

December 18, 2018

Emmett Ruff
Project Officer, Division of State Demonstrations, Waivers & Managed Care
Center for Medicaid, CHIP and Survey & Certification
Centers for Medicare and Medicaid Services
Mailstop: S2-01-16
7500 Security Blvd.
Baltimore, Maryland 21244-1850

Dear Mr. Ruff:

Pursuant to Special Terms and Conditions paragraph 81, attached you will find Arizona's documentation that the percentage of AHCCCS fee-for-service beneficiary expenditures compared to total Medical Assistance expenditures, does not exceed 5 percent of Arizona's total Medical Assistance expenditures.

Please contact me at 602-417-4019 if you have any questions

Sincerely,



Elizabeth Lorenz
Assistant Director
AHCCCS Office of Intergovernmental Relations

**Arizona Health Care Cost Containment System
STC #81 - Schedule of the Percentage of Fee-for-Service Beneficiary Expenditures
As Compared to Total Medical Assistance Expenditures
Federal Fiscal Year Ended September 30, 2018
FFY2018**

		Total Computable	Non Fee for Service Expenditures	Expenditures for IHS Enrolled Members	IHS Payments for Members Enrolled in HPs or PCs	Expenditures Subject to 5% Limit
Medical Assistance Payments						
1	A Inpatient Hospital - Reg. Payments	138,340,832	-	121,251,191	10,334,051	6,755,590
	B Inpatient Hospital - DSH	116,917,554	116,917,554	-	-	-
	C Inpatient Hospital - Supplemental	54,663,278	54,663,278	-	-	-
	D Inpatient Hospital - GME	338,922,134	338,922,134	-	-	0
2	A Mental Health Facility Services - Reg. Payments	5,093,236	-	3,457,278	1,041,377	594,581
	B Mental Health Facility - DSH	28,474,900	28,474,900	-	-	-
3	Nursing Facility Services	48,665,433	-	47,628,704	(1)	1,036,730
	B.2 Nursing Facility Services Supplemental	955,384	955,384	-	-	-
	B.3 Nursing Facility Services Supplemental	7,737,902	7,737,902	-	-	-
4	A Intermediate Care Facility - Public	-	-	-	-	-
	B Intermediate Care - Private	-	-	-	-	-
5	A Physicians' Services	51,417,218	-	45,223,369	508,105	5,685,731
	C Physician & Surgical Services - Eval & Mgmt	(95)	-	-	-	(95)
	D Physician & Surgical Services - Vaccine codes	-	-	-	-	-
6	A Outpatient Hospital Services - Regular	621,680,850	-	541,744,014	81,912,454	(1,975,618)
	B Outpatient Hospital Services - Supplemental	-	-	-	-	-
7	Prescribed Drugs	25,844,375	-	25,816,581	-	27,793
7	A.1 Drug Rebate Offset - National Agreement	(18,528,498)	-	(18,505,813)	-	(22,684)
	A.2 Drug Rebate Offset - State Sidebar Agreement	(734,870)	-	-	-	(734,870)
	A.3 MCO - National Agreement	(726,492,317)	(726,492,317)	-	-	-
	A.4 MCO - State Sidebar Agreement	(37,295,442)	-	-	-	(37,295,442)
	A.5 Increased ACA Offset - FFS 100%	(1,398,102)	-	(1,396,474)	-	(1,628)
	A.6 Increased ACA Offset - MCO 100%	(37,383,248)	(37,383,248)	-	-	-
8	Dental Services	5,017,382	-	4,902,209	89,977	25,196
9	Other Practitioners	5,195,391	-	4,688,672	145,588	361,130
10	Clinic Services	46,013,585	-	39,585,920	234,818	6,192,847
11	Laboratory/Radiological	8,330,414	-	7,367,841	159,413	803,161
12	Home Health Services	1,472,394	-	1,469,592	-	2,803
13	Sterilizations	120,641	-	114,991	8,087	(2,438)
14	Abortions	-	-	-	-	-
15	EPSDT Screening	956,576	-	881,043	3,134	72,400
16	Rural Health	39,919	-	31,084	-	8,836
17	A Medicare - Part A	11,270,416	11,270,416	-	-	-
	B Medicare - Part B	313,620,271	313,620,271	-	-	-
	C.1 120% - 134% Of Poverty	30,584,969	30,584,969	-	-	-
	C.2 135% - 175% Of Poverty	-	-	-	-	-
	D Coinsurance	7,061,272	7,061,272	-	-	-
18	A Medicaid - MCO	9,280,947,714	9,280,947,714	-	-	-
	A1 Medicaid - MCO- Evaluation and Management	19	19	-	-	-
	A2 Medicaid - MCO -Vaccine Codes	(19)	(19)	-	-	-
	B.1 Prepaid Ambulatory Health Plan	-	-	-	-	-
	B.2 Prepaid Inpatient Health Plan	1,165,066,540	1,165,066,540	-	-	-
	C Medicaid - Group Health	-	-	-	-	-
	D Medicaid - Coinsurance	-	-	-	-	-
	E Medicaid - Other	-	-	-	-	-
19	A HCBS - Reg Pay (Waiver)	-	-	-	-	-
	B HCBS - Reg Pay - St. Plan 1915(i) Only Pay	-	-	-	-	-
	C HCBS - Reg Pay (Waiver)	-	-	-	-	-
22	All-Inclusive Care Elderly	-	-	-	-	-
23	A Personal Care Services - Reg Pay	238,898	-	197,485	-	41,414
	B Personal Care Services - SDS 1915(j)	-	-	-	-	-
24	A Targeted Case Mgt. - Com. Case-Man.	10,087	-	-	-	10,087
	B Case Management - State Wide	-	-	-	-	-
25	Primary Care Case Management	202,899	-	-	-	202,899
26	Hospice Benefits	789,977	-	780,158	-	9,819
27	Emergency Services Undocumented Aliens	141,222,782	-	-	4,705	141,218,077
28	Federally-Qualified Health Center	37,859,472	36,426,115	1,210,566	7,010	215,781
29	Non Emergency Medical Transportation***	97,227,135	-	95,958,970	376,987	891,179
30	Physical Therapy	58,219	-	57,811	-	409
31	Occupational Therapy	-	-	-	-	-
32	Services for Speech, Hearing & Language	44,071	-	47,678	467	(4,074)
33	Prosthetic Devices, Dentures, Eyeglasses	3,567,571	-	3,556,328	-	11,243
34	Diagnostic Screening & Preventive Services	193,353	-	173,355	1,565	18,433
35	Nurse Mid-Wife	1,114,629	-	976,705	141,970	(4,046)
36	Emergency Hospital Services	92,202,789	-	67,366,431	-	24,836,358
37	Critical Access Hospitals	15,996,097	10,491,900	5,370,919	11	133,268
38	Nurse Practitioner Services	2,060,655	-	1,897,851	10,802	152,002
39	School Based Services	67,948,551	67,948,551	-	308,903	(308,903)
40	Rehabilitative Services (non-school-based)	30,832,565	-	26,951,167	812,412	3,068,986
41	Private Duty Nursing	-	-	-	-	-
49	Other Care Services	154,466,060	13,165,373	134,042,881	790,744	6,467,062
		<u>12,138,613,820</u>	<u>10,720,378,707</u>	<u>1,162,848,504</u>	<u>96,892,578</u>	<u>158,494,017</u>

Percentage of Fee-for-Service Beneficiary Expenditures to Total Medical Assistance Expenditures 1.31%

Explanation of the following negative amounts
Line 6a,13,32,35,39

113,667	(3,301,783)
1,704,284	(246,595)
3,055,133,893	267,794,081

CMS-64 for QE December 2017 includes the correction of the federal share for the claims that were incorrectly reported for the period October 2016 through March 2017 as IHS claims while actually they were not IHS claims. When making this corection the original records