State: <u>ARIZONA</u> METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES OTHER TYPES OF CARE

Annual Update

AHCCCS' rates were set as of October 1, 2011 and are effective for services on or after that date. All rates are published on the agency's website at http://www.ahcccs.state.az.us/RatesCodes/Default.aspx.

There is no annual update for rates effective October 1, 2011. Rebased rates effective October 1, 2011 are available at http://www.ahcccs.state.az.us/RatesCodes/Default.aspx.

Out-of-State Hospitals

Out-of-state hospitals will be paid for covered outpatient services by applying the outpatient hospital fee schedule and methodology.

Specialty Rates

• Laboratory Services

AHCCCS' outpatient hospital fee schedule will not exceed the reimbursement amounts authorized for clinical laboratory services under Medicare as set forth in 42 CFR 447.362. AHCCCS' rates were set as of October 1, 2010 and are effective for services on or after that date. All rates are published on the agency's website at http://www.ahcccs.state.az.us/RatesCodes/Default.aspx.

• Pharmacy Services

Reimbursement is subject to the limitations set forth in 42 CFR 447.331 through 447.332.

AHCCCS reimburses Federally Qualified Health Centers (FQHCs) and FQHC Look-Alikes for any drugs subject to 340B pricing that are purchased and dispensed by those 340B entities at the lesser of billed charges or the 340B ceiling price. In addition, AHCCCS will pay a dispensing fee of \$8.75 effective 2/1/2012 as listed in the capped fee schedule posted on the AHCCCS website.

• EPSDT Services Not Otherwise Covered in the State Plan

AHCCCS reimburses for chiropractor services and personal care services using a capped fee schedule. Personal care services are described in Attachment 3.1-A Limitations, page 2(a). Payment is the lesser of the provider's charge for the service or the capped fee amount established by AHCCCS. AHCCCS' rates were set as of October 1, 2010 and are effective for services on or after that date. All rates are published on the agency's website at http://www.ahcccs.state.az.us/RatesCodes/Default.aspx.

• Hospice

AHCCCS reimburses for the hospice benefit, including routine home care, continuous home care, inpatient respite care and general inpatient care. The Medicaid hospice payment base rates are the current Medicare annual hospice rates, adjusted: 1) by the Medicare published hospice wage index for the geographic locale in which the hospice services are provided; and 2) to disregard cost offsets attributable to coinsurance specified by Medicare for the same rate period. These rates are authorized by section 18 14(i)(c)(ii) of the Social Security Act, which also provides for annual increases in payment rates for hospice care services.

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