: Lynn Dunton, Assistant Director
 Phone: (602) 417-4534
 A.R.S. 36-2911

Subprogram Mission:

To provide for quality health care to individuals eligible for both Medicare and AHCCCS, acute care and ALTCS programs.

Subprogram Description:

AHCCCS pays Medicare Part A premiums (hospital insurance) and Part B premiums (supplemental medical insurance) on behalf of AHCCCS members eligible for Medicare/Medicaid or for those who are Qualified Medicare Beneficiaries (QMBs). This "buy-in" reduces state costs because the federal government, through Medicare, absorbs some costs that would have otherwise been paid by AHCCCS. Additionally, AHCCCS is able to "buy-in" to Part A and pay the premium costs for certain disabled workers. The state's financial responsibility is reduced for AHCCCS-eligible members who have Part A or Part B Medicare coverage since Medicare coverage serves as a source of third-party funds for Medicare-covered services provided to AHCCCS members. Other programs under the Medicare Premiums are the QMB Onlys and QMB Duals. QMB Onlys are those individuals who meet the income and resource requirements of the program and for whom AHCCCS will pay the Medicare Part A and Part B premiums, deductibles, and coinsurance. QMB Onlys do not receive any other AHCCCS benefits, where QMB Duals meet requirements for this category but also meet one of the federal categorical requirements and are entitled to AHCCCS benefits. The specified low income medicare beneficiary (income between 100-120% of the FPL) are also included within this program. The 1997 Federal Balanced Budget Act requires that states expand the Medicare Part B buy-in program for certain qualified individuals (QI-1s 120-135% of FPL and QI 2s 135-175% of FPL). The QI-1s and 2s are not entitled to receive Medicaid services but are eligible to receive payment of their Medicare Part B premiums.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 1999	FY 2000	FY 2001
	Actual	Estimate	Estimate
General Funds	8,396.8	9,203.3	9,886.3
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	151.0	151.0
Federal Funds	16,072.6	21,698.3	38,686.8
Program Total	24,469.4	31,052.6	48,724.1
FTE Positions	0.0	0.0	0.0

Subprogram Goals and Performance Measures:

- ◆ Goal 1 To ensure the management and delivery of quality acute care services are provided to AHCCCS members.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● Members enrolled monthly in the Medicare Premiums programs	58,499	60,380	62,360	64,882

HCA.1.11 SUBPROGRAM SUMMARY
DISPROPORTIONATE SHARE PAYMENTS
 Contact: Lynn Dunton, Assistant Director
 Phone: (602) 417-4534
 A.R.S. 36-2903.01(R)

Subprogram Mission:

To pass through federal and state dollars to hospitals that serve a disproportionate share of low-income and Medicaid patients.

Subprogram Description:

Disproportionate share payments (DSH) will be made to provide additional reimbursement to aid hospitals that serve a disproportionate share of low-income and Medicaid patients. Based on a formula established in federal and state law, payments may be made to the Arizona State Hospital, county-operated hospitals in Maricopa and Pima counties, and a number of private hospitals throughout Arizona.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 1999	FY 2000	FY 2001
	Actual	Estimate	Estimate
General Funds	36,392.9	43,891.5	43,891.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0
Federal Funds	65,977.2	81,000.0	81,000.0
Program Total	102,370.1	124,891.5	124,891.5
FTE Positions	0.0	0.0	0.0

Subprogram Goals and Performance Measures:

- ◆ Goal 1 To ensure disproportionate share (DSH) payments are correctly made to proper hospitals by consultation with the Governor's Office and the Legislature.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● Percent of dollars recouped after distribution	.03	0	0	0

HCA.1.12 SUBPROGRAM SUMMARY
PREMIUM SHARING
 Contact: Leigh Cheatham, PSA Executive Director
 Phone: (602) 417-6755
 A.R.S. 36-2912

Subprogram Mission:

To provide comprehensive quality health care to individuals eligible for Premium Sharing.

Subprogram Description:

As of February 1, 1998, a limited number of families and individuals with incomes at or below 200% of the Federal Poverty Level (400% for chronically ill people) have been able to purchase and receive subsidized health care with one of AHCCCS' Healthcare Group plans operating in Cochise, Maricopa, Pima, and Pinal counties. Premiums are billed and collected through Premium Sharing Administration (PSA). The PSA will determine when the maximum number of enrollees have been reached based on the available funding.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 1999 Actual	FY 2000 Estimate	FY 2001 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	8,261.3	23,851.1	23,833.0
Federal Funds	0.0	0.0	0.0
Program Total	8,261.3	23,851.1	23,833.0
FTE Positions	3.0	3.0	3.0

Subprogram Goals and Performance Measures:

- ◆ Goal 1 To reduce the number of uninsured by offering quality health care coverage to 7,000 eligible members with a gross annual household income of less than 200% FPL (400% FPL for chronically ill) in the four pilot counties.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● Premium Sharing monthly enrollment	NA	2,828	7,500	7,400

HCA.1.13 SUBPROGRAM SUMMARY
CHILDREN'S HEALTH INSURANCE
 Contact: Lynn Dunton, Assistant Director
 Phone: (602) 417-4534
 A.R.S. 36-2982

Subprogram Mission:

To provide comprehensive quality health care to individuals eligible for the Children's Health Insurance Program (KidsCare).

Subprogram Description:

This Title XXI program (KidsCare) was implemented November 1, 1998, for uninsured eligible children up to the age of 19 with gross household income up to 150% of the Federal Poverty Level (FPL) for the first year and 200% of FPL for the second year of this program, starting October 1, 1999. Eligibility was streamlined and the KidsCare benefit package is delivered by AHCCCS health plans.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 1999 Actual	FY 2000 Estimate	FY 2001 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	10,083.8	60,427.4	79,452.4
Other Non Appropriated Funds	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Program Total	10,083.8	60,427.4	79,452.4
FTE Positions	59.0	125.0	142.0

Subprogram Goals and Performance Measures:

- ◆ Goal 1 To reduce the number of uninsured children up to age 19 within FPL limitations, and to provide efficient eligibility processes.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● KidsCare monthly enrollment	NA	18,167	35,100	37,500

HCA.1.14 SUBPROGRAM SUMMARY
FAMILY PLANNING SERVICES
 Contact: Lynn Dunton, Assistant Director
 Phone: (602) 417-4534
 A.R.S. 36-2901

Subprogram Mission:

To provide 24 months of voluntary family planning to women whose SOBRA eligibility has terminated.

Subprogram Description:

SOBRA Family Planning Services Extension Program is a capitated program which provides 24 months of voluntary family planning to women whose SOBRA eligibility has terminated. Women who receive services through the Family Planning Services Extension Program are not eligible for full health care coverage.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 1999 Actual	FY 2000 Estimate	FY 2001 Estimate
General Funds	390.9	538.5	523.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	39.8	77.4	108.9
Federal Funds	4,109.8	5,716.8	5,860.1
Program Total	4,540.5	6,332.7	6,492.9
FTE Positions	0.0	0.0	0.0

Subprogram Goals and Performance Measures:

- ◆ Goal 1 To ensure the management and delivery of quality acute care family planning services are provided.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● Family Planning Services monthly enrollment	22,473	22,489	23,000	23,000

HCA.1.15 SUBPROGRAM SUMMARY
ADOPTION SUBSIDY/FOSTER CARE
 Contact: Lynn Dunton, Assistant Director
 Phone: (602) 417-4534
 A.R.S. 36-2901.4(b)

Subprogram Mission:

To provide Medicaid for children receiving Adoption Subsidy and Foster Care support under Title IV-E of the Social Security Act.

Subprogram Description:

The Title IV-E adoption subsidy or Title IV-E foster care coverage groups include a child for whom an adoption assistance agreement is in effect under Title IV-E of the Act or who receives a foster care maintenance payment under Title IV-E of the Act. AHCCCS must provide Medicaid to individuals who have an adoption assistance agreement in effect under Title IV-E of the Act, whether or not adoption assistance is being provided or judicial decree of adoption has been issued or for whom foster care maintenance payments are made under Title IV-E of the Act.

Funding and FTE Amounts: (\$ Thousands)

	FY 1999 Actual	FY 2000 Estimate	FY 2001 Estimate
General Funds	231.5	231.5	231.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0
Federal Funds	439.4	439.4	439.4
Program Total	670.9	670.9	670.9
FTE Positions	0.0	0.0	0.0

Subprogram Goals and Performance Measures:

- ◆ Goal 1 To ensure the management and delivery of quality acute care services are provided to AHCCCS members.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● Adoption Subsidy/Foster Care monthly enrollment	4,880	5,493	6,182	6,958

HCA.1.16 SUBPROGRAM SUMMARY
GRADUATE MEDICAL EDUCATION
 Contact: Lynn Dunton, Assistant Director
 Phone: (602) 417-4534
 A.R.S. 36-2903.01

Subprogram Mission:

To reimburse hospitals for direct costs of graduate medical education programs.

Subprogram Description:

In FY1998 AHCCCS established a separate Graduate Medical Education program to reimburse direct costs of the hospitals with graduate medical education programs. The Graduate Medical Education allocation, when appropriated, is to be adjusted annually by the increase or decrease in the Data Resources Incorporated hospital market index for prospective hospital reimbursement.

Funding and FTE Amounts: (\$ Thousands)

	FY 1999 Actual	FY 2000 Estimate	FY 2001 Estimate
General Funds	9,189.6	7,388.9	7,484.8
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	934.0	1,814.9	1,714.6
Federal Funds	8,166.2	9,414.8	9,417.7
Program Total	18,289.8	18,618.6	18,617.1
FTE Positions	0.0	0.0	0.0

Subprogram Goals and Performance Measures:

- ◆ Goal 1 To ensure Graduate Medical Education (GME) direct cost reimbursements are made timely.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● Percent of timely payments made to hospitals with GME	100	100	100	100

HCA.1.17 SUBPROGRAM SUMMARY
HEALTHCARE GROUP
 Contact: Leigh Cheatham, HCG Executive Director
 Phone: (602) 417-6755
 A.R.S. 36-2912

Subprogram Mission:

To administer an alternative health care system which provides affordable, accessible, quality health care to small businesses and political subdivisions within the state.

Subprogram Description:

Healthcare Group of Arizona (HCG) is a prepaid medical coverage product marketed to small uninsured businesses with 1-50 employees and employees of political subdivisions, such as the state, counties, towns, cities, and school districts. Enrollment in HCG initially started January 1, 1988. The program is designed to address the health care needs of the working uninsured population in Arizona. Several national and state studies note that the majority (85%) of the uninsured are working, and that small businesses are less likely to offer health insurance to their employees than businesses with 50 or more employees. Healthcare Group is designed to be a safety net for the employed uninsured.

Funding and FTE Amounts: (\$ Thousands)

	FY 1999 Actual	FY 2000 Estimate	FY 2001 Estimate
General Funds	0.0	13.8	13.8
Other Appropriated Funds	8,918.8	9,256.2	9,271.9
Other Non Appropriated Funds	20,379.4	20,216.3	23,179.3
Federal Funds	0.0	0.0	0.0
Program Total	29,298.2	29,486.3	32,465.0
FTE Positions	14.0	14.0	14.0

Subprogram Goals and Performance Measures:

- ◆ Goal 1 To develop strategies to increase enrollment in the Healthcare Group program.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● Healthcare Group monthly enrollment	20,315	13,989	12,527	13,327

HCA.2 PROGRAM SUMMARY
LONG-TERM CARE
 Contact: Lynn Dunton, Assistant Director
 Phone: (602) 417-4534
 A.R.S. Title 36; Title XIX, SSA

Program Mission:

To provide quality long-term care, acute care, behavioral health and case management services to eligible Arizona Long Term Care System (ALTCS) members.

Program Description:

AHCCCS implemented the first phase of ALTCS for persons with developmental disabilities on December 19, 1988, and the second phase for the elderly and physically disabled persons on January 1, 1989. Eligibility is performed by AHCCCS. Available services include care in a nursing facility, Intermediate Care Facility for the Mentally Retarded, Residential Treatment Facility, alternative residential settings and a wide range of home and community based services. Behavioral health services were added for Early Periodic Screening, Diagnostic and Treatment (EPSDT) ALTCS children under age 21 on October 1, 1992. The remaining populations were phased-in until October 1, 1995, when all Title XIX members became eligible for behavioral health services.

Funding and FTE Amounts: (\$ Thousands)

	FY 1999 Actual	FY 2000 Estimate	FY 2001 Estimate
General Funds	12,759.5	20,397.8	35,014.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	145,655.5	154,588.0	157,415.2
Federal Funds	303,526.1	342,058.5	375,819.0
Program Total	461,941.2	517,044.3	568,248.8
FTE Positions	0.0	0.0	0.0

Program Goals and Performance Measures:

- ◆ Goal 1 To ensure the management and delivery of quality ALTCS services to AHCCCS members.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● Percent of nursing facility residents who receive their influenza immunization	97	96	95	95
● Percent of members whose sacral/coccygeal pressure ulcer improves	74	77	78	79
● ALTCS monthly enrollment	24,237	25,827	27,634	29,569

HCA.3 PROGRAM SUMMARY

ADVISORY COUNCIL ON INDIAN HEALTH CARE (SLI)

Contact: Maryetta Patch, IHC Exec Dir.
Phone: (602) 995-1400
A.R.S. 36-2902; Title XIX, SSA

Program Mission:

To develop a comprehensive health care delivery and financing system for Arizona's American Indians, specific to each Arizona Indian tribe, with a focus on creating Indian health care demonstration projects.

Program Description:

Established in fiscal year 1990, the Advisory Council on Indian Health Care (ACIHC) consists of 23 members who serve staggered two year terms. Twenty members, appointed by the Governor of Arizona, represent five health care agencies, five social services agencies, five agencies serving the developmentally disabled, two tribal organizations or metropolitan Indian centers, and three tribal members serving at large. The remaining three representatives from the Arizona Health Care Cost Containment System (AHCCCS), the Arizona Department of Health Services (ADHS), and the Department of Economic Security (DES) are appointed by the respective directors of each of these departments. Technical advisors to the Council include one representative each

from the Veteran's Administration, Bureau of Indian Affairs, and the Indian Health Service.

Funding and FTE Amounts: (\$ Thousands)

	FY 1999 Actual	FY 2000 Estimate	FY 2001 Estimate
General Funds	103.6	108.2	110.2
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0
Federal Funds	100.7	104.9	106.5
Program Total	204.3	213.1	216.7
FTE Positions	4.0	4.0	4.0

Program Goals and Performance Measures:

- ◆ Goal 1 To facilitate communications, planning and discussion among tribes, the state and federal agencies regarding operation, financing, policy and legislation relating to Indian health care.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● Percent of tribes provided health care operational support and services	100	100	100	100

HCA.4 PROGRAM SUMMARY

ADMINISTRATION

Contact: Phyllis Biedess, Director
Phone: (602) 417-4680
A.R.S. Title 36; Title XIX, SSA

Program Mission:

Reaching across Arizona to provide comprehensive quality health care for those in need.

Program Description:

The Administration contracts with program contractors and health plans, which agree to accept a capitated monthly payment for the cost of providing medical care to enrolled members. Administration responsibilities related to health plan and program contractor contracting include rate negotiations, financial and operational oversight of health plans and program contractors, and quality of care assessment. The Administration also manages a fee-for-service payment system that covers medical bills for IHS enrolled members and emergency services for undocumented aliens and other non-qualified aliens. Additional Administration responsibilities include the development and maintenance of the management information system; coordination of provider or eligibility grievances; policy development and research; agency financing and accounting; agency development and monitoring; third party liability recovery and performing eligibility determinations for the Arizona Long-Term Care System. Eligibility for the Acute Care program is conducted by the Department of Economic Security, counties, and the Social Security Administration.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 1999 Actual	FY 2000 Estimate	FY 2001 Estimate
General Funds	49,538.8	51,956.4	52,738.3
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0
Federal Funds	53,834.1	55,670.4	56,286.1
Program Total	103,372.9	107,626.8	109,024.4
FTE Positions	2,252.7	2,261.5	2,261.5

This Program Contains the Following Subprograms:

- ▶ Central Administration
- ▶ Pass-thru To Other State Agencies
- ▶ Office of Managed Care
- ▶ Office of The Medical Director
- ▶ Division of Member Services

HCA.4.1 SUBPROGRAM SUMMARY
CENTRAL ADMINISTRATION
 Contact: Lynn Dunton, Assistant Director
 Phone: (602) 417-4534
 A.R.S. 36-2901

Subprogram Mission:

To provide the leadership, policy, technology, legal, and financial direction and coordination for AHCCCS.

Subprogram Description:

Central Administration consists of five operating divisions, which provide the following services: Office of the Director provides the overall policy direction for the agency with specific staff dedicated to the Public Information Office, Human Resources, Office of Program Integrity, and coordinating the agency Quality Program/Strategic Plan. Office of Policy Analysis and Coordination drafts and monitors legislation and rules; serves as liaison to the Health Care Financing Administration, tribes, tribal organizations and the Indian Health Service, advocacy groups, and maintains the AHCCCS federal waiver and State Plan. Information Services Division develops, maintains and acquires automation for the agency. The Division of Business and Finance oversees internal financial operations, third party liability, contracts, budget development and monitoring, claims processing, provider assistance, purchasing, and facilities management. The Office of Legal Assistance provides legal counsel for AHCCCS; manages contracted legal services; and provides members, contractors and providers a fair, expeditious, and cost effective process to informally adjudicate grievances.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 1999 Actual	FY 2000 Estimate	FY 2001 Estimate
General Funds	13,707.6	13,742.5	13,992.4
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0
Federal Funds	14,858.4	14,212.9	14,276.7
Program Total	28,566.0	27,955.4	28,269.1
FTE Positions	376.2	357.0	357.0

Subprogram Goals and Performance Measures:

- ◆ Goal 1 To oversee the development and implementation of the AHCCCS Quality Initiative (AQI) with an emphasis on enhancing teamwork and improving customer relations.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● Percent of staff trained in AQI within one year of employment	95	95	95	95

- ◆ Goal 2 To ensure and maintain the integrity of the AHCCCS program through timely audits and investigations of reports of fraud and abuse.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● Percent of preliminary fraud and abuse investigations completed within 45 days	90	90	90	90

- ◆ Goal 3 To provide information to the general public, minority communities, and organizations, and liaison with the media and government officials.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● Percent of customers satisfied	90	90	90	90

- ◆ Goal 4 To monitor the status of the AHCCCS program waiver and coordinate submission of required deliverables to HCFA.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● Percent of timely submissions of "Waiver and Special Terms and Conditions" documents and reports and State Plan Amendments to HCFA	100	100	100	100

- ◆ Goal 5 To resolve problems raised to the Director's Office by customers.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● Percent of inquiries responded to within three days regarding client service issues	95	95	95	95

- ◆ Goal 6 To develop, maintain, and enhance computerized PMMIS application systems as dictated by cost efficiencies and agency needs.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● Percent of time the PMMIS is available to our users	99	99	99	99

- ◆ Goal 7 To administer a streamlined claims processing system, including the integration of an electronic format for provider claims submission, inquiry, payment and remittance.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● Percent of claims adjudicated within 30 days	94	97	97	97
● Percent of available discounts realized	96	97	96	96
● Percent of claims electronically submitted	30	50	55	60

- ◆ Goal 8 To develop a quality agency administrative and programmatic budget that is submitted timely and accurate.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● Budget performance executive scorecard rating	NA	Baseline	4.5	4.5

HCA.4.2 SUBPROGRAM SUMMARY
PASS-THRU TO OTHER STATE AGENCIES
 Contact: Lynn Dunton, Assistant Director
 Phone: (602) 417-4534
 A.R.S. Title 36, Title XIX, SSA

Subprogram Mission:

To partner with other state agencies for administrative services to reach across Arizona to provide comprehensive quality health care for those in need.

Subprogram Description:

The Department of Economic Security (DES), Department of Health Services (DHS), and the Department of Administration's Data Center (DOADC) coordinate with AHCCCS by providing administrative support for the program. DES performs eligibility determination for approximately two thirds of the AHCCCS members, which include 1931 (b) Eligibility (TANF), SOBRA pregnant women and children, Eligible Assistance Children (EAC) and other "medical assistance only" groups for families with minor children. AHCCCS passes through state and federal funds to DES to cover the cost of determining eligibility and automation of the eligibility systems. Preadmission screening and annual resident reviews are conducted by DES and DHS by conducting level II screenings for eligible patients in Title XIX certified nursing facilities. These residents have been identified through a level I screening process as potentially having a mental retardation or mental illness. The DES, Disability Determination Services, determines disability entitlement for the Arizona Long Term Care System's applicants, SSI/MAO, and SSI related Federal Emergency Services applicants. The DHS, Nursing Facility Licensure, determines whether institutions and suppliers of service meet the requirements for participation in the Medicaid program as it applies to licensure, certification, or registration. DOA provides computer processing services, operating manuals, documentation services, and back-up support in case of equipment failure.

Funding and FTE Amounts:

	(\$ Thousands)		
	FY 1999 Actual	FY 2000 Estimate	FY 2001 Estimate
General Funds	21,708.2	23,736.7	24,105.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0
Federal Funds	22,705.8	25,109.7	25,477.8
Program Total	44,414.0	48,846.4	49,583.7
FTE Positions	1,097.5	1,127.9	1,127.9

Subprogram Goals and Performance Measures:

- ◆ Goal 1 To monitor DES compliance with the eligibility Intergovernmental Agreement.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● Eligibility determination enrollment error percent	<3	<3	<3	<3

- ◆ Goal 2 To monitor DES compliance with the PASARR Intergovernmental Agreement with AHCCCS.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● Percent of federal (HCFA) reviews that identify problems requiring corrective action plans	<3	<3	<3	<3

- ◆ Goal 3 To monitor DHS compliance with PASARR Intergovernmental Agreement with AHCCCS.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● Percent of federal (HCFA) reviews that identify problems requiring corrective action plans	<3	<3	<3	<3

- ◆ Goal 4 To monitor DES' timely determinations of disability status to allow timely ALTCS eligibility determinations.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● Percent of eligibility determinations for disabled applicants that meet federally required time frames	96	96	96	96

- ◆ Goal 5 To monitor the DHS licensure Intergovernmental Agreement.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● Percent of DHS proposed changes to rules, statute, survey process, etc. that are responded to by AHCCCS on time	100	100	100	100

HCA.4.3 SUBPROGRAM SUMMARY
OFFICE OF MANAGED CARE
 Contact: Branch McNeal, Deputy Director
 Phone: (602) 417-4104
 A.R.S. Title 36; Title XIX, SSA

Subprogram Mission:

To enhance the capability of the AHCCCS program to ensure the provision of quality health care services to its members and obtaining full economic value for monetary resources expended.

Subprogram Description:

This office is the main contact with AHCCCS health plans and program contractors. It ensures that the health plans and program contractors continue to be viable economic entities while providing health care to members. In addition to regular on-site audits, health plans and program contractors are required to provide periodic reports to the Office of Managed Care such as utilization of service of members, financial statements, network participants and grievance and appeals. This office, with the assistance of research and actuaries, is responsible for developing and negotiating contracts with the health plans and program contractors as well as rate setting and encounter reporting. The OMC coordinates oversight of the delivery of behavioral health services through the ALTCS program contractors and through a contract with the Department of Health Services for acute care members. The OMC is also responsible for health plans and program contractors' eligibility quality control activities and the investigation and prosecution of member fraud.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 1999 Actual	FY 2000 Estimate	FY 2001 Estimate
General Funds	2,311.4	2,409.7	2,436.8
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0
Federal Funds	1,418.2	1,464.0	1,480.5
Program Total	<u>3,729.6</u>	<u>3,873.7</u>	<u>3,917.3</u>
FTE Positions	<u>88.0</u>	<u>92.0</u>	<u>92.0</u>

Subprogram Goals and Performance Measures:

- ◆ Goal 1 To ensure compliance with federal Medicaid Eligibility Quality Control (MEQC) requirements.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● Number of cases reviewed	850	1,000	1,650	1,650
● ALTCS eligibility case error percent	4.6	2.8	3.0	3.0

- ◆ Goal 2 To identify erroneous county eligibility certifications to determine if a county's error rate exceeds 3% and to initiate corrective action plan to reduce the overall error rate.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● Number of cases reviewed	3,169	2,572	1,784	1,784
● Number of Arizona counties below 3% error rate	11	11	12	12

- ◆ Goal 3 To ensure Acute Care health plans and ALTCS program contractors (collectively referred to as health plans) comply with AHCCCS contract provisions.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● Percent of acute and ALTCS health plan on-site operational and financial reviews completed on time	100	100	100	100
● Percent of financial viability issues detected prior to an impact on contract	100	100	100	100

- ◆ Goal 4 To ensure the availability and accessibility of AHCCCS health plan providers throughout the state.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● Rural counties with at least two competitive risk health plans available	13	13	13	13

- ◆ Goal 5 To improve the completeness and quality of encounter data collected from health plans, program contractors, and behavioral health.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● The number of encounters per member month	1.81	1.91	2.0	2.16
● Omission error percent	11.3	12.7	11.9	10.0
● Correctness error percent	9.0	11.8	11.0	10.0

HCA.4.4 SUBPROGRAM SUMMARY
OFFICE OF THE MEDICAL DIRECTOR
 Contact: Leonard Jasinski, M.D., Medical Director
 Phone: (602) 417-4241
 A.R.S. Title 36; Title XIX, SSA

Subprogram Mission:

To define, interpret and monitor AHCCCS health care services and the quality management system used to continuously improve those services.

Subprogram Description:

This office is responsible for ensuring that AHCCCS members are provided the quality of care to which they are entitled, in the most cost-effective manner. This involves evaluating health provider practices in providing health care, prior authorization, quality assurance, and utilization review. The prior authorization unit assures that proposed services are medically necessary and provided in the most appropriate setting, and within the scope of AHCCCS coverage. Utilization management in health plans and program contractors is monitored. This program looks for trends in both over and under utilization of services by providers. Oversight of the ALTCS and Acute programs ensure medical services are provided, including ventilator dependent, pre-admission screening and annual resident review, nurse aid training, competency evaluation, EPSDT, maternity, and family planning.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 1999 Actual	FY 2000 Estimate	FY 2001 Estimate
General Funds	1,053.4	1,117.3	1,129.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0
Federal Funds	1,946.6	2,001.3	2,023.8
Program Total	<u>3,000.0</u>	<u>3,118.6</u>	<u>3,153.7</u>
FTE Positions	<u>49.0</u>	<u>49.0</u>	<u>49.0</u>

Subprogram Goals and Performance Measures:

- ◆ Goal 1 To develop provider standards for provider registration and provider network standards to measure availability and accessibility of services.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● Percent of provider registration standards maintained	100	100	100	100

- ◆ Goal 2 To improve the health status for children.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● Percent of two year old children enrolled in AHCCCS who have received age appropriate immunizations	70	85	90	90
● Children's access to primary care provider	75.7	77	79	80

- ◆ Goal 3 To improve the health status of AHCCCS enrolled women.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● Percent of women receiving annual cervical screening	31.6	32	34	35
● Percent of women initiating prenatal care within 6 weeks of enrollment	47.8	49	51	52
● Percent of pregnant women receiving prenatal care in the first trimester	52.7	54	56	57
● Percent of women receiving recommended mammography screening	57	58	59	60

HCA.4.5 SUBPROGRAM SUMMARY
DIVISION OF MEMBER SERVICES
 Contact: Diane Ross, Assistant Director
 Phone: (602) 417-4322
 A.R.S. Title 36; Title XIX, SSA

Subprogram Mission:

To assist AHCCCS eligible members access health care.

Subprogram Description:

This division is responsible for the determination of eligibility for the Arizona Long Term Care System (ALTCS) and for other SSI-related Medical Assistance Only (MAO) programs; for enrolling eligible acute care and ALTCS members; for oversight of the Children's Health Insurance program; and for providing member eligibility and enrollment information. The division maintains day-to-day liaison with, and oversight of, the Department of Economic Security and the counties that perform AHCCCS eligibility determinations.

Funding and FTE Amounts:

(\$ Thousands)

	FY 1999 Actual	FY 2000 Estimate	FY 2001 Estimate
General Funds	10,758.1	10,950.2	11,073.3
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0
Federal Funds	12,905.2	12,882.5	13,027.3
Program Total	23,663.2	23,832.7	24,100.6
FTE Positions	642.0	635.6	635.6

Subprogram Goals and Performance Measures:

- ◆ Goal 1 To administer eligibility processes for ALTCS and SSI-MAO in a timely manner.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● All SSI related eligibility applications (including ALTCS, QMB, SLMB, QI I & II, & SSI-MAO)	30,048	41,322	43,566	43,566
● Percent of applications processed on time	93	93	93	93
● Percent of financial redeterminations processed on time	96	96	96	96

- ◆ Goal 2 To determine eligibility in an accurate manner.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● Percent of quality control samples meeting eligibility accuracy	97	97	97	97

- ◆ Goal 3 To ensure that member information in the recipient data base is accurate and updated in a timely manner.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● Member File Integrity System average number of days to complete emergency referrals	3	1.3	1	1
● Member File Integrity System average number of days to complete priority referrals	5	3.4	3	3
● Member File Integrity System percent of timely reconciliation of AHCCCS data with other governmental data bases	100	100	100	100
● Member File Integrity System average number of days to complete regular referrals	15	5.8	5.5	5.5

- Member File Integrity System percent of accuracy as measured by internal quality review NA NA 100 100

- ◆ Goal 4 To provide accurate eligibility and enrollment information to providers and members in a timely manner.

Performance Measures	FY 1998 Actual	FY 1999 Actual	FY 2000 Expected	FY 2001 Expected
● Percent of telephone calls abandoned due to client or provider unwillingness to wait for operator's assistance.	10	10	10	10
● Percent of quality control samples meeting verification accuracy	98	98	98	98

