AHCCCS

Janice K. Brewer, Governor
Anthony D. Rodgers, Director

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

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November 30, 2009

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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 July 1, 2009 to September 30, 2009, 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 Theresa Gonzales at (602) 417-4732.

Sincerely,

Monica Coury
Assistant Director
AHCCCS Office of Intergovernmental Relations

Enclosure

cc: Cheryl Young
Hee Young Ansell
Susan Ruiz
Michael Hollar

AHCCCS Quarterly Report
July 1, 2009 to September 30, 2009

TITLE

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

Section 1115 Quarterly Report
Demonstration Year: 27
Federal Fiscal Quarter: 4th /2009 (July 1, 2009 – September 30, 2009)

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. Voluntarily Disenrolled in current Quarter	No. Involuntarily Disenrolled in current Quarter
Acute AFDC/SOBRA	1,086,121	1,578	410,649
Acute SSI	140,048	102	18,887
Acute AC/MED	234,485	285	68,438
Family Planning	4,255	3	1,842
LTC DD	22,358	25	1,727
LTC EPD	29,460	38	3,889
Total	1,586,431	2,313	536,628

State Reported Enrollment in the Demonstration (as requested)	Current Enrollees
Title XIX funded State Plan[1]	1,064,659
Title XXI funded State Plan[2]	49,957
Title XIX funded Expansion[3]	193,137
Title XXI funded Expansion[4]	0
DSH Funded Expansion	
Other Expansion	
Pharmacy Only	
Family Planning Only	3,766
Enrollment Current as of	10/01/09

[1] SSI, 1931 Families and Children, 1931 Related, TMA, SOBRA child and pregnant, ALTCS, FTW, QMB, BCCP, SLMB, QI-1
[2] KidsCare
[3] MI/MN
[4] AHCCCS for Parents

Outreach/Innovative Activities:

AHCCCS continues to lack the resources to provide education and partnership activities in the community.

Operational/Policy Developments/Issues:

Waiver Update

On July 20, 2009, AHCCCS sent CMS notice that effective October 1, 2009, the HIFA II population (HIFA Parents) would be terminated. On September 15, 2009 AHCCCS provides CMS with Title XXI projections.

State Plan Update

AHCCCS submitted four State Plan Amendments during this quarter.

On September 3, 2009, AHCCCS submitted SPA #09-002 that updates the amounts for the Graduate Medical Education program.

On September 15, 2009 AHCCCS submitted SPA #09-003-A and B that implements rate freezes for FY 2010.

On September 16, 2009, AHCCCS submitted SPA #09-004 to eliminate coverage of dentures for adults.

On September 30, 2009, AHCCCS submitted SPA #09-005 to formalize express lane eligibility for the TANF population.

Legislative Update

The Legislature submitted a budget to the Governor on July 1, 2009. While the Governor signed enough of the budget to allow Arizona State Government to continue operating, she vetoed several provisions that left the Arizona State Budget out of balance. Subsequently, the Legislature reconvened in a Special Session to negotiate a budget agreement with the Governor. With the exception of one bill related to State revenue, this agreement was signed on September 4, 2009.

AHCCCS created a website to provide information on State Legislative and Budget activity and its impact to Arizona's Medicaid program:

http://www.azahcccs.gov/reporting/legislation/legislation.aspx

Consumer Issues:

In support of the quarterly report to CMS, presented below is a summary of complaint issues received in OCA for the quarter July– September 2009

Complaint Issue	July	August	September	Total
ALTCS	19	26	16	61

Can't get coverage (eligibility issues)	194	134	202	530
Caregiver issues	3	0	2	5
Credentialing	0	0	0	0
DES	54	25	22	101
Equipment	1	0	5	6
Fraud	8	4	2	14
Good customer service	0	0	0	0
Information	168	132	149	449
Lack of documentation	0	0	0	0
Lack of providers	1	0	0	1
Malfunctioning equipment	1	0	0	1
Medicare	2	4	10	16
Medicare Part D	9	3	11	23
Member reimbursement	13	12	14	28
Misconduct	0	0	0	0
No notification	0	0	0	0
No Payment	1	0	0	1
Nursing home POS	0	0	0	0
Optical coverage	2	4	2	8
Over income	7	3	8	18
Paying bills	0	1	0	1
Policy	2	7	5	14
Poor customer service	0	0	0	0
Prescription	30	27	42	99
Prescription denial	16	7	10	33
Process	1	0	0	1
Surgical procedures	0	0	0	0
Termination of Coverage	0	0	0	0

Complaints regarding health plans for July =37, August = 41, September = 31
Complaints regarding services July = 17, August = 13, September = 37

Note: On this report, we presume and consider all calls to be complaints with only two exceptions for: "good customer service" and "information".

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: July 1 to September 30, 2009.

HIFA Parents ever enrolled: 78,242
HIFA Parents enrolled at any time between 07/01/2009 and 09/30/2009: 11,593

HIFA Parent enrollment:
07/01/09: 9,870
08/01/09: 9,564
09/01//09: 9,294

Employer Sponsored Insurance Issues:

AHCCCS received CMS approval on 10/02/08 to implement the ESI program. AHCCCS implemented the program on 12/01/08 and began sending out information to families with children approved for KidsCare who have access to employer sponsored health insurance. As of 11/1/2009, there are two families enrolled in the ESI program.

Family Planning Extension Program (FPEP):

Family Planning Update:

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 an approximately three-month claims lag; thus, the most recent data available are for the quarter ending June 30, 2009. AHCCCS enrollment data show that 4,061 unduplicated recipients were enrolled with Acute-care Contractors under the Family Planning Extension (FPE) program (contract type Q) during the quarter. This represents an increase over the previous quarter of 170 members (4.4-percent relative increase) and likely reflects overall growth in the AHCCCS population.

Encounter data received through September 2009 indicate that 603 women in the SOBRA Family Planning Extension demonstration used a family planning service during the quarter, for a utilization rate of 14.8 percent (it should be noted that these data may be incomplete, as Contractors have up to eight months to submit encounters to AHCCCS). The 603 women participating in the SOBRA FPE program used an average of 2.7 services during the quarter. Oral contraceptives accounted for 72.6 percent of services used. As expected, the majority of utilizers, 76.8 percent, were in the age range of 21 to 39 years old, with another 20.0 percent in the 18- to 20-year-old age range. These data are consistent with previous quarters' results.

It also should be noted that an additional 2,610 women who were still eligible as SOBRA women in their postpartum phase received family planning services. Many of these women will qualify for continued coverage under the Family Planning Extension demonstration after their postpartum period.

Family Planning Enrollment by Month:
07/09: 3,947
08/09: 3,882
09/09: 3,768

Innovative Activities:

Since implementation of the public online application screens for Medicaid and CHIP, as well as Food Stamps and Cash Assistance on December 15, 2009, public use of Arizona's web-based application for enrollment, Health-e-Arizona, has steadily grown. Increased use of this online application improves efficiency and reduces customer traffic in eligibility offices.

Applications submitted by Public Users through Health-e-Arizona:
July 2009: 21,132
August 2009: 22,621
September 2009: 24,122

Enclosures/Attachments:

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

State Contact(s):

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Date Submitted to CMS:

November 30, 2009

Arizona Health Care Cost Containment System

Attachment II to the Section 1115 Quarterly Report

Quality Assurance/Monitoring Activity

Demonstration/Quarter Reporting Period
Demonstration Year: 26
Federal Fiscal Quarter: 4/2009 (7/09 – 9/09)

Prepared by the Division of Health Care Management
November 2009

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 Arizona Health Care Cost Containment System (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 and receiving services from the Arizona Department of Health Services (ADHS) through benefit carve outs 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 1115 Waiver and the AHCCCS Quality Strategy.

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, contracted managed care organizations/programs (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 Asthma Coalition

AHCCCS participates in regular meetings of the coalition to identify and provide to Contractors quality improvement resources that can be used to support optimal health outcomes among members with asthma and other respiratory diseases.

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). Topics discussed during joint meetings this quarter included Notices of Action, Early and Periodic Screening Diagnostic and Treatment (EPSDT) coverage, behavioral health services, performance measures and attendant care. AHCCCS also is providing ongoing technical assistance to DDD to improve its performance measure rates. AHCCCS has received a corrective action plan (CAP) for clinical quality performance measures from DDD, and worked with the Division to finalize the CAP. During the quarter, AHCCCS continued a work group with DDD to develop strategies related to quality of care, quality management and peer review processes.

Arizona Department of Health Services Bureau of Tobacco and Chronic Disease
In collaboration with ADHS, AHCCCS developed a Medicaid policy to implement state legislation passed last session that requires AHCCCS to cover smoking cessation drugs and nicotine replacement therapy. Members are being encouraged to participate in ADHS' Tobacco Education and Prevention Program (TEPP) smoking cessation support programs such as the "QUIT Line" and/or counseling, in addition to seeking assistance from their Primary Care Physician. AHCCCS continues to work with Contractors and ADHS to streamline processes to improve availability and accessibility to nicotine replacement/smoking cessation products. During the quarter, utilization of smoking cessation products increased over the previous quarter (with rates tripling in the last month of the quarter).

Arizona Department of Health Services' Bureau of USDA Nutrition Programs
AHCCCS continues to work with the ADHS Bureau of Nutrition Programs, which has the lead on a statewide initiative to reduce childhood obesity. 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. The AHCCCS health plans educate providers to utilize EPSDT services such as nutritional counseling and behavioral health services to assist and support children who are overweight to become more active and to choose healthy foods.

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, data collection/validation, provider education, and timely referral and care coordination for children with special health care needs. AHCCCS is holding ongoing meetings with CRS Administration to monitor its progress in meeting AHCCCS requirements. During the quarter, AHCCCS worked with CRSA to develop a contract amendment effective October 1, 2009. As part of the new contract, AHCCCS and CRSA developed methodologies for new performance measures, which reflect improvements in the process for enrolling AHCCCS members into CRS services and should provide more meaningful data for monitoring access and availability of services. These measures will be discussed under "Developing and Assessing the Quality and Appropriateness of Care/Services for Members."

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 July, Arizona VFC staff gave vaccine and program updates at the quarterly Quality Management/Maternal and Child Health meeting with Acute-care Contractors.

AHCCCS convened 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 childhood immunization rates in the county, which were among the lowest in the state. The work group subsequently evolved to include Apache, Coconino, Mohave and Navajo counties, with representatives of health plans and county health departments serving these counties The group identified and collaborated in providing more education to provider offices in immunization requirements, use of the ASIIS registry, and strategies for office staff to reassure parents about immunization safety and encourage return visits to complete vaccinations. These activities appear to be having some success in improving rates. More definitive results will be available after AHCCCS conducts the next statewide measurement of childhood immunization rates using Healthcare Effectiveness Data and Information Set (HEDIS) methodology. AHCCCS will determine the need for any future meetings of this work group after results of the immunization measurement are available in early 2010.

AHCCCS expects to use a similar QI process to address other areas of performance in the near future.

Arizona Department of Health Services Office of Environmental Health

Ongoing collaboration with ADHS also 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.

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. Acute Care contracts require AHCCCS–contracted health plans to reimburse AzEIP providers who provide medically necessary therapy to members. The AzEIP providers do not have to be contracted with the health plans, but must be registered as AHCCCS providers.

In this quarter, AHCCCS provided a technical assistance training session, which included AHCCCS Contractor staff, AzEIP staff and AzEIP service providers. Among the topics discussed were: reimbursement for AHCCCS-registered providers even if they are not contracted with health plans; the importance of timely delivery of services, and the need for continued coordination between AzEIP service coordinators and AHCCCS Contractor staff. Forms for communication between AzEIP staff and Contractor staff were discussed and revised.

Arizona Health System Transformation Collaboration

The Arizona Health System Transformation Collaboration spearheaded by AHCCCS is working to implement innovative ways to reduce health disparities in certain populations by raising health literacy and competency in navigating the health care system, as well as increasing members' ability to manage/participate in their care. Components include an infrastructure for patient decision support, with e-learning and health management support tools available via the AHCCCS website and at provider/clinic sites. The collaboration includes the Office of the Director, Division of Health Care Management and Division of Members Services, along with the University of Arizona and other community partners. A major focus during the quarter was the continued collection of data to refine and validate a health system competency instrument specifically for Medicaid members to determine the level of members' health literacy and system competency. The instrument asks members questions about their health, knowledge of AHCCCS and how to use services.

AHCCCS is exploring ways to utilize questions from this instrument that are identified as the most meaningful and actionable in an electronic format linked to the AHCCCS application process. During the quarter, AHCCCS began planning a work group including Contractors to determine the most useful method for assessing member health literacy/system competency as well as risk for certain health outcomes. This work group will be convened in the next quarter.

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 worked with the Arizona Medical Association and physician licensing boards to encourage 10 primary care practices to improve timeliness of reporting to the Arizona State Immunization Information System (ASIIS), Arizona's immunization registry. These practices report sporadically to ASIIS, usually every two to three months, rather than monthly, as the registry requires. Also during the quarter, the AHCCCS Medical Director sent letters to the 24 AHCCCS-registered providers affiliated with these practices to reinforce reporting requirements and advise them that nearly 90 percent of their peers are reporting on a monthly basis.

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 rates of childhood immunization in Pinal, Apache, Mohave and Navajo Counties. AHCCCS also collaborated with TAPI to assist county health departments with billing AHCCCS/AHCCCS Contractors for immunizations provided to Medicaid members. TAPI also was a participant in the AHCCCS H1N1 work group that worked to ensure consistent messaging and processes statewide related to H1N1 virus and immunizations, as well as continued promotion of vaccination for seasonal flu, as noted below.

Arizona Perinatal Trust
The Arizona Perinatal Trust (APT) oversees voluntary certification of hospitals for the appropriate level of perinatal care according to established guidelines, and conducts site visits for initial certification and recertification. CQM staff participates in site reviews of hospitals and provides consultation to the APT's Board of Directors. Since AHCCCS covers approximately half the births in Arizona, the site reviews give the agency a better look at the hospitals that provide care, from normal labor and delivery to neonatal intensive care. In collaboration with the APT and its members, which include perinatal providers and the ADHS Bureau of Women's and Children's Health, AHCCCS reviews processes to ensure quality of care and culturally appropriate care, as well as quality improvement initiatives and collaboration with community resources to promote good birth outcomes. During this quarter AHCCCS participated in three site visits. In addition, the annual APT Conference was held in Flagstaff, Ariz., in August and the CQM Quality Management/MCH Manager presented an AHCCCS update.

Arizona Quality Counts Partnership (AQCP)
This partnership is coordinated by the Arizona Quality Improvement Organization, Health Services Advisory Group (HSAG). In addition to HSAG and AHCCCS, the meetings are attended by representatives of AHCCCS health plans, Medicare health plans, providers, health care associations and the Arizona Department of Health Services. AQCP serves as a forum to coordinate partners' efforts to improve quality across the continuum of health care services. Through this collaborative, AHCCCS was approached by the nursing home industry to apply for a type of pay-for-performance CMS grant. AHCCCS continues to participate in teleconference meetings with nursing facility participants, the state's Quality Improvement Organization, and CMS to support this initiative.

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.

AHCCCS has developed a stand-alone website for Baby Arizona that educates providers and potential enrollees about the Baby Arizona program, as well as lists the most current participating Baby Arizona providers. The website now contains a Baby Arizona training module for practitioners and their staff who wish to participate in the Baby Arizona application process. The three state agencies collaborating on the Baby Arizona Program — AHCCCS, DES and ADHS — worked closely with the March of Dimes to develop Baby Arizona outreach materials and distributed them to the community.

First Things First Health Committee

AHCCCS continues to participate in the First Things First (FTF) Health Committee and provides guidance and feedback related to Medicaid issues. AHCCCS also has participated in developing the health care strategy that will be utilized at the state level and in varying degrees in the regional areas. AHCCCS is instrumental in providing input related to EPSDT requirements, care coordination among systems of care, and early childhood development. AHCCCS is currently working with FTF on projects related to developmental screenings, medical home and pay for performance.

Governor's Commission on Women's and Children's Health

AHCCCS is represented by CQM staff on the Governor's Commission on Women's and Children's Health. The Commission was assembled to develop a realistic, short-term action plan to promote wellness and/or improve access to care for Arizona's women, children, and adolescents. The Commission's focus is on physical activity and nutrition toward a healthy weight to combat the growing obesity epidemic in Arizona and developed subcommittees to approach the epidemic on three fronts: Where we Learn, Where we Live and Where we Work. AHCCCS staff attended commission meetings in previous quarters, but meetings have been cancelled until further notice.

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 is 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 monthly coalition meetings during the quarter.

Influenza Planning Workgroup

Beginning in July 2009 AHCCCS initiated a planning workgroup to prepare for seasonal and Novel H1N1 influenza. The group consists of AHCCCS staff from several units and Contractor representatives. Arizona county and state updates are provided by TAPI and/or Maricopa County staff at each meeting. To date, the workgroup has been successful in ensuring outreach to Medicaid members and providers is consistent with messages disseminated by county, state and national entities. AHCCCS and AHCCCS Contractors added updates to their websites for members and providers. Providers were updated on the correct codes and billing practices to use for Novel H1N1 vaccine administration and treatment with antiviral medications. AHCCCS Contractors have contracted with mass immunization clinics to provide Novel H1N1 vaccine in the schools as well as other clinic sites. AHCCCS continues to coordinate with TAPI, Maricopa County, ADHS and AHCCCS Contractors through the influenza season to ensure Medicaid members are vaccinated.

Project LAUNCH

Project LAUNCH, is a grant received by ADHS from the Substance Abuse and Mental Health Service Administration (SAMSHA). The purpose of the grant is to improve care coordination and develop comprehensive medical homes in two south Phoenix zip codes. Project LAUNCH participants, including AHCCCS, have moved into subject work groups focusing on medical home, special needs, developmental screening, etc. AHCCCS is represented on some of the work groups.

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

AHCCCS has established an objective, systematic process for identifying priority areas for improvement and selecting new Performance Measures and Performance Improvement Projects (PIPs). This process involves a review of data from a variety of sources, both internal and external. Preliminary recommendations for measures or PIP topics are developed and scored by an interdepartmental AHCCCS team that takes into account such factors as the prevalence of a particular condition and population affected, the resources required by both AHCCCS and Contractors to conduct studies and effect improvement, and whether the areas currently are priorities of CMS or state leadership and/or can be combined with existing initiatives. Contractor input also is sought in prioritizing areas for improvement. An AHCCCS team reviewed potential topics and supporting data, and has selected the following new PIPs for implementation in CYE 2010:

- **Coordination of Care for Acute Members Receiving Services through the ADHS Division of Behavioral Health Services.** AHCCCS is working with ADHS and Acute-care Contractors to develop a PIP across the Behavioral Health and Acute-care programs to improve coordination of care for members with specific chronic diseases/diagnoses; for example, diabetes and/or hepatitis C (liver disease). During the quarter, ADHS submitted the first draft of a methodology for the project; AHCCCS will make revisions and obtain further input from ADHS and Acute-care Contractors during the next quarter.
- **Improve Rates of Primary/Preventive Care Visits by HCBS Members.** AHCCCS is developing a PIP in conjunction with ALTCS Contractors to improve rates of primary/preventive care visits by HCBS members using HEDIS methodology for Access to Primary Care Practitioners/Preventive Health Services for baseline and successive measurements.

- Establishing realistic outcome-based performance measures

ALTCS Contractor Performance Measures

AHCCCS incorporated two new measures into CYE 2009 ALTCS contracts, an influenza vaccination measure and a measure of the prevalence of pressure ulcers. AHCCCS plans to collect data for the new measures in 2011 for the measurement period of CYE 2010. Methodologies developed by AHCCCS with Contractor input have been provided to Contractors, which have begun implementing processes to internally monitor and improve performance in these areas.

Acute-care Contractor Performance Measures

AHCCCS also incorporated new Acute-care Performance Measures into CYE 2009 contracts. These include three measures that are part of the HEDIS measure of Comprehensive Diabetes Care – hemoglobin A1c tests, lipid screening and eye exams – as well as the HEDIS measure of Use of Appropriate Medications for People with Asthma. AHCCCS had planned to collect data for the new diabetes measures using a hybrid methodology, but suspended hybrid data collection in CYE 2010 because of budgetary reasons. As noted below, AHCCCS already has implemented a Performance Improvement Project (PIP) among Acute-care Contractors to improve use of appropriate asthma medicines, using HEDIS specifications for measuring performance. AHCCCS plans to collect data for the asthma and diabetes measures in 2011 for the measurement period of CYE 2010.

Children's Rehabilitative Services Administration (CRSA) Performance Measures

As previously noted, AHCCCS Clinical Quality Management staff worked closely with CRSA to develop and incorporate into contract new Performance Measures that reflect improvements in the process for enrolling AHCCCS members into CRS services and which should provide more meaningful and valid data for monitoring access and availability of services. The new measures, incorporated into the CYE 2010 contract, include the following:

- ***Timeliness of Eligibility Determination #1*** – The percent of AHCCCS members for whom a determination of eligibility was made (i.e., eligible or ineligible) and who were notified in writing of the decision within 14 calendar days of a complete CRS Referral Form received by the CRS subcontractor
- ***Timeliness of Eligibility Determination #2*** – The percent of AHCCCS members for whom a determination of eligibility could not be made from the CRS Referral Form and who were notified in writing within 14 calendar days of receipt of the Referral Form that additional information or a medical evaluation was required in order to make a determination of medical eligibility (CRSA must show documentation of internal monitoring of the accuracy of the determination process)
- ***Timeliness of Initial Service Plan Development –*** The percent of AHCCCS members for whom an initial service plan (ISP) was completed on or before the date of positive eligibility determination by the CRS subcontractor
- ***First CRS Service –*** The percent of AHCCCS members who receive their first CRS service by the date specified on the ISP or within 90 calendar days of the date of positive eligibility determination

Performance Measure methodologies are specified as part of the contract. AHCCCS also set Minimum Performance Standards and Goals for CRSA to achieve for each of these measures, which are included in the contract.

Division of Behavioral Health Services (DBHS) Performance Measures

AHCCCS completed a major overhaul of DBHS Performance Measures, in conjunction with the Division, developing and refining several measures. These measures also are designed to collect more meaningful data on access, availability and quality of behavioral health services received by AHCCCS members, as well as improve data validity. The new measures, incorporated into the CYE 2010 contract, which was effective July 1, 2009, include the following:

- ***Access to Care –*** The percent of AHCCCS members referred for or requesting behavioral health services for whom the first service was provided within 23 days of the initial assessment

- ***Behavioral Health Service Plan –*** The percent of AHCCCS members with current service plans that incorporate the needs and service recommendations identified in their assessments
- ***Behavioral Health Service Provision –*** The percent of AHCCCS members who received the services that were recommended in their service plans
- ***Coordination of Care #1 (Disposition of Referral) –*** The percent of AHCCCS members for whom disposition of the referral is communicated to the PCP or Health Plan within 45 days of initial assessment or, if behavioral health services are declined, within 45 days of the referral
- ***Coordination of Care #2 (Communication)) –*** The percent of AHCCCS members for whom behavioral health service providers communicate behavioral health clinical and contact information with the member's Primary Care Physician (PCP) and/or Health Plan
- ***Follow Up after Hospitalization for Mental Illness –*** The percent of discharges for members age 6 years and older who were hospitalized for treatment of selected mental health disorders and who had an outpatient visit or partial hospitalization with a behavioral health practitioner, based on Healthcare Effectiveness Data and Information Set (HEDIS) criteria. Two rates will be reported:
    1) Members who received follow up within 30 days of discharge
    2) Members who received follow up within seven days of discharge
- ***Treatment of Depression –*** The percent of continuously enrolled AHCCCS members diagnosed with major depressive disorder of mild subtype who received an antidepressant medication or psychotherapy during the measurement period

Performance Measure methodologies are specified as part of the contract. AHCCCS also set Minimum Performance Standards and Goals for DBHS to achieve for each of these measures, which are included in the contract.

It also should be noted that, during the quarter, AHCCCS staff joined the CMS and Agency for Healthcare Research and Quality (AHRQ) Listening Session for state Medicaid and CHIP Programs to offer comments and suggestions on the initial core set of quality measures recommended by the AHRQ National Advisory Council Subcommittee on Quality Measures.

- Identifying, collecting and assessing relevant data

Performance Measures

- **ALTCS Performance Measures.** During the quarter, AHCCCS completed measurement of Initiation of Home and Community Based Services and issued its annual report. The measurement is used to determine the percent of E/PD members in HCBS settings other than assisted living facilities or hospice who received specific medical, nursing or support services within 30 days of enrollment. These services are designed to enable members to maintain function and continue living in their own homes or other community settings rather than nursing facilities. The measurement period for this study is October 1, 2007, through September 30, 2008.

Six of eight Contractors met the AHCCCS contractual Minimum Performance Standard (MPS) of 92 percent for this measure, with three achieving the AHCCCS Goal of 98 percent. AHCCCS will require Corrective Action Plans from the two Contractors that did not meet the MPS, and will work with them to ensure they improve performance.

Also during the quarter, the AHCCCS collected data for the annual measurement of three HEDIS measures that are part of the Comprehensive Diabetes Care measure set: Hb A1c tests, lipid screening and retinal exams. Data were collected for the measurement period of October 1, 2007, through September 30, 2008, through a hybrid methodology, with Contractors collecting some of the data from medical records, laboratories and/or claims, including data from affiliated Medicare Special Needs Plans (SNPs). AHCCCS will report results in the next quarter.

- **Acute-care Performance Measures.** During the quarter, AHCCCS completed a major review and quality check of performance measure programming, in conjunction with one of its Contractors, which assisted by testing data through its certified HEDIS vendor. The review and analysis of processes identified a few areas in which AHCCCS revised its programming to better conform to HEDIS 2009 requirements. This programming was used for the final run of measures to evaluate Acute-care Contractors' performance for the measurement period of CYE 2008, which took place during the quarter. AHCCCS then began performing quality checks of the new data results and will prepare its annual report on Contractor performance for release in the next quarter.

Preliminary data for these measures, run in May 2009, indicated that nearly all Medicaid measures are trending upward, with Contractors achieving significant improvement in some areas. These results will be discussed in more detail in the section on "Providing Incentives for Excellence and Imposing Sanctions for Poor Performance".

Also during the quarter, AHCCCS provided Contractor-specific and overall data for HEDIS measures to the National Committee for Quality Assurance, along with narrative information, to support the work NCQA is doing with CMS on developing a core measure set for Medicaid programs.

Performance Improvement Projects (PIPS)

AHCCCS has a number of Performance Improvement Projects under way with Contractors, which are designed to improve enrollee health outcomes and/or satisfaction. Recent activity related to these projects includes:

- **Inappropriate Refusal of Influenza Immunization (ALTCS E/PD).** In 2008, AHCCCS developed the methodology for a Performance Improvement Project to reduce the rate of refusal of influenza vaccination for inappropriate reasons. The PIP includes Arizona Long Term Care System (ALTCS) Elderly and Physically Disabled (E/PD) members age 18 and older. Members are considered to have refused an influenza immunization if they did not receive a vaccination in the 2007/2008 flu season and did not have specific contraindications to the vaccine.

Baseline results have been shared with Contractors, who are implementing interventions to better educate members of the benefits of influenza immunization and the minimal risks associated with vaccines compared with the risks of disease. Improvements are expected to decrease unnecessary or uninformed refusal of vaccination and potential mortality and morbidity from influenza. Contractor interventions also are aimed at improving documentation of members' receipt of the vaccine. A remeasurement in 2010 will show whether Contractors achieved statistically significant reductions in the percent of members who refused vaccination.

° **Behavioral Health PIPs.** AHCCCS continues to work with the ADHS Division of Behavioral Health Services (DBHS) staff to refine its 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 addresses Child and Family Teams (CFTs), to better ensure fidelity to the CFT process, which has been associated with improved functional and health outcomes. AHCCCS has also approved DBHS' proposal for a new PIP, to improve participation in supported employment programs among seriously mentally ill members, after extensive technical assistance to shore up the study methodology, and analysis and intervention plans in order to ensure that the PIP yields meaningful and reliable results.

As previously noted, AHCCCS is working with DBHS and Acute-care Contractors to implement a PIP to improve care coordination among members receiving medical and behavioral health services in CYE 2010.

In the next quarter, Contractors will submit annual reports to AHCCCS on all PIPs that are under way. These reports will include updates on interventions that have been implemented thus far, any new or revised interventions for CYE 2010 and the extent to which the PIPs are showing improvement, based on Contractors' internal monitoring and/or AHCCCS measurements.

- Providing incentives for excellence and imposing sanctions for poor performance

Notices to Cure or Letters of Concern were issued in 2007 to Acute-care Contractors that did not meet Minimum Performance Standards (MPSs) for Performance Measures for multiple years and/or multiple measures. Contractors also were advised of sanctions they would face if they did not meet Minimum Performance Standards for the measurement periods consisting of CYE 2007 and CYE 2008. Contractors were required to develop Corrective Actions Plans (CAPs) to bring their performance up to the AHCCCS minimum standards or evaluate each activity under CAPs currently in place to determine their effectiveness. DHCM subsequently advised Contractors of potential sanction amounts based on results of measures that were reported in December 2008. Contractors were again required to evaluate any existing CAPs for measures for which they did not meet AHCCCS minimum standards and/or develop new CAPs. Thus, Contractors were given ample time to correct deficiencies by putting resources toward improvement rather than absorbing financial sanctions for poor performance.

AHCCCS also continued providing technical assistance to Contractors to help them improve their ability to effectively monitor their performance from internal data and reinforced strategies to improve rates for these measures. Many of the AHCCCS minimum standards were increased in the Acute-care Contract effective October 1, 2008, to push Contractor performance to levels that meet or exceed HEDIS national Medicaid means.

This approach to performance improvement appears to have been successful. As previously noted, AHCCCS collected and analyzed preliminary Performance Measure data for these Contractors during the quarter. Evaluating Contractors' performance over a three-year period, AHCCCS found that they were able to effect overall improvements in their Performance Measure results at a level not previously seen. Thus, AHCCCS views the Notices to Cure as having achieved their purpose, and notified Contractors that it was relieving them of any pending sanctions. However, Contractors will be required to implement or continue CAPs based on final measurement data available in the next quarter. AHCCCS will evaluate Contractor performance based on these data and notify Contractors of their CAP status.

AHCCCS also continues work related to initiatives led by the Agency for Healthcare Research and Quality (AHRQ) and the Center for Health Care Strategies (CHCS) on innovative ways to reward quality. The AHCCCS Chief Medical Officer and the CQM Administrator have been participating in the AHRQ initiative, which is focusing on collaborative opportunities to develop quality-based pay-for-performance programs. AHCCCS worked with medical associations in the state to seek input in the development process. The AHCCCS Data Decision Support System (ADDS), the Agency's data warehouse, was used to identify target populations on which to base a pay-for-performance initiative. AHCCCS is awaiting Legislative approval to implement a program, and continues to work with other states and receive technical assistance.

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, have been involved in this project. This should ensure subject-specific data that can be utilized to request legislative funding for the Pay for Performance Program.

- 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 meetings. The Division of Health Care Management held a Quality Management/Maternal and Child Health (QM/MCH) meeting with Contractors on July 9, 2009, with topics that included: the Arizona Rural Women's Health Network; the Women's, Infants and Children's (WIC) Supplemental Nutrition program updates; ADHS Licensing and Immediate Jeopardy situations; a Nurse Family Partnership (NFP) Program and updates on AHCCCS Performance Measures and Performance Improvement Projects (PIPs). During the quarter, it also shared resources on diabetes management from a recent Arizona Diabetes Coalition meeting with Contractors, as well as two new summary guides for consumers and clinicians from the Agency for Healthcare Research and Quality (AHRQ) related to gestational diabetes.

In addition, representatives of the AHCCCS Division of Health Care Management also meet regularly with staff of the ADHS Division of Behavioral Health Services (DBHS) and DES Division of Developmental Disabilities to discuss issues, share information, and review progress and new initiatives in improving access, availability and quality of services. These meetings offer a regular opportunity to provide technical assistance and share any related best practices.

During the quarter, AHCCCS worked with Acute-care Contractors to improve coordination of care with the Regional Behavioral Health Authorities (RBHAs) that serve members enrolled with DBHS. While RBHAs are responsible for the provision of behavioral health services after 72 hours, it is expected that Acute-care health plans remain involved with members' treatment to ensure that transition to the RBHA is a smooth one, and that any post-discharge medical needs are addressed. AHCCCS will continue to work with Contractors and share best practices for managing care of these members. AHCCCS also reviewed and commented on DBHS' evaluation tool for conducting annual reviews of RBHAs, based on best practices it has developed for evaluating structural and operational aspects of its Contractors.

AHCCCS also regularly participates in national web-based conferences related to improving quality and best practices. During the quarter, AHCCCS staff joined the National Association for State Health Policy (NASHP) webinar on "Public-Private Partnerships to Improve Health Care Quality: Lessons from Leading States" and a webinar on the EPSDT Periodicity Schedule.

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

Contracts with health plans are reviewed to ensure that they include all federally required elements prior to renewal. As discussed at the beginning of this report, AHCCCS awarded new contracts for Acute-care services during the quarter. New or enhanced provisions were incorporated into the contracts to incentivize improvement and discourage poor performance. As previously noted, AHCCCS also made significant revisions to Performance Measures for CRSA and DBHS in order to produce data that are more meaningful and reliable in informing AHCCCS of the accessibility, availability and quality of services received.

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

During annual Operational and Financial Reviews (OFRs), AHCCCS evaluates each Contractor's compliance related to development and implementation of policies, performance related to quality measures, and progress toward plans of correction to improve quality of care and service outcomes for members. During the quarter, AHCCCS conducted reviews of the following Contractors:

APIPA – July 21 through 24
Cochise Health Systems – Aug. 3 through 6
ADHS Division of Behavioral Health Services – Aug. 24 through 27
DES Division of Developmental Disabilities – Sept. 21 through 124

Also during the quarter, AHCCCS responded to the NCQA survey regarding the initiative to develop Medicaid-specific health plan accreditation standards and allow managed care organizations (MCOs) to use deemed standards as evidence of compliance with federal Medicaid Managed Care requirements. AHCCCS is developing a cross walk comparing current NCQA accreditation standards to its OFR standards. Preliminary analysis indicates that AHCCCS standards more thoroughly evaluate Contractors' performance and compliance with federal Medicaid Managed Care requirements, and that accepting NCQA accreditation as deemed evidence of compliance would represent a lower standard for Arizona Medicaid and CHIP managed care organizations.

- 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. CQM coordinates this review with other units in the division.

Contractors will submit their annual QMPI plans for CYE 2010 and evaluation of their QMPI programs in CYE 2009, including PIP reports, in December 2009. CQM has developed checklists for Contractors to use in developing and submitting their QM/PI Plans and Evaluations and Maternity Care/EPSDT/Dental Plans and Evaluations. These checklists help ensure that all required components related to improving the quality of care and service delivery for enrollees are addressed. They also assist AHCCCS staff in reviewing the plans in a more efficient manner.

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 EPSDT services. 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. These reports were received and reviewed during the quarter. CQM staff responded to Contractors with requests for clarification and some recommendations for improvement.

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 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. CQM received reports from Contractors during the quarter and will utilize the data in analyzing QOC concerns for the program overall, by Contractor, line of business, and complaint type.

- Review and analysis of program-specific Performance Measures and Performance Improvement Projects

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. Contractors also could face significant financial sanctions if they do not improve performance to a level that meets or exceeds the minimum standard.

As noted earlier in this report, AHCCCS collected, analyzed and reported to Contractors their results for several PIPs and Performance Measures during the quarter.

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 is used to support performance monitoring, as well as provide data through specific queries to guide new quality initiatives. During the previous quarter, AHCCCS transitioned from a Business Objects application to COGNOS. The new application is designed to make analysis and reporting of data easier for AHCCCS users.

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. As previously noted, AHCCCS completed an extensive review of Performance Measure specifications and programming, in conjunction with one of its Contractors. DHCM made some revisions to its programming of HEDIS measures to meet 2009 specifications and documented processes in a crosswalk of NCQA specifications, which it shared with Contractors, to ensure continued comparability with national means and percentiles, while supporting their internal monitoring activities.

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. At the end of 2008, 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 State Medicaid Advisory Committee (SMAC) also provided input into the strategy. This process has resulted in a revised Quality Strategy that aligns with Medicaid Managed Care requirements, including the CMS toolkit, and links to other significant documents, including annual External Quality Review reports, the AHCCCS Five Year Strategic Plan, AHCCCS E-Health Initiative, managed care contracts and reports by the Agency. The final product, which also has been presented to Contractors, offers users a more complete view of quality initiatives throughout the Agency and provides updates on activities and progress since the Quality Strategy was developed in 2003.

Arizona Health Care Cost Containment System

Budget Neutrality Tracking Report

For the Period Ended September 30, 2009

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	1,173,997	1,308,844	2,482,841	$ 422,125,262	
SSI	$414.28	1.0688	473.25	67.31%	318.55	266,246	275,436	541,682	172,553,838	
									$ 594,679,100	MAP Subtotal
									75,946,612	Add DSH Allotment
									$ 670,625,712	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	1,435,173	1,525,564	1,595,487	1,684,893	6,241,117	$ 1,161,847,283	
SSI	505.81	67.31%	340.47	284,733	291,404	297,919	304,558	1,178,614	401,280,689	
									$ 1,563,127,973	MAP Subtotal
									86,014,710	Add DSH Allotment
									$ 1,649,142,683	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	1,774,502	1,844,415	1,939,323	2,028,446	7,586,686	$ 1,618,682,521	
SSI	540.60	70.58%	381.58	310,954	317,996	325,775	333,586	1,288,311	491,599,247	
									$ 2,110,281,768	MAP Subtotal
									82,215,000	Add DSH Allotment
									$ 2,192,496,768	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	2,041,361	2,016,827	2,015,044	2,094,575	8,167,807	$ 1,916,376,518	
SSI	577.80	70.72%	408.60	343,784	347,647	354,624	361,528	1,407,583	575,138,221	
									$ 2,491,514,738	MAP Subtotal
									95,369,400	Add DSH Allotment
									$ 2,586,884,138	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	2,199,803	2,179,496	2,207,251	2,210,056	8,796,606	$ 2,199,713,049	
SSI	617.55	68.74%	424.51	371,455	377,470	382,412	384,258	1,515,595	643,386,517	
									$ 2,843,099,566	MAP Subtotal
									95,369,400	Add DSH Allotment
									$ 2,938,468,966	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%	272.26	2,207,204				2,207,204	$ 600,940,118	
SSI		660.04	68.44%	451.70	385,840				385,840	174,284,784	
AFDC/SOBRA	Post MMA Adj	392.97	69.13%	271.68		2,169,901	2,164,065	2,151,599	6,485,565	1,761,968,666	
SSI	Post MMA Adj	590.02	68.44%	403.78		385,916	382,976	382,969	1,151,861	465,102,459	
										$ 3,002,296,026	MAP Subtotal
										95,369,400	Add DSH Allotment
										$ 3,097,665,426	Total BN Limit

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	2,149,612	2,143,250	2,170,342	2,215,651	8,678,855	$ 2,515,268,325	
SSI	590.02	1.072	632.50	68.10%	430.74	383,140	383,624	387,394	389,971	1,544,129	665,120,589	
ALTCS-DD		1.072	3516.33	66.58%	2341.04	55,514	56,310	57,247	58,193	227,264	532,034,268	
ALTCS-EPD		1.072	3409.91	66.64%	2272.25	74,661	74,281	74,710	75,731	299,383	680,274,080	
											$ 4,392,697,263	MAP Subtotal
											95,369,400	Add DSH Allotment
											$ 4,488,066,663	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	68.65%	310.03	2,253,361	2,264,065	2,299,928	2,344,340	9,161,694	2,840,417,085	
SSI	678.04	67.94%	460.63	392,422	394,122	394,818	396,011	1,577,373	726,582,863	
ALTCS-DD	3769.51	66.33%	2500.26	59,153	60,066	61,091	62,029	242,339	605,910,548	
ALTCS-EPD	3655.42	66.51%	2431.11	76,690	77,282	78,199	79,756	311,927	758,327,633	
									$ 4,931,238,129	MAP Subtotal
									95,369,400	Add DSH Allotment
									$ 5,026,607,529	Total BN Limit

	DY 08 PM/PM	Effective FMAP	Federal Share PM/PM	Member Months QE 12/08	QE 3/09	QE 6/09	QE 9/09	Total	Federal Share Budget Neutrality Limit FFY 2009	
AFDC/SOBRA	484.12	77.06%	373.07	2,405,903	2,486,019	2,627,313	2,770,468	10,289,703	3,838,781,133	
SSI	726.86	76.65%	557.14	397,647	400,382	400,387	400,794	1,599,210	890,984,197	
ALTCS-DD	4040.91	75.55%	3052.93	62,983	64,138	65,350	66,086	258,557	789,356,457	
ALTCS-EPD	3918.61	75.62%	2963.40	80,814	81,783	82,302	82,227	327,126	969,405,441	
									$ 6,488,527,227	MAP Subtotal
									102,054,795	Add DSH Allotment
									$ 6,590,582,022	Total BN Limit

Based on CMS-64 certification date of 11/6/09

Arizona Health Care Cost Containment System

Budget Neutrality Tracking Report

For the Period Ended September 30, 2009

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	$ 284,412,661	$ -	$ 284,412,661	$ 141,986,847	$ 59,681,038	$ 31,346,872	$ -	$ -	$ -	$ 49,741,851	$ 294,745,993	$ (10,333,332)
QE 9/01	310,266,440	75,946,612	386,213,052	190,394,084	89,174,119	35,440,263	-	-	-	9,964,155	319,071,317	67,141,735
QE 12/01	364,114,579	-	364,114,579	212,600,041	91,278,326	54,069,757	-	-	-	-	357,948,124	6,166,455
QE 3/02	383,213,045	-	383,213,045	279,700,520	129,324,172	69,531,395	-	-	-	(59,706,006)	412,762,000	(29,548,955)
QE 6/02	398,448,072	-	398,448,072	251,569,392	119,396,617	69,516,073	-	-	-	-	440,482,082	(42,034,010)
QE 9/02	417,352,276	86,014,710	503,366,986	254,526,472	100,795,403	72,123,681	-	-	-	-	427,445,556	75,921,430
QE 12/02	497,259,915	-	497,259,915	283,042,237	112,605,459	81,611,127	-	-	-	-	477,258,823	20,001,092
QE 3/03	514,863,552	-	514,863,552	307,833,501	124,015,853	83,135,076	-	-	-	-	514,984,430	(120,878)
QE 6/03	538,081,307	-	538,081,307	335,897,265	153,636,989	103,921,589	-	-	-	-	593,455,843	(55,374,536)
QE 9/03	560,076,994	82,215,000	642,291,994	326,904,740	130,779,492	99,910,965	-	-	-	-	557,595,197	84,696,797
QE 12/03	619,425,620	-	619,425,620	342,194,130	141,669,588	117,472,377	-	-	-	-	601,336,095	18,089,525
QE 3/04	615,247,737	-	615,247,737	356,575,718	144,541,374	121,487,252	-	-	-	-	622,604,344	(7,356,607)
QE 6/04	617,680,200	-	617,680,200	378,397,587	178,126,369	119,699,074	-	-	-	-	676,223,030	(58,542,830)
QE 9/04	639,161,182	95,369,400	734,530,582	357,025,418	145,285,954	127,097,490	-	-	-	-	629,408,862	105,121,720
QE 12/04	707,777,856	-	707,777,856	374,496,706	153,711,596	134,379,346	-	-	-	-	662,587,648	45,190,208
QE 3/05	705,253,242	-	705,253,242	389,097,040	171,977,149	152,130,280	-	-	-	-	713,204,469	(7,951,227)
QE 6/05	714,291,696	-	714,291,696	400,547,496	165,585,571	167,446,873	-	-	-	-	733,579,940	(19,288,244)
QE 9/05	715,776,772	95,369,400	811,146,172	413,657,520	174,077,443	162,560,598	-	-	-	-	750,295,561	60,850,611
QE 12/05	775,224,902	-	775,224,902	404,061,498	191,370,840	160,614,226	-	-	-	-	756,046,564	19,178,338

QE 3/06	745,335,300	-	745,335,300	405,005,129	235,354,779	118,877,866	-	-	-	-	759,237,774	(13,902,474)
QE 6/06	742,562,678	-	742,562,678	141,514,299	(35,409,090)	184,960,886	-	-	-	509,691,703	800,757,798	(58,195,120)
QE 9/06	739,173,146	95,369,400	834,542,546	400,869,032	166,963,246	193,842,243	-	-	-	17,513,729	779,188,250	55,354,296

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	1,087,634,867	-	1,087,634,867	433,715,853	176,371,015	190,249,157	124,180,959	154,103,335	270,452	-	1,078,890,771	8,744,096
QE 3/07	1,086,999,551	-	1,086,999,551	420,960,087	175,385,343	175,652,301	128,103,178	160,067,805	265,323	15,570,598	1,076,004,635	10,994,916
QE 6/07	1,099,643,485	-	1,099,643,485	430,645,025	181,860,134	160,414,980	109,129,722	164,184,289	267,338	63,265,880	1,109,767,368	(10,123,883)
QE 9/07	1,118,419,360	95,369,400	1,213,788,760	451,362,225	183,298,829	206,505,026	131,045,943	172,571,072	251,682	17,380,376	1,162,415,153	51,373,607
QE 12/07	1,213,713,865	-	1,213,713,865	441,087,082	158,955,002	172,368,837	141,711,614	179,249,253	217,152	281,350	1,093,870,290	119,843,575
QE 3/08	1,221,537,467	-	1,221,537,467	474,365,681	187,556,226	209,641,419	141,151,012	180,491,321	897,152	281,350	1,194,384,161	27,153,306
QE 6/08	1,237,768,828	-	1,237,768,828	482,388,876	199,304,269	212,059,299	155,838,638	182,521,867	280,379	76,673,242	1,309,066,570	(71,297,742)
QE 9/08	1,258,217,969	95,369,400	1,353,587,369	541,335,374	211,292,752	261,662,599	152,639,539	195,919,083	229,663	281,350	1,363,360,360	(9,772,991)
QE 12/08	1,550,882,717	-	1,550,882,717	525,677,827	202,250,698	274,725,051	148,096,235	196,824,526	226,470	17,589,300	1,365,390,107	185,492,610
QE 3/09	1,588,693,053	-	1,588,693,053	524,965,413	200,642,044	282,940,670	163,216,095	195,589,822	215,314	279,523	1,367,848,881	220,844,172
QE 6/09	1,646,646,571	-	1,646,646,571	751,742,559	275,925,200	420,276,136	183,857,956	277,501,770	205,805	72,613,790	1,982,123,216	(335,476,645)
QE 9/09	1,702,304,887	102,054,795	1,804,359,682	739,872,186	264,570,850	353,050,401	228,393,380	239,840,060	219,000	17,084,907	1,843,030,784	(38,671,102)
QE 12/09												
QE 3/10												
QE 6/10												
QE 9/10												
QE 12/10												
QE 3/11												
QE 6/11												
QE 9/11												
	$28,417,461,791	$823,078,117	$29,240,539,908	$ 13,166,014,860	$5,361,354,649	$5,380,721,185	$1,807,364,271	$2,298,864,203	$ 3,545,730	$ 808,507,098	$28,826,371,996	$ 414,167,912

Last Updated: 11/17/2009

Arizona Health Care Cost Containment System

Budget Neutrality Tracking Report

For the Period Ended September 30, 2009

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	$ 2,319,768,395	$ 2,409,668,057	$ (89,899,662)	-3.88%				
DY 02	2,192,496,768	2,108,184,691	84,312,077	3.85%				
DY 03	2,586,884,138	2,480,825,246	106,058,892	4.10%				
DY 04	2,938,468,966	2,854,801,739	83,667,227	2.85%				
DY 05	3,097,665,426	3,136,176,166	(38,510,740)	-1.24%	$ 13,135,283,694	$ 12,989,655,899	$ 145,627,795	1.11%
DY 06	4,488,066,663	4,517,545,391	(29,478,728)	-0.66%				
DY 07	5,026,607,529	5,073,210,261	(46,602,732)	-0.93%				
DY08	6,590,582,022	6,244,586,532	345,995,490	5.25%				
DY09	-	1,373,913	(1,373,913)		16,105,256,214	15,836,716,097	268,540,117	1.67%
	$ 29,240,539,908	$ 28,826,371,996	$ 414,167,912		$ 29,240,539,908	$ 28,826,371,996	$ 414,167,912	1.42%

Arizona Health Care Cost Containment System

Budget Neutrality Tracking Report

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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	525,876,492	543,439,784	622,409,394	834,429,733	1,060,660,478	1,097,909,537	1,314,794,202	1,636,776,618	841,392		7,637,137,630
AFDC/SOBRA	1,940,299,115	1,651,614,429	1,898,375,527	2,183,913,789	2,361,210,158	2,541,281,777	2,884,828,283	3,163,264,860	838,987		18,625,626,925
SSI	853,935,948	659,648,139	830,513,846	968,017,232	1,002,606,942	1,053,324,114	1,156,427,144	1,146,846,354	43,646		7,671,363,365
ALTCS-DD	-	-	-	-	-	785,069,534	873,222,341	933,746,235	62,994		2,592,101,104
ALTCS-EPD	-	-	-	-	-	1,025,341,371	1,108,263,892	1,161,701,668	22,482		3,295,329,413
Family Planning Extension	-	-	-	-	-	1,746,613	1,208,586	929,891	-		3,885,090
DSH/CAHP	-	-	-	-	-	145,177,300	142,818,307	137,152,618	-		425,148,225
Residual DSH	245,233,394	122,242,958	141,792,150	141,392,735	138,354,399	-	-	-	-		789,015,636
Total	3,565,344,949	2,976,945,310	3,493,090,917	4,127,753,489	4,562,831,977	6,649,850,246	7,481,562,755	8,180,418,244	1,809,501		41,039,607,388

Federal Share

Waiver Name	01	02	03	04	05	06	07	08	09	10	Total
AC/MED	354,931,440	385,744,281	442,196,537	575,637,907	724,989,044	748,268,184	895,550,392	1,252,764,538	638,862		5,380,721,185
AFDC/SOBRA	1,318,345,637	1,174,621,176	1,355,947,274	1,518,369,235	1,632,375,594	1,747,924,952	1,980,230,738	2,437,563,245	637,009		13,166,014,860
SSI	574,802,514	465,610,845	587,312,035	665,425,197	686,141,751	717,335,061	785,626,843	879,067,263	33,140		5,361,354,649
ALTCS-DD	-	-	-	-	-	522,669,861	579,196,100	705,450,479	47,831		1,807,364,271
ALTCS-EPD	-	-	-	-	-	683,254,266	737,071,121	878,521,745	17,071		2,298,864,203
Family Planning Extension	-	-	-	-	-	1,594,863	1,101,783	849,084	-		3,545,730

DSH/CAHP	-	-	-	-	-	96,498,204	94,433,284	90,370,178	-	281,301,666
Residual DSH	161,588,466	82,208,389	95,369,400	95,369,400	92,669,777	-	-	-	-	527,205,432
Total	2,409,668,057	2,108,184,691	2,480,825,246	2,854,801,739	3,136,176,166	4,517,545,391	5,073,210,261	6,244,586,532	1,373,913	28,826,371,996

Adjustments to Schedule C

Total Computable

Waiver Name	01	02	03	04	05	06	07	08	09	10	Total
AC/MED	-	-	-	-	-	446,293	358,997	554,800	-		1,360,090
AFDC/SOBRA	-	-	-	-	-	2,666,908	1,886,717	1,791,037	-		6,344,662
SSI	-	-	-	-	-	333,412	237,872	284,054	-		855,338
ALTCS-DD (Cost Sharing)[1]	-	-	-	-	-	-	-	-	-		-
Family Planning Extension[2]	-	-	-	-	-	(1,746,613)	(1,208,586)	(929,891)	-		(3,885,090)
CAHP[3]	-	-	-	-	-	(1,700,000)	(1,275,000)	(1,700,000)	-		(4,675,000)
Total	-	-	-	-	-	-	-	-	-		-

Federal Share

Waiver Name	01	02	03	04	05	06	07	08	09	10	Total
AC/MED	-	-	-	-	-	296,345	237,656	421,131	-		955,132
AFDC/SOBRA	-	-	-	-	-	2,205,962	1,550,706	1,497,552	-		5,254,220
SSI	-	-	-	-	-	221,399	157,471	213,392	-		592,262
ALTCS-DD (Cost Sharing)[1]	-	-	-	-	-	-	-	-	-		-
Family Planning Extension[2]	-	-	-	-	-	(1,594,863)	(1,101,783)	(849,084)	-		(3,545,730)
CAHP[3]	-	-	-	-	-	(1,128,843)	(844,050)	(1,282,991)	-		(3,255,884)

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.

Revised Schedule C

Total Computable

Waiver Name	01	02	03	04	05	06	07	08	09	10	Total
AC/MED	525,876,492	543,439,784	622,409,394	834,429,733	1,060,660,478	1,098,355,830	1,315,153,199	1,637,331,418	841,392		7,638,497,720
AFDC/SOBRA	1,940,299,115	1,651,614,429	1,898,375,527	2,183,913,789	2,361,210,158	2,543,948,685	2,886,715,000	3,165,055,897	838,987		18,631,971,587
SSI	853,935,948	659,648,139	830,513,846	968,017,232	1,002,606,942	1,053,657,526	1,156,665,016	1,147,130,408	43,646		7,672,218,703
ALTCS-DD	-	-	-	-	-	785,069,534	873,222,341	933,746,235	62,994		2,592,101,104
ALTCS-EPD	-	-	-	-	-	1,025,341,371	1,108,263,892	1,161,701,668	22,482		3,295,329,413
Family Planning Extension	-	-	-	-	-	-	-	-	-		-
DSH/CAHP	-	-	-	-	-	143,477,300	141,543,307	135,452,618	-		420,473,225
Residual DSH	245,233,394	122,242,958	141,792,150	141,392,735	138,354,399	-	-	-	-		789,015,636
Total	3,565,344,949	2,976,945,310	3,493,090,917	4,127,753,489	4,562,831,977	6,649,850,246	7,481,562,755	8,180,418,244	1,809,501		41,039,607,388

Federal Share

Waiver Name	01	02	03	04	05	06	07	08	09	10	Total
AC/MED	354,931,440	385,744,281	442,196,537	575,637,907	724,989,044	748,564,529	895,788,048	1,253,185,669	638,862		5,381,676,317
AFDC/SOBRA	1,318,345,637	1,174,621,176	1,355,947,274	1,518,369,235	1,632,375,594	1,750,130,914	1,981,781,444	2,439,060,797	637,009		13,171,269,080
SSI											

	574,802,514	465,610,845	587,312,035	665,425,197	686,141,751	717,556,460	785,784,314	879,280,655	33,140	5,361,946,911
ALTCS-DD	-	-	-	-	-	522,669,861	579,196,100	705,450,479	47,831	1,807,364,271
ALTCS-EPD	-	-	-	-	-	683,254,266	737,071,121	878,521,745	17,071	2,298,864,203
Family Planning Extension	-	-	-	-	-	-	-	-	-	-
DSH/CAHP	-	-	-	-	-	95,369,361	93,589,234	89,087,187	-	278,045,782
Residual DSH	161,588,466	82,208,389	95,369,400	95,369,400	92,669,777	-	-	-	-	527,205,432
Total	2,409,668,057	2,108,184,691	2,480,825,246	2,854,801,739	3,136,176,166	4,517,545,391	5,073,210,261	6,244,586,532	1,373,913	28,826,371,996

Calculation of Effective FMAP:

AFDC/SOBRA								
Federal	1,318,345,637	1,174,621,176	1,355,947,274	1,518,369,235	1,632,375,594	1,750,130,914	1,981,781,444	2,439,060,797
Total	1,940,299,115	1,651,614,429	1,898,375,527	2,183,913,789	2,361,210,158	2,543,948,685	2,886,715,000	3,165,055,897
Effective FMAP	0.679454846	0.711195758	0.714267148	0.695251453	0.691330074	0.687958418	0.686517874	0.770621713
SSI								
Federal	574,802,514	465,610,845	587,312,035	665,425,197	686,141,751	717,556,460	785,784,314	879,280,655
Total	853,935,948	659,648,139	830,513,846	968,017,232	1,002,606,942	1,053,657,526	1,156,665,016	1,147,130,408
Effective FMAP	0.673121345	0.70584728	0.70716706	0.687410487	0.68435767	0.681014886	0.679353402	0.766504531
ALTCS-DD								
Federal						522,669,861	579,196,100	705,450,479
Total						785,069,534	873,222,341	933,746,235
Effective FMAP						0.665762507	0.663285939	0.755505567
ALTCS-EPD								
Federal						683,254,266	737,071,121	878,521,745
Total						1,025,341,371	1,108,263,892	1,161,701,668
Effective FMAP						0.666367597	0.665068244	0.756236966

Arizona Health Care Cost Containment System
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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	1,173,997	266,246		
Quarter Ended September 30, 2001	1,308,844	275,436		
Quarter Ended December 31, 2001	1,435,173	284,733		
Quarter Ended March 31, 2002	1,525,564	291,404		
Quarter Ended June 30, 2002	1,595,487	297,919		
Quarter Ended September 30, 2002	1,684,893	304,558		
Quarter Ended December 31, 2002	1,774,502	310,954		
Quarter Ended March 31, 2003	1,844,415	317,996		
Quarter Ended June 30, 2003	1,939,323	325,775		
Quarter Ended September 30, 2003	2,028,446	333,586		
Quarter Ended December 31, 2003	2,041,361	343,784		
Quarter Ended March 31, 2004	2,016,827	347,647		
Quarter Ended June 30, 2004	2,015,044	354,624		
Quarter Ended September 30, 2004	2,094,575	361,528		
Quarter Ended December 31, 2004	2,199,803	371,455		
Quarter Ended March 31, 2005	2,179,496	377,470		
Quarter Ended June 30, 2005	2,207,251	382,412		
Quarter Ended September 30, 2005	2,210,056	384,258		
Quarter Ended December 31, 2005	2,207,204	385,840		
Quarter Ended March 31, 2006	2,169,901	385,916		
Quarter Ended June 30, 2006	2,164,065	382,976		
Quarter Ended September 30, 2006	2,151,599	382,969		
Quarter Ended December 31, 2006	2,149,612	383,140	55,514	74,661
Quarter Ended March 31, 2007	2,143,250	383,624	56,310	74,281

Quarter Ended June 30, 2007	2,170,342	387,394	57,247	74,710
Quarter Ended September 30, 2007	2,215,651	389,971	58,193	75,731
Quarter Ended December 31, 2007	2,253,361	392,422	59,153	76,690
Quarter Ended March 31, 2008	2,264,065	394,122	60,066	77,282
Quarter Ended June 30, 2008	2,299,928	394,818	61,091	78,199
Quarter Ended September 30, 2008	2,344,340	396,011	62,029	79,756
Quarter Ended December 31, 2008	2,405,903	397,647	62,983	80,814
Quarter Ended March 31, 2009	2,486,019	400,382	64,138	81,783
Quarter Ended June 30, 2009	2,627,313	400,387	65,350	82,302
Quarter Ended September 30, 2009	2,770,468	400,794	66,086	82,227

ALTCS Developmentally Disabled

Cost Sharing Premium Collections:	**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	-	-
Quarter Ended June 30, 2008	-	-
Quarter Ended September 30, 2008	-	-
Quarter Ended December 31, 2008	-	-
Quarter Ended March 31, 2009	-	-
Quarter Ended June 30, 2009	-	-
Quarter Ended September 30, 2009	-	-

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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	FFY 2009	
Regular 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	99,565,654	
ARRA Allotment	-	-	-	-	-	-	-	-	2,489,141	
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**	**102,054,795**	**823,078,117**
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	-	-	-	-	-	-	-	76,391,892	-	76,391,892
Sep-08	-	-	-	-	-	-	-	-	-	-
Dec-08	-	-	-	-	-	-	-	17,309,777	-	17,309,777
Mar-09	-	-	-	-	-	-	-	-	-	-
Jun-09	-	-	-	-	-	-	-	-	71,889,845	71,889,845
Sep-09	-	-	-	-	-	-	-	(112,435)	17,197,342	17,084,907
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	93,589,234	89,087,187	805,251,213
Unused Allotment	**1**	**372,855**	**6,611**	**1**	**-**	**2,699,623**	**39**	**1,780,166**	**12,967,608**	**17,826,904**

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