AHCCCS

Our first care is your health care
ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM

Janet Napolitano, **Governor**
Anthony D. Rodgers, **Director**

801 East Jefferson, Phoenix AZ 85034
PO Box 25520, Phoenix AZ 85002
phone *602 417 4000*
www.ahcccs.state.az.us

May 30, 2008

Steven Rubio, MGA, BSN, RN
Project Officer, Division of State Demonstrations and Waivers
Center for Medicaid and State Operations
Center for Medicare and Medicaid Services
Mailstop: S2-01-06
7500 Security Blvd.
Baltimore, Maryland 21244-1850

Dear Mr. Rubio:

In accordance with Special Term and Condition paragraph 26, enclosed please find the Quarterly Progress Report for January 1, 2008, through March 31, 2008, which also includes the Quarterly Budget Neutrality Tracking Schedule and the Quarterly Quality Initiative.

If you have any questions about the enclosed report, please contact me at (602) 417-4534.

Sincerely,

Monica Coury
AHCCCS Office of Intergovernmental Relations

Enclosure

c: Ron Reepen
Lynette Burke
Hee Young Ansell
Tonya Moore

AHCCCS Quarterly Report
January 1, 2008 to March 31, 2008

TITLE

Arizona Health Care Cost Containment System -- AHCCCS, A Statewide Approach to Cost Effective Health Care Financing

Section 1115 Quarterly Report

Demonstration Year: 26
Federal Fiscal Quarter: 2/2008 (January 1, 2008 – March 31, 2008)

INTRODUCTION

As written in Special Term and Condition paragraph 26, the State submits the following quarterly progress reports to CMS. The purpose of the quarterly report is to inform CMS of significant demonstration activity from the time of approval through completion of the Demonstration.

ENROLLMENT INFORMATION

Population Groups (as hard coded in the CMS 64)	Current Enrollees (to date)	No. Voluntary Disenrolled in current Quarter	No. Involuntary Disenrolled in current Quarter
Acute AFDC/SOBRA	847,015	1,435	336,723
Acute SSI	133,776	84	19,746
Acute AC/MED	159,338	239	53,792
Family Planning	6,332	10	2,416
LTC DD	20,278	15	1,517
LTC EPD	27,394	30	3,898
Total	1,264,395	2,152	426,237

State Reported Enrollment in the Demonstration (as requested)	Current Enrollees
Title XIX funded State Plan	842,349
Title XXI funded State Plan	65,064
Title XIX funded Expansion	126,278
Title XXI funded Expansion	11,344
DSH Funded Expansion	
Other Expansion	
Pharmacy Only	
Family Planning Only	5,377
Enrollment Current as of	04/01/08

Outreach/Innovative Activities:

AHCCCS implemented its year-one plans for a statewide KidsCare outreach, enrollment, and retention campaign. The campaign has 11 contractual partnerships with community organizations around the state. Outreach partners are actively promoting the KidsCare program within targeted areas with high numbered of potentially uninsured children through events, partnerships, and other outreach strategies. AHCCCS will also partner with schools since the State ban on outreach in schools has been lifted with the condition that AHCCCS receives signed permission letters from both the Superintendant and the School Principal. Currently, about 330 schools out of the 600 schools initially targeted are on file. Continued efforts are being made to secure permission letters from all the schools across the State.

KidsCare Outreach has developed a strong network of partners around the state that have been willing to collaborate with our efforts in the community. The St. Lukes Health Initiative have recently partnered with the Children Action Alliance in an effort to support our outreach partners through technical assistance, research, and advocacy. KidsCare Outreach has also made strides in partnering with other state agencies in promoting the KidsCare program. Partnerships with DES and WIC have been developed to distribute KidsCare promotional items such as our brochure throughout the state.

In an effort to brand and market the KidsCare program, KidsCare Outreach revamped the look of the program with new promotional materials. A new tagline "Affordable HealthCare for Arizona's Children" was implemented along with new images and presentation of our brochure and poster. Thousands of brochures and posters have been disbursed in Arizona communities. Along with the redesign of our materials, a new and exciting website was launched for the KidsCare program. The website, www.azkidscare.gov has received great reviews from our community partners and the general public.

AHCCCS continues to present to community, non-profit groups, and local governments about Medicaid and SCHIP programs. We will also continue to educate them about any policy changes, as well as attend and participate in community events across the state.

Operational/Policy Developments/Issues:

Legislative Update

The State Legislature convened in mid-January and is expected to remain in session through the middle of June. Like many states, Arizona is facing a significant budget deficit in FY 2007-2008 and FY 2008-2009. For this reason, legislators have been primarily focused on reducing spending in the current year's budget and in the budget year beginning July 1st. The Legislature has already made budget reductions to the FY 2007-2008 budget. The savings realized in the AHCCCS budget were derived mainly through unexpended funding and therefore did not present programmatic changes or adjustments to state-defined eligibility levels. The FY 2008-2009 budget is still under discussion.

AHCCCS advocated three pieces of legislation this session. All three of these pieces of legislation have been passed. The first bill allows AHCCCS to utilize employment information housed within the New Hire Directory at the Arizona Department of Economic Security to verify continued eligibility of Title XIX enrollees. Additionally, legislation was introduced implementing the provisions in the Deficit Reduction Act of 2005 to allow the State to enter into Long-Term Care Partnership Programs with the private insurance industry. The legislation was also advocated by the Arizona Department of Insurance and Blue Cross Blue Shield of Arizona. Finally, AHCCCS worked with the Arizona State Board of Nursing to author legislation to create a Self-Directed Attendant Care program for ALTCS enrollees who are receiving home and community-based services. Services to be permitted under the auspices of this legislation will be defined in rule in the coming months.

The Arizona Cancer Society successfully advocated legislation that will permit AHCCCS contracted health plans to add nicotine replacement therapies and tobacco cessation medications to their formularies, thus making these prescriptions available to Medicaid enrollees. State matching funds for this new service will be derived from the State Tobacco Education and Prevention Program Account, which is administered by the Arizona Department of Health Services. AHCCCS will be entering into an intergovernmental agreement with the Department of Health Services for the transfer of these funds.

Waiver Update

The internal team formed to analyze and implement the various requirements and updates under Arizona's Waiver continues to meet. On December 19, 2007, CMS sent AHCCCS updated waiver documents reflecting the 2007 Legislative changes mentioned above. A number of calls and e-mails were exchanged during this quarter whereby CMS indicated the changes were in final clearance. AHCCCS continues to wait for final approval.

During this quarter, AHCCCS submitted a waiver amendment regarding the tamper resistant prescription pads. This amendment was approved March 31, 2008.

REPORTS?

State Plan Update

During this quarter, AHCCCS responded to the Request for Additional Information regarding State Plan Amendment 07-009 pertaining to graduate medical education.

AHCCCS received approval of State Plan Amendment 07-010 regarding Arizona's methodology for determining the personal needs allowance for individuals who are institutionalized or receiving home and community-based services, and for determining the minimum resource deduction for community spouses.

AHCCCS submitted State Plan Amendment 08-001, regarding the disregard of census-related income and responded to questions from CMS.

Consumer Issues:

The Table below provides a summary of the types of complaints or problems by consumers for the reporting period January 1, 2008 – March 31, 2008. Please note, AHCCCS continues to expand its data collection, capturing more accurate data.

Complaint Issue	January	February	March	Total
ALTCS	19	23	13	55
Can't get coverage (eligibility issues)	132	177	143	452
Caregiver issues	0	1	1	2
Credentialing	0	0	0	0
DES	53	50	83	186
Equipment	1	0	4	1
Fraud	7	1	6	14
Good customer service	3	0	0	3
Information	325	220	215	760
Lack of documentation	0	0	0	0
Lack of providers	0	0	2	2
Malfunctioning equipment	1	0	0	1
Medicare	19	11	22	52
Medicare Part D	41	26	42	109
Member reimbursement	0	3	4	7
Misconduct	0	0	0	0
No notification	0	0	0	0
No payment	0	0	0	0
Nursing home POS	0	0	0	0
Optical coverage	1	0	1	2
Over income	0	0	0	0
Paying bills	462	452	474	1385
Policy	1	3	1	5
Poor customer service	7	0	0	7
Prescription	39	25	41	105
Prescription denial	16	15	11	42
Process	0	0	0	0
Surgical procedures	0	3	1	4
Termination of coverage	161	129	102	392

Quality Assurance/Monitoring Activity:

Attached is a description of AHCCCS' Quality Assurance/Monitoring Activities during the quarter. The attachment also includes updates on implementation of the AHCCCS Quality Assessment and Performance Improvement Strategy, in accordance with Balanced Budget Act (BBA) requirements.

HIFA Issues:

Below is enrollment information for the quarter: January 1, 2008, to March 31, 2008.

HIFA Parents ever enrolled: 65,206
HIFA Parents enrolled at any time between 01/01/2008 and 03/31/2008: 14,487

HIFA Parent enrollment:

01/01/08	12,619
02/01/08	12,072
03/01/08	11,717

Employer Sponsored Insurance Issues:

AHCCCS received a response to its request for guidance submitted on September 26, 2007, regarding the structure of the ESI program in light of the uncertainty surrounding SCHIP reauthorization. In light of this guidance, AHCCCS determined the ESI program would include only children enrolled in SCHIP.

Family Planning Extension Program (FPEP):

AHCCCS monitors utilization of family planning services by women who are covered under the demonstration and enrolled with acute-care health plans on a quarterly basis. Reports are based on a four-month claims lag; thus, the most recent data available are for the quarter ending Dec. 31, 2007. AHCCCS enrollment data show that 6,550 unduplicated recipients were enrolled with acute-care Contractors under the Family Planning Extension program during the quarter. Encounter data received through April 2008 indicate that 1,164 women used a family planning service, for a utilization rate of 17.8 percent during the quarter. In addition, 2,123 women who still had postpartum eligibility as SOBRA pregnant women also received a family planning service during the quarter; many of these women will have continued eligibility for family planning services only under the demonstration.

Family Planning Enrollment:

01/01/08	5,871
02/01/08	5,682
03/01/08	5,662

Enclosures/Attachments:

Attached you will find the following: the Budget Neutrality Tracking Schedule and the Quality Assurance/Monitoring Activities, including the CRS update for the quarter.

State Contact(s):

Monica Coury
801 E. Jefferson St., MD- 4200
Phoenix, AZ 85034
602-417-4534

Date Submitted to CMS:

May 31, 2008

Attachments:

Quarterly Budget Neutrality Tracking Schedule
Quarterly Quality Initiative

Arizona Health Care Cost Containment System
Budget Neutrality Tracking Report
For the Period Ended March 31, 2008

I. CALCULATION OF BUDGET NEUTRALITY LIMIT BY DEMONSTRATION YEAR (WITHOUT WAIVER CEILING FEDERAL SHARE)

WAIVER PERIOD APRIL 1, 2001 THROUGH SEPTEMBER 30, 2006:

Medicaid Enrollment Group	FFY 1999 PM/PM (Base Year)	Trend Rate	DY 01 PM/PM	Effective FMAP	Federal Share PM/PM	Member Months QE 6/01	QE 9/01	Total	Federal Share Budget Neutrality Limit FFY 2001	
AFDC/SOBRA	$208.71	1.09495	250.23	67.95%	170.02	1,174,016	1,308,862	2,482,878	$ 422,131,246	
SSI	$414.28	1.0688	473.25	67.31%	318.55	266,240	275,430	541,670	172,549,985	
									$ 594,681,231	MAP Subtotal
									75,946,612	Add DSH Allotment
									$ 670,627,843	Total BN Limit

	DY 01 PM/PM			Member Months QE 12/01	QE 3/02	QE 6/02	QE 9/02	Total	Federal Share Budget Neutrality Limit FFY 2002	
AFDC/SOBRA	273.98	67.95%	186.16	1,435,196	1,525,584	1,595,515	1,684,924	6,241,219	$ 1,161,865,427	
SSI	505.81	67.31%	340.47	284,728	291,401	297,916	304,557	1,178,602	401,276,532	
									$ 1,563,141,959	MAP Subtotal
									86,014,710	Add DSH Allotment
									$ 1,649,156,669	Total BN Limit

	DY 02 PM/PM			Member Months QE 12/02	QE 3/03	QE 6/03	QE 9/03	Total	Federal Share Budget Neutrality Limit FFY 2003	
AFDC/SOBRA	300.00	71.12%	213.36	1,774,544	1,844,478	1,939,408	2,028,527	7,586,957	$ 1,618,738,310	
SSI	540.60	70.58%	381.58	310,951	317,981	325,758	333,560	1,288,250	491,576,414	
									$ 2,110,314,724	MAP Subtotal
									82,215,000	Add DSH Allotment
									$ 2,192,529,724	Total BN Limit

	DY 03 PM/PM			Member Months QE 12/03	QE 3/04	QE 6/04	QE 9/04	Total	Federal Share Budget Neutrality Limit FFY 2004	
AFDC/SOBRA	328.48	71.43%	234.63	2,041,421	2,016,893	2,015,122	2,094,665	8,168,101	$ 1,916,441,063	
SSI	577.80	70.72%	408.60	343,755	347,616	354,594	361,474	1,407,439	575,079,949	
									$ 2,491,521,012	MAP Subtotal
									95,369,400	Add DSH Allotment
									$ 2,586,890,412	Total BN Limit

	DY 04 PM/PM			Member Months QE 12/04	QE 3/05	QE 6/05	QE 9/05	Total	Federal Share Budget Neutrality Limit FFY 2005	
AFDC/SOBRA	359.67	69.53%	250.06	2,199,909	2,179,602	2,207,359	2,210,217	8,797,087	$ 2,199,833,137	
SSI	617.55	68.74%	424.51	371,377	377,358	382,273	384,046	1,515,054	643,156,626	
									$ 2,842,989,763	MAP Subtotal
									95,369,400	Add DSH Allotment
									$ 2,938,359,163	Total BN Limit

		DY 05 PM/PM			Member Months QE 12/05	QE 3/06	QE 6/06	QE 9/06	Total	Federal Share Budget Neutrality Limit FFY 2006	
AFDC/SOBRA		393.82	69.13%	272.27	2,207,389				2,207,389	$ 601,007,457	
SSI		660.04	68.44%	451.71	385,537				385,537	174,150,771	
AFDC/SOBRA	Post MMA	392.97	69.13%	271.68		2,170,157	2,164,382	2,151,984	6,486,523	1,762,278,691	
SSI	Adj	590.02	68.44%	403.79		385,425	382,230	381,920	1,149,575	464,187,013	
										$ 3,001,623,931	MAP Subtotal
										95,369,400	Add DSH Allotment
										$ 3,096,993,331	Total BN Limit

Arizona Health Care Cost Containment System
Budget Neutrality Tracking Report
For the Period Ended March 31, 2008

I. CALCULATION OF BUDGET NEUTRALITY LIMIT BY DEMONSTRATION YEAR (WITHOUT WAIVER CEILING FEDERAL SHARE)

WAIVER PERIOD OCTOBER 1, 2006 THROUGH SEPTEMBER 30, 2011:

	FFY 2006 PM/PM	Trend Rate	DY 06 PM/PM	Effective FMAP	Federal Share PM/PM	Member Months QE 12/06	QE 3/07	QE 6/07	QE 9/07	Total	Federal Share Budget Neutrality Limit FFY 2007	
AFDC/SOBRA	392.97	1.072	421.27	68.80%	289.82	2,150,077	2,143,732	2,170,772	2,215,952	8,680,533	$ 2,515,826,486	
SSI	590.02	1.072	632.50	68.11%	430.80	381,690	381,717	384,863	386,413	1,534,683	661,135,615	
ALTCS-DD		1.072	3516.33	66.58%	2341.19	55,522	56,322	57,267	58,218	227,329	532,221,411	
ALTCS-EPD		1.072	3409.91	66.63%	2272.08	74,607	74,221	74,628	75,651	299,107	679,594,183	
											$ 4,388,777,696	MAP Subtotal
											95,369,400	Add DSH Allotment
											$ 4,484,147,096	Total BN Limit

	DY 07 PM/PM	Effective FMAP	Federal Share PM/PM	Member Months QE 12/07	QE 3/08	QE 6/08	QE 9/08	Total	Federal Share Budget Neutrality Limit FFY 2008	
AFDC/SOBRA	451.60	68.22%	308.10	2,252,429	2,254,527			4,506,956	1,388,600,221	
SSI	678.04	67.54%	457.93	386,770	385,300			772,070	353,553,608	
ALTCS-DD	3769.51	66.29%	2498.90	59,178	59,885			119,063	297,526,202	
ALTCS-EPD	3655.42	66.33%	2424.68	76,586	76,331			152,917	370,775,073	
									$ 2,410,455,103	MAP Subtotal
									95,369,400	Add DSH Allotment
									$ 2,505,824,503	Total BN Limit

Based on CMS-64 certification date of 4/30/08

Arizona Health Care Cost Containment System
Budget Neutrality Tracking Report
For the Period Ended March 31, 2008

II. WAIVER COSTS AND VARIANCE FROM BUDGET NEUTRALITY LIMIT - BY QUARTER, BY DATE OF PAYMENT

	Budget Neutrality Limit - Federal Share			Expenditures from CMS-64, Schedule B - Federal Share								
WAIVER PERIOD APRIL 1, 2001 THROUGH SEPTEMBER 30, 2006:												
	MAP	DSH	Total	AFDC/SOBRA	SSI	AC/MED				DSH	Total	VARIANCE
QE 6/01	$ 284,413,819	$ -	$ 284,413,819	$ 141,986,847	$ 59,681,038	$ 31,346,872	$ -	$ -	$ -	$ 49,741,851	$ 294,745,993	$ (10,332,174)
QE 9/01	310,267,411	75,946,612	386,214,023	190,394,084	89,174,119	35,440,263	-	-	-	9,964,155	319,071,317	67,142,706
QE 12/01	364,116,947	-	364,116,947	212,600,041	91,278,326	54,069,757	-	-	-	-	357,948,124	6,168,823
QE 3/02	383,215,523	-	383,215,523	279,700,520	129,324,172	69,531,395	-	-	-	(59,706,006)	412,762,000	(29,546,477)
QE 6/02	398,452,029	-	398,452,029	251,569,392	119,396,617	69,516,073	-	-	-	-	440,482,082	(42,030,053)
QE 9/02	417,357,460	86,014,710	503,372,170	254,526,472	100,795,403	72,123,681	-	-	-	-	427,445,556	75,926,614
QE 12/02	497,267,364	-	497,267,364	283,042,237	112,605,459	81,611,127	-	-	-	-	477,258,823	20,008,541
QE 3/03	514,870,885	-	514,870,885	307,833,501	124,015,853	83,135,076	-	-	-	-	514,984,430	(113,545)
QE 6/03	538,092,548	-	538,092,548	335,897,265	153,636,989	103,921,589	-	-	-	-	593,455,843	(55,363,295)
QE 9/03	560,083,927	82,215,000	642,298,927	326,904,740	130,779,492	99,910,965	-	-	-	-	557,595,197	84,703,730
QE 12/03	619,426,878	-	619,426,878	342,194,130	141,669,588	117,472,377	-	-	-	-	601,336,095	18,090,783
QE 3/04	615,249,600	-	615,249,600	356,575,718	144,541,374	121,487,252	-	-	-	-	622,604,344	(7,354,744)
QE 6/04	617,685,292	-	617,685,292	378,397,587	178,126,369	119,699,074	-	-	-	-	676,223,030	(58,537,738)
QE 9/04	639,159,242	95,369,400	734,528,642	357,025,418	145,285,954	127,097,490	-	-	-	-	629,408,862	105,119,780
QE 12/04	707,771,146	-	707,771,146	374,496,706	153,711,596	134,379,346	-	-	-	-	662,587,648	45,183,498
QE 3/05	705,232,098	-	705,232,098	389,097,040	171,977,149	152,130,280	-	-	-	-	713,204,469	(7,972,371)
QE 6/05	714,259,590	-	714,259,590	400,547,496	165,585,571	167,446,873	-	-	-	-	733,579,940	(19,320,350)
QE 9/05	715,726,929	95,369,400	811,096,329	413,657,520	174,077,443	162,560,598	-	-	-	-	750,295,561	60,800,768
QE 12/05	775,158,228	-	775,158,228	404,061,498	191,370,840	160,614,226	-	-	-	-	756,046,564	19,111,664
QE 3/06	745,225,788	-	745,225,788	405,005,129	235,354,779	118,877,866	-	-	-	-	759,237,774	(14,011,986)
QE 6/06	742,366,709	-	742,366,709	141,514,299	(35,409,090)	184,960,886	-	-	-	509,691,703	800,757,798	(58,391,089)
QE 9/06	738,873,207	95,369,400	834,242,607	400,869,032	166,963,246	193,842,243	-	-	-	17,513,729	779,188,250	55,054,357

WAIVER PERIOD OCTOBER 1, 2006 THROUGH SEPTEMBER 30, 2011:

	MAP	DSH	Total	AFDC/SOBRA	SSI	AC/MED	ALTCS-DD	ALTCS-EPD	Family Plan	DSH/CAHP	Total	VARIANCE
QE 12/06	1,087,075,107	-	1,087,075,107	433,715,853	176,371,015	190,249,157	124,180,959	154,103,335	270,452	-	1,078,890,771	8,184,336
QE 3/07	1,086,243,740	-	1,086,243,740	420,960,087	175,385,343	175,652,301	128,103,178	160,067,805	265,323	15,570,598	1,076,004,635	10,239,105
QE 6/07	1,098,573,029	-	1,098,573,029	430,645,025	181,860,134	160,414,980	109,129,722	164,184,289	267,338	63,265,880	1,109,767,368	(11,194,339)
QE 9/07	1,116,885,820	95,369,400	1,212,255,220	451,362,225	183,298,829	206,505,026	131,045,943	172,571,072	251,682	17,380,376	1,162,415,153	49,840,067
QE 12/07	1,204,666,718	-	1,204,666,718	441,087,082	158,955,002	172,368,837	141,711,614	179,249,253	217,152	281,350	1,093,870,290	110,796,428
QE 3/08	1,205,788,385	95,369,400	1,301,157,785	474,365,681	187,556,226	209,641,419	141,151,012	180,491,321	897,152	281,350	1,194,384,161	106,773,624
QE 6/08												
QE 9/08												
QE 12/08												
QE 3/09												
QE 6/09												
QE 9/09												
QE 12/09												
QE 3/10												
QE 6/10												
QE 9/10												
QE 12/10												
QE 3/11												
QE 6/11												
QE 9/11												
	$ 19,403,505,419	$ 721,023,322	$ 20,124,528,741	$ 9,600,032,625	$ 4,007,368,836	$ 3,576,007,029	$ 775,322,428	$ 1,010,667,075	$ 2,169,099	$ 623,984,986	$ 19,595,552,078	$ 528,976,663

Last Updated: 5/5/2008

Arizona Health Care Cost Containment System
Budget Neutrality Tracking Report
For the Period Ended March 31, 2008

III. SUMMARY BY DEMONSTRATION YEAR AND WAIVER PERIOD

	Federal Share of Budget Neutrality Limit	Federal Share of Waiver Costs on CMS-64	Annual Variance	As % of Annual Budget Neutrality Limit	Cumulative Federal Share of Budget Neutrality Limit	Cumulative Federal Share of Waiver Costs on CMS-64	Cumulative Federal Share Variance	As % of Cumulative Budget Neutrality Limit
DY 01	$ 2,319,784,512	$ 2,409,765,666	$ (89,981,154)	-3.88%				
DY 02	2,192,529,724	2,108,415,888	84,113,836	3.84%				
DY 03	2,586,890,412	2,481,123,611	105,766,801	4.09%				
DY 04	2,938,359,163	2,855,173,824	83,185,339	2.83%				
DY 05	3,096,993,331	3,137,207,155	(40,213,824)	-1.30%	$ 13,134,557,142	$ 12,991,686,144	$ 142,870,998	1.09%
DY 06	4,484,147,096	4,416,089,088	68,058,008	1.52%				
DY 07	2,505,824,503	2,187,776,846	318,047,657	12.69%	6,989,971,599	6,603,865,934	386,105,665	5.52%
	$ 20,124,528,741	$ 19,595,552,078	$ 528,976,663		$ 20,124,528,741	$ 19,595,552,078	$ 528,976,663	2.63%

Arizona Health Care Cost Containment System
Budget Neutrality Tracking Report
For the Period Ended March 31, 2008

IV. Schedule C as Adjusted for Manual Entries and Waiver PMPM Groupings

Schedule C

Total Computable

Waiver Name	01	02	03	04	05	06	07	08	09	10	Total
AC/MED	525,988,842	543,514,876	622,559,875	835,029,892	1,066,029,681	1,056,467,331	544,283,200				5,193,873,697
AFDC/SOBRA	1,940,332,293	1,651,851,174	1,898,639,158	2,184,124,214	2,359,195,303	2,505,722,726	1,286,678,674				13,826,543,542
SSI	853,940,316	659,664,509	830,525,440	967,755,006	1,000,781,902	1,027,769,394	487,803,743				5,828,240,310
ALTCS-DD	-	-	-	-	-	747,535,743	418,763,379				1,166,299,122
ALTCS-EPD	-	-	-	-	-	1,014,915,305	504,157,184				1,519,072,489
Family Planning Extension	-	-	-	-	-	1,735,491	643,101				2,378,592
DSH/CAHP	-	-	-	-	-	145,177,300	425,000				145,602,300
Residual DSH	245,233,394	122,242,958	141,792,150	141,392,735	138,354,399	-	-				789,015,636
Total	3,565,494,845	2,977,273,517	3,493,516,623	4,128,301,847	4,564,361,285	6,499,323,290	3,242,754,281				28,471,025,688

Federal Share

Waiver Name	01	02	03	04	05	06	07	08	09	10	Total
AC/MED	355,004,627	385,796,605	442,300,959	576,044,323	728,604,670	720,503,743	367,752,102				3,576,007,029
AFDC/SOBRA	1,318,367,222	1,174,788,074	1,356,132,439	1,518,515,400	1,631,028,718	1,723,514,548	877,686,224				9,600,032,625
SSI	574,805,351	465,622,820	587,320,813	665,244,701	684,903,990	700,020,685	329,450,476				4,007,368,836
ALTCS-DD	-	-	-	-	-	497,713,978	277,608,450				775,322,428
ALTCS-EPD	-	-	-	-	-	676,254,178	334,412,897				1,010,667,075
Family Planning Extension	-	-	-	-	-	1,583,752	585,347				2,169,099
DSH/CAHP	-	-	-	-	-	96,498,204	281,350				96,779,554
Residual DSH	161,588,466	82,208,389	95,369,400	95,369,400	92,669,777	-	-				527,205,432
Total	2,409,765,666	2,108,415,888	2,481,123,611	2,855,173,824	3,137,207,155	4,416,089,088	2,187,776,846				19,595,552,078

Adjustments to Schedule C

Total Computable

Waiver Name	01	02	03	04	05	06	07	08	09	10	Total
AC/MED	-	-	-	-	-	446,293	117,002				563,295
AFDC/SOBRA	-	-	-	-	-	2,655,786	871,199				3,526,985
SSI	-	-	-	-	-	333,412	79,900				413,312
ALTCS-DD (Cost Sharing)[1]	-	-	-	-	-	-	-				-
Family Planning Extension[2]	-	-	-	-	-	(1,735,491)	(643,101)				(2,378,592)
CAHP[3]	-	-	-	-	-	(1,700,000)	(425,000)				(2,125,000)
Total	-	-	-	-	-	-	-				-

Federal Share

Waiver Name	01	02	03	04	05	06	07	08	09	10	Total
AC/MED	-	-	-	-	-	296,345	77,455				373,800
AFDC/SOBRA	-	-	-	-	-	2,194,851	736,348				2,931,199
SSI	-	-	-	-	-	221,399	52,894				274,293
ALTCS-DD (Cost Sharing)[1]	-	-	-	-	-	-	-				-
Family Planning Extension[2]	-	-	-	-	-	(1,583,752)	(585,347)				(2,169,099)
CAHP[3]	-	-	-	-	-	(1,128,843)	(281,350)				(1,410,193)
Total	-	-	-	-	-	-	-				-

[1] The CMS 1115 Waiver, Special Term and Condition 46,e requires that premiums collected by the State shall be reported on Form CMS-64 Summary Sheet line 9,D. The State should include these premium collections as a manual adjustment (decrease) to the Demonstration's actual expenditures on a quarterly basis.

[2] The Family Planning Extension (FPE) waiver expenditures are included in the AFDC\SOBRA rate development while the expenditures are required to be reported on separate Forms CMS-64.9 and CMS-64.9P Waiver. This adjustment transfers the FPE expenditures to the AFDC\SOBRA waiver category for budget neutrality comparison purposes.

[3] The Critical Access Hospital Payment (CAHP) waiver expenditures are included in the AFDC\SOBRA and SSI rate development while the expenditures are required to be reported on separate Forms CMS-64.9 and CMS-64.9P Waiver. This adjustment transfers the CAHP expenditures to the AFDC\SOBRA, SSI and AC/MED waiver categories for budget neutrality comparison purposes. The CAHP expenditures are allocated to the waiver categories in the same proportion as the capitation payments made for the CAHP service period.

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IV. Schedule C as Adjusted for Manual Entries and Waiver PMPM Groupings

Revised Schedule C

Total Computable

Waiver Name	01	02	03	04	05	06	07	08	09	10	Total
AC/MED	525,988,842	543,514,876	622,559,875	835,029,892	1,066,029,681	1,056,913,624	544,400,202				5,194,436,992
AFDC/SOBRA	1,940,332,293	1,651,851,174	1,898,639,158	2,184,124,214	2,359,195,303	2,508,378,512	1,287,549,873				13,830,070,527
SSI	853,940,316	659,664,509	830,525,440	967,755,006	1,000,781,902	1,028,102,806	487,883,643				5,828,653,622
ALTCS-DD	-	-	-	-	-	747,535,743	418,763,379				1,166,299,122
ALTCS-EPD	-	-	-	-	-	1,014,915,305	504,157,184				1,519,072,489
Family Planning Extension	-	-	-	-	-	-	-				-
DSH/CAHP	-	-	-	-	-	143,477,300	-				143,477,300
Residual DSH	245,233,394	122,242,958	141,792,150	141,392,735	138,354,399	-	-				789,015,636
Total	3,565,494,845	2,977,273,517	3,493,516,623	4,128,301,847	4,564,361,285	6,499,323,290	3,242,754,281				28,471,025,688

Federal Share

Waiver Name	01	02	03	04	05	06	07	08	09	10	Total
AC/MED	355,004,627	385,796,605	442,300,959	576,044,323	728,604,670	720,800,088	367,829,557				3,576,380,829
AFDC/SOBRA	1,318,367,222	1,174,788,074	1,356,132,439	1,518,515,400	1,631,028,718	1,725,709,399	878,422,572				9,602,963,824
SSI	574,805,351	465,622,820	587,320,813	665,244,701	684,903,990	700,242,084	329,503,370				4,007,643,129
ALTCS-DD	-	-	-	-	-	497,713,978	277,608,450				775,322,428
ALTCS-EPD	-	-	-	-	-	676,254,178	334,412,897				1,010,667,075
Family Planning Extension	-	-	-	-	-	-	-				-
DSH/CAHP	-	-	-	-	-	95,369,361	-				95,369,361
Residual DSH	161,588,466	82,208,389	95,369,400	95,369,400	92,669,777	-	-				527,205,432
Total	2,409,765,666	2,108,415,888	2,481,123,611	2,855,173,824	3,137,207,155	4,416,089,088	2,187,776,846				19,595,552,078

Calculation of Effective FMAP:

AFDC/SOBRA							
Federal	1,318,367,222	1,174,788,074	1,356,132,439	1,518,515,400	1,631,028,718	1,725,709,399	878,422,572
Total	1,940,332,293	1,651,851,174	1,898,639,158	2,184,124,214	2,359,195,303	2,508,378,512	1,287,549,873
Effective FMAP	0.679454353	0.711194866	0.714265496	0.695251392	0.691349595	0.687978067	0.682243531
SSI							
Federal	574,805,351	465,622,820	587,320,813	665,244,701	684,903,990	700,242,084	329,503,370
Total	853,940,316	659,664,509	830,525,440	967,755,006	1,000,781,902	1,028,102,806	487,883,643
Effective FMAP	0.673121224	0.705847918	0.707167758	0.68741024	0.684368881	0.681101228	0.675372857
ALTCS-DD							
Federal						497,713,978	277,608,450
Total						747,535,743	418,763,379
Effective FMAP						0.665806261	0.662924372
ALTCS-EPD							
Federal						676,254,178	334,412,897
Total						1,014,915,305	504,157,184
Effective FMAP						0.666315874	0.663310784

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V. Budget Neutrality Member Months and Cost Sharing Premium Collections

Budget Neutrality Member Months:	AFDC/SOBRA	SSI	ALTCS-DD	ALTCS-EPD
Quarter Ended June 30, 2001	1,174,016	266,240		
Quarter Ended September 30, 2001	1,308,862	275,430		
Quarter Ended December 31, 2001	1,435,196	284,728		
Quarter Ended March 31, 2002	1,525,584	291,401		
Quarter Ended June 30, 2002	1,595,515	297,916		
Quarter Ended September 30, 2002	1,684,924	304,557		
Quarter Ended December 31, 2002	1,774,544	310,951		
Quarter Ended March 31, 2003	1,844,478	317,981		
Quarter Ended June 30, 2003	1,939,408	325,758		
Quarter Ended September 30, 2003	2,028,527	333,560		
Quarter Ended December 31, 2003	2,041,421	343,755		
Quarter Ended March 31, 2004	2,016,893	347,616		
Quarter Ended June 30, 2004	2,015,122	354,594		
Quarter Ended September 30, 2004	2,094,665	361,474		
Quarter Ended December 31, 2004	2,199,909	371,377		
Quarter Ended March 31, 2005	2,179,602	377,358		
Quarter Ended June 30, 2005	2,207,359	382,273		
Quarter Ended September 30, 2005	2,210,217	384,046		
Quarter Ended December 31, 2005	2,207,389	385,537		
Quarter Ended March 31, 2006	2,170,157	385,425		
Quarter Ended June 30, 2006	2,164,382	382,230		
Quarter Ended September 30, 2006	2,151,984	381,920		
Quarter Ended December 31, 2006	2,150,077	381,690	55,522	74,607
Quarter Ended March 31, 2007	2,143,732	381,717	56,322	74,221
Quarter Ended June 30, 2007	2,170,772	384,863	57,267	74,628
Quarter Ended September 30, 2007	2,215,952	386,413	58,218	75,651
Quarter Ended December 31, 2007	2,252,429	386,770	59,178	76,586
Quarter Ended March 31, 2008	2,254,527	385,300	59,885	76,331

Cost Sharing Premium Collections:	ALTCS Developmentally Disabled Total Computable	Federal Share
Quarter Ended December 31, 2006	$ -	$ -
Quarter Ended March 31, 2007	-	-
Quarter Ended June 30, 2007	-	-
Quarter Ended September 30, 2007	-	-
Quarter Ended December 31, 2007	-	-
Quarter Ended March 31, 2008	-	-

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VI. Allocation of Disproportionate Share Hospital Payments

Federal Share

	FFY 2001 *	FFY 2002	FFY 2003	FFY 2004	FFY 2005	FFY 2006	FFY 2007	FFY 2008	
Total Allotment	**75,946,612**	**86,014,710**	**82,215,000**	**95,369,400**	**95,369,400**	**95,369,400**	**95,369,400**	**95,369,400**	**721,023,322**
Reported in QE									
Jun-01	49,741,851	-	-	-	-	-	-	-	49,741,851
Sep-01	9,964,155	-	-	-	-	-	-	-	9,964,155
Dec-01	-	-	-	-	-	-	-	-	-
Mar-02	-	31,742,730	-	-	-	-	-	-	31,742,730
Jun-02	-	25,195,280	-	-	-	-	-	-	25,195,280
Sep-02	-	-	-	-	-	-	-	-	-
Dec-02	6,706,135	6,911,991	-	-	-	-	-	-	13,618,126
Mar-03	-	-	30,321,680	-	-	-	-	-	30,321,680
Jun-03	7,391,794	10,860,127	45,641,513	-	-	-	-	-	63,893,434
Sep-03	2,142,676	70,751	6,248,559	-	-	-	-	-	8,461,986
Dec-03	-	-	-	-	-	-	-	-	-
Mar-04	-	-	-	29,594,400	-	-	-	-	29,594,400
Jun-04	-	10,760,702	-	63,177,451	-	-	-	-	73,938,153
Sep-04	-	100,274	-	2,597,548	-	-	-	-	2,697,822
Dec-04	-	-	-	-	-	-	-	-	-
Mar-05	-	-	-	-	32,038,750	-	-	-	32,038,750
Jun-05	-	-	-	-	46,343,073	-	-	-	46,343,073
Sep-05	-	-	-	-	16,987,577	-	-	-	16,987,577
Dec-05	-	-	-	-	-	-	-	-	-
Mar-06	-	-	-	-	-	34,829,600	-	-	34,829,600
Jun-06	-	-	(3,363)	-	-	40,326,448	-	-	40,323,085
Sep-06	-	-	-	-	-	17,513,729	-	-	17,513,729
Dec-06	-	-	-	-	-	-	-	-	-
Mar-07	-	-	-	-	-	-	15,288,100	-	15,288,100
Jun-07	-	-	-	-	-	-	62,700,885	-	62,700,885
Sep-07	-	-	-	-	-	-	17,380,376	-	17,380,376
Dec-07	-	-	-	-	-	-	-	-	-
Mar-08	-	-	-	-	-	-	-	-	-
Jun-08									-
Sep-08									-
Total Reported to Date	75,946,611	85,641,855	82,208,389	95,369,399	95,369,400	92,669,777	95,369,361	-	622,574,792
Unused Allotment	**1**	**372,855**	**6,611**	**1**	**-**	**2,699,623**	**39**	**95,369,400**	**98,448,530**

* Total Allotment FFY 2001	83,835,000
Reported in QE 3/31/01	7,888,388
Balance of Allotment Limit Calculation	75,946,612

Arizona Health Care Cost Containment System

Attachment II to the Section 1115 Quarterly Report

Quality Assurance/Monitoring Activity

Demonstration/Quarter Reporting Period
Demonstration Year: 25
Federal Fiscal Quarter: 2/2008 (1/08 – 3/08)

Prepared by the Division of Health Care Management
May 2008

INTRODUCTION

This report describes Quality Assurance/Monitoring Activities of AHCCCS during the quarter, as required in STC 26 of the State's Section 1115 Waiver. The report also includes updates on implementation of the AHCCCS Quality Assessment and Performance Improvement Strategy, in accordance with Balanced Budget Act (BBA) requirements.

The AHCCCS Division of Health Care Management (DHCM) is responsible for directly overseeing the quality of health care services provided to members enrolled with managed care organizations (also known as Contractors), as well as the administrative and financial functions of these contracted health plans. The Division works collaboratively and in conjunction with other AHCCCS divisions and external organizations to fulfill the AHCCCS mission of: Reaching across Arizona to provide comprehensive, quality health care for those in need.

The following sections provide an update on the State's progress and activities under each of the components of the AHCCCS Quality Strategy.

A major milestone completed during the quarter was the issuing of a Request for Proposal (RFP) for managed care plans to deliver services under the Acute-care program. The RFP was posted to the AHCCCS website on Jan. 31, 2008, culminating months of work to develop a contract that includes new or enhanced strategies and requirements for ensuring timely access to quality services by Medicaid and State Child Health Insurance Program enrollees in the most cost-effective way. Some of these strategies and requirements are discussed in this quarterly update. Responses were received from Offerors on March 28.

QUALITY ASSESSMENT ACTIVITIES

Receiving stakeholder input

The success of AHCCCS can be attributed, in part, to concerted efforts by the Agency to foster partnerships with its sister agencies, Contractors, providers, and the community. During the quarter, AHCCCS continued these ongoing collaborations to improve the delivery of health services to Medicaid recipients and KidsCare members, including those with special needs, and to facilitate networking to address common issues and solve problems. Feedback obtained from sister agencies, providers and community organizations also is included in the agency's process for identifying priority areas for quality improvement and development of new initiatives.

Arizona Department of Economic Security (DES) Division of Developmental Disabilities
Periodic meetings covering quality improvement topics continue between AHCCCS and the Arizona Department of Economic Security Division of Developmental Disabilities (DES/DDD). AHCCCS also is providing ongoing technical assistance to DDD to improve its performance measure rates.

Arizona Department of Health Services (ADHS) Children's Rehabilitative Services
DHCM continues to work with AHCCCS Contractors and the Children's Rehabilitative Services (CRS) program to address issues such as data sharing, provider education, timely referral and care coordination for children with special health care needs. CRS is currently under a Notice to Cure for issues related to how it handles quality of care concerns and delegated functions. AHCCCS is holding ongoing meetings with CRS Administration to monitor progress of corrective actions related to the Notice to Cure, as well as its Network Development Plan and CYE 2005 and 2006 OFRs. Implementation of CAP activities was evaluated in the CRSA CYE 2007 Operational and Financial Review (OFR) conducted in March 2007. AHCCCS has communicated the need to meet all Medicaid Managed Care, contractual and regulatory requirements as soon as possible. Updates on CRSA's progress are included in a separate attachment.

Arizona Department of Health Services Immunization Program
Ongoing collaboration with the Arizona Department of Health Services (ADHS) helps ensure efficient and effective administration and oversight of the federal Vaccines for Children (VFC) Program. This includes closely monitoring vaccine supplies and ensuring that Contractors have up-to-date information on availability of these vaccines, as well as assisting Contractors and providers as necessary to ensure that members are immunized. In addition, when ADHS takes actions regarding VFC providers (e.g., placing a provider on probation for failing to comply with vaccine management requirements), AHCCCS works with Contractors to ensure that members assigned to that provider continue to receive necessary immunizations.

In January, Arizona VFC staff gave vaccine and program updates at the quarterly Quality Management/Maternal and Child Health meeting with Acute-care Contractors. In addition, AHCCCS is working with Contractors and staff of the Arizona State Immunization Information System (ASIIS) to improve reporting by primary care practitioners to the state's immunization registry, which is operated by ADHS; this activity is discussed under Performance Improvement Projects.

Also during the quarter, AHCCCS continued facilitating a work group between ADHS, The Arizona Partnership for Immunization (TAPI), the Pinal County Health Department, and the two acute-care Contractors that serve Pinal County to improve rates of childhood immunization in the county, which are among the lowest in the state. The group reviewed data from AHCCCS and ADHS, and identified barriers and resources to address some of the reasons for low rates of vaccination. One of the barriers identified was a need for education among provider offices in immunization requirements, use of the ASIIS registry, and strategies for office staff to reassure parents about immunization and encourage return visits, in order to bring patients up to date on their vaccinations. An evening learning session for provider offices was held in March for Pinal County providers, with representatives of several provider offices, AHCCCS, contracted health plans and the Pinal County Health Department attending. All of those attending from provider offices found the training useful and noted ways in which immunization delivery could be improved in their practices. The two health plans are working on cosponsoring a provider dinner in the next quarter, to focus on resources and training available to their office on immunization strategies and requirements, as well as management of children with asthma.

Arizona Department of Health Services Office of Environmental Health
Ongoing collaboration with ADHS supports efforts to eliminate childhood lead poisoning in Arizona. The ADHS Office of Environmental Health (OEH) notifies MCH staff in the CQM unit when AHCCCS members have laboratory tests indicating elevated blood-lead levels. CQM then notifies the appropriate Contractor with this information for timely follow up and coordination of care. In addition, AHCCCS and several Contractors participate in the Arizona Childhood Lead Poisoning Elimination Coalition. This coalition is working on strategies to increase testing of children who are enrolled in AHCCCS or who live in areas with the highest risk of lead poisoning due to the prevalence of older housing, industries that use/produce lead, and the use of lead-containing pottery or folk medicines. During the quarter, AHCCCS notified Contractors of members identified through OEH as having elevated blood lead levels.

Arizona Department of Health Services Office of Nutrition and Chronic Disease Prevention
In response to the Governor's Call to Action on Childhood Obesity, AHCCCS is working with the ADHS Office of Nutrition, which has the lead on this statewide initiative. AHCCCS adapted the Chronic Care Model for planning and development of a comprehensive approach to reduce or prevent childhood obesity. Components include medical guidelines for better screening and treatment of children who are or are at risk of becoming obese and implementation of data systems to evaluate outcomes.

A representative of the Women, Infants and Children Supplemental Nutrition Program also gave updates to contractor representatives at the quarterly Quality Management/Maternal and Child Health meeting in January.

In addition, AHCCCS is collaborating with ADHS regarding tobacco education/prevention initiatives. AHCCCS and ADHS have developed a work plan to work collaboratively with AHCCCS health plans to increase awareness of public health smoking cessation programs. Member outreach, such as the CYE 2008 member handbooks and fall member and provider newsletters contain information on how members may access smoking cessation programs through ADHS. A representative of the Arizona smokers Helpline at ADHS also gave a presentation on resources offered by the program at the quarterly Quality Management/Maternal and Child Health meeting in January.

In addition, AHCCCS is working with ADHS to develop Medicaid policy and implement state legislation passed this session that will require AHCCCS to cover smoking cessation drugs. The new requirements will be effective October 1, 2008. Members will be required to participate in ADHS Tobacco Education and Prevention Program (TEPP) smoking cessation support programs such as the "QUIT Line" and/or counseling to be eligible for smoking cessation drugs through their health plans.

Arizona Early Intervention Program
The Arizona Early Intervention Program (AzEIP), Arizona's IDEA Part C program, is administered by DES. MCH staff in the CQM unit continues working with AzEIP to facilitate early intervention services for children under 3 years of age who are enrolled with AHCCCS Contractors. During the quarter, AHCCCS CQM/MCH staff attended meetings of the AzEIP State Interagency Team and the Interagency Coordinating Council. Also during the quarter, AHCCCS and AzEIP representatives continued work on a major initiative to create a more "seamless" system of providing early intervention services to AHCCCS-enrolled children, which utilizes AzEIP's expertise in this area, but ensures that AHCCCS or AHCCCS Contractors coordinate care and pay for all medically necessary services covered under Medicaid. AzEIP and AHCCCS MCH staff work together to ensure early intervention services are provided without delay and covered by the appropriate state agency.

Meetings between AHCCCS, AzEIP, and AHCCCS health plans continue to ensure issues are addressed in a timely manner and communication remains open. AzEIP is undergoing changes to improve access to timely services through their program. AHCCCS is collaborating with the AzEIP program in this redesign process.

Arizona Medical Association and American Academy of Pediatrics
AHCCCS collaborates with the Arizona Medical Association (ArMA) and the Arizona chapter of the American Academy of Pediatrics (AAP) in a number of ways. The AAP has been instrumental in the implementation of the Parental Evaluation of Developmental Status (PEDS). Online training via the AAP website is available to physicians who wish to use the tool, as well as dates and times for training sessions. During the quarter, CQM staff attended ArMA Maternal and Child Health Committee and Adolescent Health Subcommittee meetings. AHCCCS has also been meeting with a subgroup of ArMA regarding increasing the availability of childhood and HPV vaccines through OB/GYN offices and primary care physicians whose practices are focused primarily on adults.

The Arizona Partnership for Immunization
CQM staff attended The Arizona Partnership for Immunization (TAPI) Steering Committee and adult immunization subcommittee meetings during the quarter. AHCCCS Contractors also are members of TAPI. As noted above, TAPI is part of the collaborative effort to improve low childhood immunization rates in Pinal County; it facilitated the training session in March.

Baby Arizona
CQM staff coordinates this streamlined eligibility process to ensure Medicaid-eligible women have access to early prenatal care. A network of community-based organizations continues to support the project by informing women of this avenue to service and referring them to care. Training sessions for provider offices that assist women in applying for AHCCCS were held during the quarter, and CQM continues to support provider participation in the project and keep the referral list of participating providers up to date. During the quarter, AHCCCS and DES began developing on-line training for physician office staff to ensure that they are up to date in the process and understand the program's goals.

AHCCCS also has initiated the development of a stand-alone website for Baby Arizona that will allow the three state agencies collaborating on the project — AHCCCS, DES and ADHS — the opportunity to update participating provider lists. The website will link to all agency websites in order to reach more potential members.

Contractor Meetings

The Division of Health Care Management hosted a Quality Management/Maternal and Child Health meeting with Contractors on Oct. 11, 2007. This meeting offers an opportunity to provide new information and resources to Contractors to improve the delivery and coordination of services to members, as well as solicit feedback from health plan staff. Updates and information covered during the quarterly meeting included the following topics: Vaccines for Children program; the Arizona State Immunization Information System; the Women, Infants and Children Supplemental Nutrition Program, the Arizona Smokers Helpline, the ADHS High Risk Perinatal/Newborn Intensive Care Program, Arizona Asthma Coalition activities, and an update on AHCCCS Performance Measures and Performance Improvement Projects.

On Jan.15, the Division of Health Care Management hosted an ALTCS Program Contractor Administrators Meeting. Quality-related topics were: ALTCS Performance Measures; requirements for Notices of Action; Program/Service updates including spouses as paid caregivers, community reintegration (transitional services), adult dental services and self-directed attendant care; and the MyAHCCCS.com website.

On Jan. 17, the Division of Health Care Management hosted an Acute-care Administrators Meeting. Topics included an agency health information update, Acute-care Performance Measures and potential sanctions for not meeting contractual performance standards, requirements for Notices of Action, and the MyAHCCCS.com website.

Healthy Mothers, Healthy Babies

CQM staff participates in the Maricopa County Healthy Mothers, Healthy Babies (HM,HB) Coalition, as well as a related project in the Maryvale area of west-central Phoenix, designed to promote early prenatal care and good birth outcomes. CQM staff are working with the state HMHB organization to assist in educating communities about AHCCCS-covered services for women and children and the Baby Arizona process for AHCCCS application and initiation of prenatal care. CQM staff also attended coalition meetings during the quarter.

Developing and assessing the quality and appropriateness of care/services for members

AHCCCS develops measures and assesses the quality and appropriateness of care/services for its members, including those with special health care needs, using a variety of processes.

- Identifying priority areas for improvement

During the quarter, CQM staff began working on recommendations for new Performance Improvement Projects for Acute-care and ALTCS Contractors, to be implemented in the current contract year. Using data and research, such as Performance Measure and utilization trends, as well as consideration of topics recommended by Contractors and areas of high priority at the state and federal levels, an AHCCCS team will identify priority areas for new PIPs.

- Establishing realistic outcome-based performance measures

AHCCCS has identified new performance measures for the ALTCS program, which include Pressure Ulcers and Influenza Vaccination. The new ALTCS Performance Measures are being incorporated into contracts effective Oct. 1, 2008 (CYE 2009). AHCCCS also has identified goals for Contractor performance for these measures, based on Healthy People objectives or other national benchmarks, and will specify minimum performance standards that Contractors must meet on an annual basis.

New Performance Measures also were incorporated into the Acute Care contract that is effective Oct. 1, 2008 (CYE 2009). These include three measures of Comprehensive Diabetes Care, which are already measured for ALTCS Contractors. Hemoglobin A1c tests, lipid screening and eye exams will be measured for adults enrolled with Acute-care Contractors, according to HEDIS specifications. In addition, Appropriate Medications for People with Asthma (ages 5 through 56) has been incorporated into the Acute-care contract as a Performance Measure, with minimum standards and goals based on the current HEDIS national mean for Medicaid health plans and the HEDIS 90th percentile for Medicaid plans, respectively.

- Identifying, collecting and assessing relevant data

During the quarter, DHCM reported results for the Biennial Assessment of Immunization Completion Rates at 24 Months of Age for children enrolled in AHCCCS. Using HEDIS 2007 specifications, the study measured completed immunizations of children who turned 24 months of age during the contract year ending September 30, 2007. Because of recent changes to the measurement methodology made by NCQA, current rates are not directly comparable to rates for the previous AHCCCS measurement. However, current rates of completed immunizations for five individual vaccines and two vaccine series surpass AHCCCS goals and Healthy People 2010 objectives. In addition, AHCCCS rates for Medicaid members exceed the most recent national means for Medicaid health plans reported by NCQA; these means were calculated using the same methodology used by AHCCCS in the current measurement. AHCCCS overall rates for KidsCare members also exceeded the most recent national means for commercial health plans.

Also during the quarter, DHCM collected and checked for accuracy and reliability data for the CMS annual EPSDT Participation Report (Form 416), which was due April 1, 2008. These results will be discussed in the next quarterly update to CMS.

- Providing incentives for excellence and imposing sanctions for poor performance

During the quarter, AHCCCS required Corrective Action Plans (CAPs) from three ALTCS Contractors for measures for which they did not meet AHCCCS Minimum Performance Standards. As CAPs are viewed by Contractors as a negative regulatory action, there is some incentive in achieving rates in order to avoid this requirement. CQM reviewed the CAPs and required some revisions to ensure that Contractors implement effective interventions that are likely to result in improvement.

Acute-care Contractors also have CAPs in place for Performance Measures and several are under Notices to Cure. Contractors have been advised that they will face financial sanctions if they do not meet Minimum Performance Standards for the measurement periods consisting of CYE 2007 and CYE 2008 (to be reported in CYE 2008 and 2009, respectively). During the quarter, AHCCCS provided technical assistance to several Contractors to help them improve their ability to effectively monitor their performance from internal data and reinforced strategies to improve rates for these measures.

With development of the CYE 2009 contract, AHCCCS also updated minimum standards for existing Performance Measures based on the most recent HEDIS Medicaid means reported by NCQA, and strengthened some requirements for Contractor performance, in order drive further improvements in measurements of clinical quality.

The Agency also is participating in initiatives led by the Agency for Healthcare Research and Quality (AHRQ) and the Center for Health Care Strategies (CHCS), which are exploring innovative ways to reward quality. The AHCCCS Chief Medical Officer and the CQM Administrator are participating in the AHRQ initiative, which is focusing on collaborative opportunities to develop quality-based pay-for-performance programs. Working with other states and employers in Community Purchasing Groups, AHCCCS is participating in the development of a pay-for-performance program that rewards evidence-based care resulting in quality outcomes to members, and discourages negative outcomes. AHCCCS is working with medical associations in the state to seek input in the development process. Work has been completed, using the AHCCCS Data Decision Support System (ADDS), the Agency's data warehouse, to identify target populations.

This work dovetails with the CHCS initiative regarding Return on Investment. A team comprised of the AHCCCS Chief Medical Officer and CQM Administrator, as well as the Medical Management Manager and a Manager in the Data Analysis and Research Unit, are involved in this project. This should ensure subject-specific data that can be utilized to request legislative funding for the Pay for Performance Program. This project resulted in legislative budget requests for P4P related to nursing facility care and diabetes. Due to the fiscal situation in the state, it is not anticipated that either project will be funded. However, the return on investment (ROI) calculator developed through this initiative will be utilized to update the proposals so that when monies do become available the requests can be resubmitted.

- Sharing best practices

AHCCCS regularly shares best practices with and provides technical assistance to its Contractors. In addition, Contractors are encouraged to share evidence-based best practices with each other and their providers. An example of this is the sharing of successful interventions during AHCCCS Contractor quality management meetings. As previously noted, the January 2008 meeting included topics such as the Women Infants and Children (WIC) program, and updates on the federal VFC program and utilizing the Arizona Immunization Information System (ASIIS) electronic registry. The Executive Director of the Arizona Asthma Coalition was asked to make a presentation to Contractor staff, to help provide additional resources and information on promising practices, which may support Contractor interventions under the AHCCCS Asthma Management PIP.

In addition, AHCCCS Communications Center staff from the Division of Member Services demonstrated a new web-based process for reporting newborns to ensure that they are enrolled in AHCCCS in a timely manner and facilitate obtaining important information on the baby's health status (birth weight, gestational age, NICU admission), etc. This new process promises to be a significant improvement in capturing health and enrollment information.

Also during the quarter, AHCCCS continued facilitating a targeted effort to improve childhood immunization rates in Pinal County. Based on data from AHCCCS and other assessments, this area is one that could benefit greatly from provider and community education in best practices to improve childhood immunization rates. As previously described, a collaborative effort between AHCCCS, contracted health plans, the ADHS Office of Immunization, The Arizona Partnership for Immunization and the Pinal County Health Department facilitated a learning session among provider offices and other health-related organizations to share strategies and best practices to improve delivery of immunizations and keep children up to date.

The CQM Unit also regularly monitors sources for evidence-based tools to improve member access to and utilization of health services, such as the AHRQ Quality Tools website and resources from Health Services Advisory Group, a federally contracted quality improvement organization. CQM provides appropriate resources and tools to Contractors.

Including medical quality assessment and performance improvement requirements in the AHCCCS contracts

The CYE 2009 contract for Acute-care services, issued by AHCCCS during the quarter, includes several new or improved provisions to enhance the quality of medical services provided to members and encourage performance improvement among Contractors. Some of these contractual provisions include:

- Encouraging Contractors to assign EPSDT-aged members to providers who are trained on and use AHCCCS-approved developmental screening tools;
- Requiring Contractors to ensure that populations with ongoing medical needs, such as dialysis, radiation therapy and chemotherapy, have coordinated, reliable, medically necessary transportation to ensure members arrive on time for regularly scheduled appointments and are picked up upon completion of appointments;
- Requiring Contractors to ensure coordination of care for members with diabetes or ongoing skilled nursing services after discharge from the Arizona State Hospital for mental health treatment;
- Ensuring that Contractors and their PCPs implement evidenced based guidelines for the treatment of anxiety, depression and attention-deficit hyperactivity disorders;
- Adding certified professional in health care quality (CPHQ) to qualifications for Contractor Quality Management, MCH and Performance Improvement staff, and requiring that Contractors have a position specifically dedicated to performance/quality improvement;
- Requiring that Contractors participate in community initiatives, including applicable activities of the Medicare Quality Improvement Organization (QIO);

- Requiring that Contractors pay all AHCCCS-registered Arizona Early Intervention Program (AzEIP) providers, regardless of their contract status, when a child's Individualized Family Service Plan identifies and meets the requirement for medically necessary EPSDT services, to ensure these children receive services in a timely manner;
- Requiring Contractors to participate in the development and implementation of system-wide value-driven health care programs and pay-for-performance initiatives.

Regular monitoring and evaluating of Contractor compliance and performance

AHCCCS monitors and evaluates access to care, organizational structure and operations, clinical and non-clinical quality measurement and performance improvement outcomes through the following methods.

Annual on-site Operational and Financial Reviews (OFRs)

During annual on-site reviews, AHCCCS conducts a review of each Contractor's compliance related to development and implementation of policies, performance related to quality measures, progress toward applicable plans of correction in place to improve quality of care, and service outcomes for members. Because of the awarding of new contracts in CYE 2008, full OFRs are not being conducted for Acute-care Contractors. Readiness reviews will be conducted this summer on any new Acute-care Contractors or Contractors who are new in specific geographic service areas.

AHCCCS completed four reviews of ALTCS Contractors during the quarter:

- **Yavapai County Long Term Care (YCLTC)** – Jan. 8 and 9, 2008. Findings related to access, quality and timeliness of services include:

Delivery Systems

The Contractor has a policy regarding notice to members when a provider leaves the network, but it should be updated to reflect accurate timeframes. Providers are not prohibited from advocating on behalf of members who are their patients. The procurement policy must be updated to reflect that providers must be given a written reason when the Contractor declines to contract.

Authorization and Denial/Grievance Systems

The Contractor timely acknowledges the receipt of appeals and claim disputes. The Contractor timely adjudicates appeals and claim disputes, and did not request any extensions during the review period. The Contractor documents medical review conducted during the appeal process. The Contractor's Notice of Appeal Resolutions and Notice of Decisions indicate the required components. The Contractor forwarded all requests for hearing to the AHCCCS Administration no later than 5 business days from receipt.

Case Management

Overall the Contractor has adequate procedures in place for implementing and monitoring an effective case management program. The Contractor does a thorough job of self-evaluating various aspects of the program. They have made good strides in implementing an Inter-Rater Reliability review process to ensure consistent application of criteria for member assessment and service authorizations by case management staff.

Behavioral Health
The Contractor is in compliance with all standards but one in CYE 08. It should monitor to ensure behavioral health services are provided in coordination with other agencies. There is an adequate provider network, there are methods in place to determine medical necessity, and services are provided in a timely manner.

Quality Management
The Contractor continues to adhere to structure and processes to ensure that quality of care complaints are resolved expeditiously and in accordance with AHCCCS requirements. Changes in the peer review monitoring process have been made and were found to be in compliance with AHCCCS standards. The Diabetic Performance Improvement Project demonstrates achievement of the Minimum Performance Standard.

- **SCAN Long Term Care (YCLTC)** – Jan. 29 and 30, 2008. Findings related to access, quality and timeliness of services include:

Delivery Systems
The Program Contractor does not inform members in a timely manner when a provider leaves the network. The Contractor's policy must be updated to reflect that requirement. The Provider Manual states the Contractor does not prohibit providers from advocating on behalf of members. Major delegated functions are monitored, but the Contractor should record that it uses monitoring in its decision to continue or terminate the contract.

Authorization and Denial/Grievance Systems
The Contractor demonstrated a process for issuing Notice of Action (NOA) letters to the member when a service has been denied, reduced or terminated; however, the process is not inclusive of the Pharmacy Benefits Manger (PBM). Documentation found indicated the PBM was not issuing a Notice of Action using the correct format and were also citing in the member's letter information regarding the State of California Department of Managed Health Care (DMHC) regulations. The Contractor must develop and implement a system for providing oversight of the PBMs compliance with AHCCCS NOA standards.

The Contractor has a process to acknowledge and adjudicate member appeals. The Contractor timely acknowledged the receipt of member appeals and issued Notice of Appeal Resolutions timely. However, the Contractor must document the medical review conducted during the appeal process as well as documenting the claims review process.

Case Management
Overall the Contractor has adequate procedures in place for implementing and monitoring an effective case management program. The Contractor does, however, need to make some minor modifications to the processes examined in this review in order to be in full compliance with these AHCCCS standards.

Behavioral Health
The Contractor has a process in place to ensure that medical necessity is determined by a Qualified Behavioral Health Professional. Members who require EPSDT screenings are tracked to ensure that they receive them, and that any behavioral health services indicated are received in a timely manner. The Program Contractor does not currently monitor to ensure that appointment standards are met for established patients.

Quality Management
The Contractor continues to improve in meeting AHCCCS standards for resolving quality of care Issues. The Peer Review process needs refining to ensure confidentiality. The Contractor has demonstrated improvement in Performance Measures and Performance Improvement Projects.

o **Evercare Select** – Feb. 19 and 20, 2008. Findings related to access, quality and timeliness of services include:

Delivery Systems
The Contractor notifies affected members in a timely manner when a provider leaves the network. When the Contractor declines to contract with a provider, it gives them a written reason for denial. Major delegated duties are monitored. The Contractor should ensure that providers have a means to effectively advocate on behalf of their members.

Authorization and Denial/Grievance System
The Contractor has processes in place to timely acknowledge and adjudicate member appeals and provider claim disputes. The Contractor requests extension when appropriate and did not exceed any timeframes during the review period. The Contractor timely updates authorizations and issues payments on overturned appeals and claim disputes.

Case Management
Overall the Contractor has adequate procedures in place for implementing and monitoring an effective case management program. The Contractor will, however, need to continue to monitor its enrollment figures and staff changes to ensure caseload sizes are managed within the standard established by AHCCCS and implemented by the Contractor.

Behavioral Health
The Contractor has a process in place to ensure that medical necessity is determined by a Qualified Behavioral Health Professional. Members who require EPSDT screenings are tracked to ensure that they receive them, and that any behavioral health services indicated are received in a timely manner. The Program Contractor does not currently monitor to ensure that case managers involve members/family members in decision-making and needs identification, nor have they trained providers on this expectation.

Quality Management
The revised Peer Review policy is now compliant with AHCCCS regulatory standards. The Contractor has implemented Peer Review processes. The Contractor ensures that quality of care complaints are reported throughout the system and are resolved expeditiously and in accordance with AHCCCS requirements. The Contractor has identified that opening and closing letters have not always been sent to members/families when concerns are forwarded to Quality Management, and an action plan including staff training and chart audits has been initiated. The Quality Management Committee minutes document tracking and trending of issues, action plans and Performance Improvement Projects and Performance Measures.

o **Cochise Health System** – Mar. 24 through 26, 2008. Findings related to access, quality and timeliness of services include:

Delivery Systems
The Program Contractor does not prohibit or otherwise restrict a healthcare provider from advising or advocating on behalf of a member who is his/her patient. Major delegated duties and/or responsibilities are effectively monitored. When the Contractor declines to contract with a provider it gives the provider written notice.

Authorization and Denial/Grievance Systems

The Program Contractor has implemented processes for ensuring that the notices are sent to members within the 3 day (urgent) or the 14 day (routine) requirement must be developed. The Program Contractor has also implemented processes to ensure the timeliness of prior authorization requests. The Contractor has demonstrated improvement in providing the member with a Notice of Action that is in an easily understood format and specific to the member. The Contractor has processes in place to timely acknowledge and adjudicate member appeals and provider claim disputes. The Contractor requests extension when appropriate and did not exceed any timeframes during the review period. The Contractor has a process in place to ensure that individuals previously involved in the denial are not involved in the appeal process. The Contractor timely updates authorizations and issues payments on overturned appeals and claim disputes.

Case Management

The Contractor overall has adequate procedures in place for implementing and monitoring an effective case management program.

Behavioral Health

The Contractor has a process in place to ensure that medical necessity is determined by a Qualified Behavioral Health Professional. Members who require EPSDT screenings are tracked to ensure that the receive them, and that any behavioral health services indicated are received in a timely manner.

Quality Management

Cochise Health Systems had 92 percent compliance with the quality-of-care chart review. Cochise Quality Management must ensure referrals are made to the Arizona Department of Health Services – Licensure (ADHS), hospital, nursing facility, Assisted Living Facilities (ALF) and/or police. The Contractor is performing well in relation to AHCCCS-mandated Performance Measures and Performance Improvement Projects.

Medical Management

The Program Contractor demonstrated consistent reporting and evaluation of their utilization data. Programs have been developed based on high risk and high cost diseases in order to improve the quality of care to their members and appropriately manage the Contractor's resources and the Contractor is the process of evaluating their first outcomes.

AHCCCS has required corrective action plans for all standards for which the Contractor did not fully meet contract and BBA requirements. These plans have been received and reviewed by AHCCCS, which accepts the CAP or requires revisions in order to meet these requirements.

- Review and analysis of periodic reports

A number of contract deliverables are used to monitor and evaluate Contractor compliance and performance. AHCCCS reviews these reports, provides feedback and approves them as appropriate.

- **Annual Quality Management/Performance Improvement Plans**. AHCCCS ensures that each Contractor has an ongoing quality assessment and performance improvement program for the services it furnishes to its members, consistent with BBA regulations. Annually, Contractors submit their annual Quality Management/Performance Improvement (QM/PI) Plans and Evaluations of the previous year's activities, Utilization Management (UM) Plans and Evaluations, Performance Improvement Project (PIP) proposals and reports, annual Maternity Care Plans, annual EPSDT/Dental Plans, and related Work Plans. During the quarter, AHCCCS either approved the plans/reports or made recommendations for revisions to Contractors.

- **Quarterly EPSDT/Oral Health Progress Reports**. AHCCCS requires Acute and ALTCS Contractors to submit quarterly reports demonstrating their efforts to inform families/caregivers of EPSDT services and ensure that members receive these services according to the AHCCCS Periodicity Schedule. AHCCCS has developed a template for Contractors to report data on member and provider outreach, as well as Contractor rates for various services, such as blood-lead and tuberculosis screening, PCP oral exams, and referrals. The template prompts Contractors to evaluate the effectiveness of activities, including care coordination, follow up and new or revised interventions to improve quality and access to care. The template also provides a vehicle for Contractors to report the results of their internal monitoring of contractual Performance Measures on a quarterly basis.

  The report template was piloted during CYE 2007. In 2008, AHCCCS began requiring all Contractors to use the reporting format.

- **Quarterly Quality Management Reports.** Contractors submit reports on Quality of Care (QOC) concerns received and the disposition of those concerns (e.g., whether or not they were substantiated). The concerns also are reported by category, such as availability/accessibility/adequacy, effectiveness/appropriateness of care, member rights and non-quality issues, to identify trends. Contractors also report the types of actions taken to resolve concerns.

- <u>Review and analysis of program-specific Performance Measures and Performance Improvement Projects</u>

AHCCCS considers a Performance Improvement Project (PIP) as a planned process of data gathering, evaluation, and analysis to determine interventions or activities that are anticipated to have a positive outcome. PIPs are designed to improve the quality of care and service delivery and usually last at least four years. While Contractors may select and implement their own PIPs to address problems specific to their plans, AHCCCS mandates other program-wide PIPs in which Contractors must participate, and monitors performance until each health plan meet requirements for demonstrable and sustained improvement.

Another method by which AHCCCS monitors the quality and appropriateness of care provided to members is through Performance Measures. Contractors submit encounter data to AHCCCS, which measures each plan's performance and evaluates its compliance in meeting contractual performance standards for specific health care services. Under their contracts with AHCCCS, Contractors are required to improve their rates for Performance Measures and achieve specific goals for each. AHCCCS requires corrective action plans from Contractors that do not meet the Minimum Performance Standard, or that show a statistically significant decline in their rates. The following summarizes the status of current AHCCCS PIPs and Performance Measures during the quarter.

- Performance Improvement Projects

Appropriate Use of Medications for People with Asthma. This PIP utilizes HEDIS 2006 specifications for the baseline measurement. In addition, AHCCCS anticipates analyzing emergency room and hospital inpatient utilization to help evaluate the effectiveness of this PIP. Data for the baseline measurement were collected during the quarter from enrollment records and encounters through the AHCCCS Data Decision Support (ADDS) system. During the quarter, baseline data was shared with participating Contractors, along with resources to assist them in developing and implementing PIP interventions.

- ***Completion of Advance Directives.*** This PIP is intended to increase the proportion of long-term care members who have advance directives documented in medical charts. This also may include documentation of an advance directive with an Arizona registry that is maintained by the Secretary of State. During the quarter, DHCM selected a sample population and began preparing data-collection tools for the baseline measurement. During the quarter, participating Contractors collected baseline data from medical records and submitted it to AHCCCS for analysis. AHCCCS will provide educational resources to Contractors to assist them in improving member and provider education regarding advance directives, as well as medical-record documentation of such directives.

Childhood Immunization Performance Improvement Project (Acute-care Contractors and the Division of Developmental Disabilities)
Working with Contractors, AHCCCS has been focusing additional efforts on improving 2-year-old immunization rates over the last few years. An assessment of immunization levels completed in early 2004 was being utilized as the baseline measurement for this PIP. Since Contractors had already implemented corrective actions to improve childhood immunization rates, the first remeasurement of performance for this PIP was conducted in late 2004. AHCCCS retained Health Services Advisory Group (HSAG), a Quality Improvement Organization, to conduct the remeasurement, which showed significant overall improvement in immunization rates. After the second remeasurement, all but three Contractors had sustained improvement or achieved a benchmark rate for the five-antigen vaccination series, thus completing this PIP.

During the third remeasurement of performance, one Contractor, DES/DDD, showed sustained improvement and has thus completed the PIP. Two others are continuing interventions to demonstrate and/or sustain improvement.

Management of Comorbidities Performance Improvement Project (ALTCS Contractors)

The purpose of this project is to help prevent the onset of additional comorbid diseases and/or reduce the effects of coexisting diseases by improving case management and care coordination services for ALTCS members. It focuses specifically on members in home- and community-based settings, in order to improve the likelihood that these members may remain in the HCBS program and avoid institutionalization longer. A parallel component of this PIP will test activities to improve coordination of care of dual-eligible (DE) members. This group will be evaluated to see what effect care coordination with Medicare Advantage health plans and their providers had on outcomes. Some ALTCS Contractors also have Special Needs Plans (SNPs), others are coordinating with SNPs and Medicare Advantage Plans to improve care of these members.

AHCCCS is in the process of analyzing data for the second remeasurement for this longitudinal study.

Physician Reporting to the Arizona Statewide Immunization Information System (ASIIS)

This project was implemented in CYE 2005, and is designed to increase the number of primary care practitioners contracted with AHCCCS acute-care health plans who report vaccination data to ASIIS, and to increase the total number of reported vaccinations administered to AHCCCS members. AHCCCS has reported to each Contractor its baseline rate of PCPs who are reporting immunizations within 30 days of administering vaccinations and interventions have been under way since CYE 2006. In the first remeasurement, rates of provider sites reporting vaccinations within 30 days increased significantly among all health plans, with a median of 86.4 percent, compared with a median of 74.2 percent in the baseline measurement. Contractors are continuing interventions and a second remeasurement will be completed late this year to determine whether Contractors sustained improvements.

Behavioral Health PIPs

AHCCCS continues to work with the ADHS Division of Behavioral Health Services (DBHS) staff to refine their PIPs, in order to make them more focused on outcomes that demonstrate an increase in member satisfaction and/and member care. One of the DBHS PIPs is focused on assessments of children from birth through 5 years of age, and is designed to capture additional data on this population in order to develop more comprehensive assessment plans and improve positive outcomes, possibly avoiding further involvement in the mental health system. The other PIP addresses Child and Family Teams (CFTs), to better ensure fidelity to the CFT process, which has been associated with improved functional and health outcomes.

- Performance Measures

  As previously noted, AHCCCS reported results for the Biennial Assessment of Immunization Completion Rates at 24 Months of Age for children enrolled in AHCCCS. Contractors that did not meet Minimum Performance Standards for individual vaccines or series of vaccines will be required to submit Corrective Action Plans. AHCCCS also has required CAPs from Contractors for other Performance Measures for which they did not meet Minimum Performance Standards.

Maintaining an information system that supports initial and ongoing operations and review of the established Quality Strategy

The AHCCCS Data Decision Support (ADDS) system provides greater flexibility and timeliness in monitoring a broad spectrum of data, including information that supports ongoing operations and review of quality management and performance improvement activities. Enhancements have been made to the ADDS function that generates Performance Measure data. The system will be used to support performance monitoring, as well as provide data through specific queries to guide new quality initiatives.

In addition, AHCCCS has an ongoing process of reviewing and updating its programming for collecting and analyzing Performance Measures according to HEDIS specifications through the ADDS data warehouse. Measures are validated against historical data, as well as individual recipient and service records in PMMIS, to ensure accuracy and reliability of data.

Reviewing, revising and beginning new projects in any given area of the Quality Strategy

Review and revision of the components of the Quality Strategy is an ongoing process for AHCCCS. In late 2007, AHCCCS completed a thorough review and revision of the Agency's Quality Strategy, utilizing the CMS Medicaid Quality Strategy Toolkit, to ensure that all required components are addressed and that the document is up to date. The revised Quality Strategy offers users a more complete view of quality initiatives throughout the Agency and provides updates on activities and progress since it was developed in 2003.