



# Medicaid Innovations



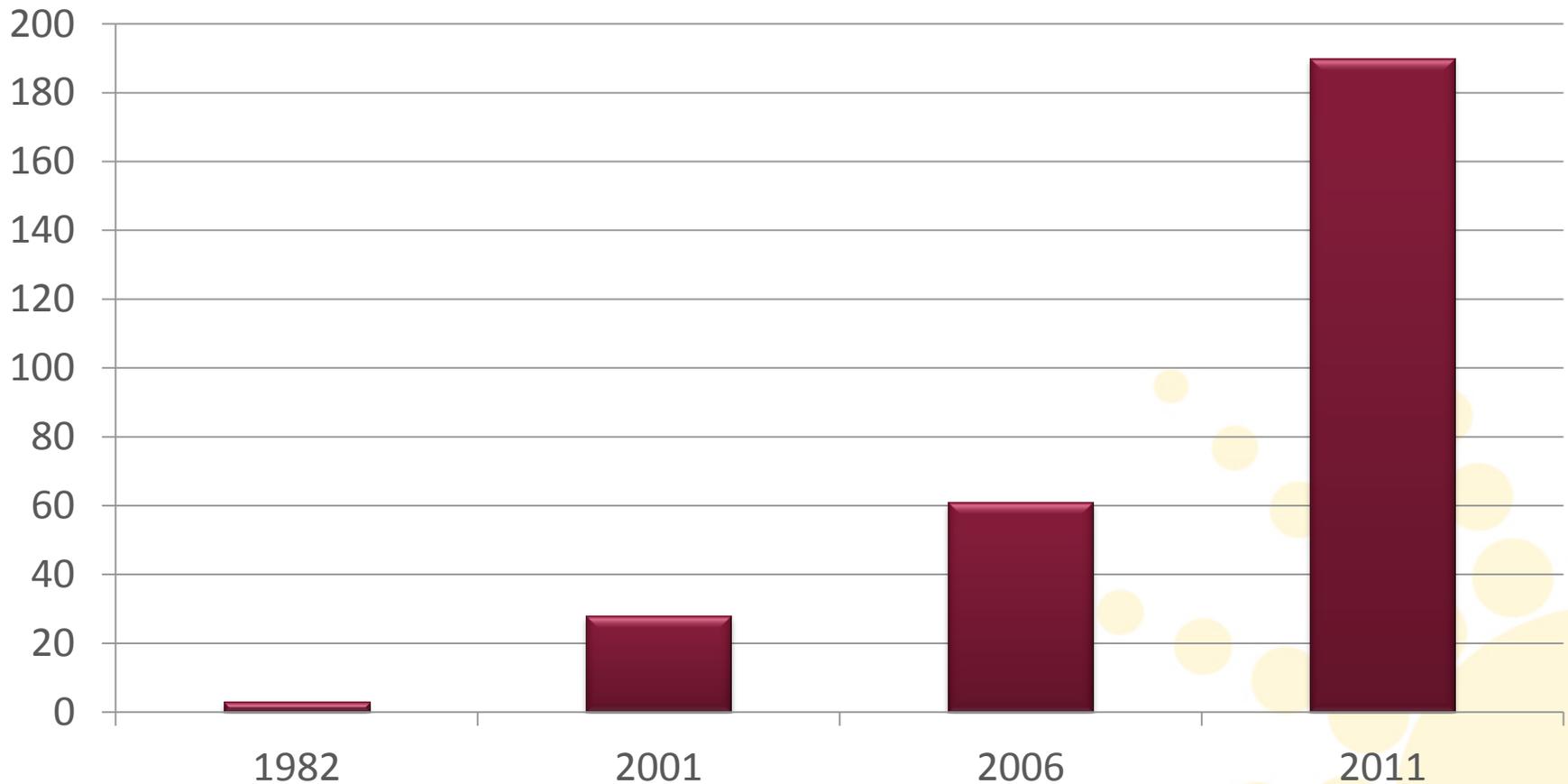
# Medicaid Directors – NAMD Survey

- Top Priorities – 77% identified 4 or more
  - Payment and Delivery System Reform
  - ACA Implementation
  - LTSS and Duals
  - Eligibility and Enrollment Systems
- Average Tenure 2 years 3 months
- Median Staff 359 (46-3,348)
- Median Budget \$6.1 B (\$632 m - \$90 B)

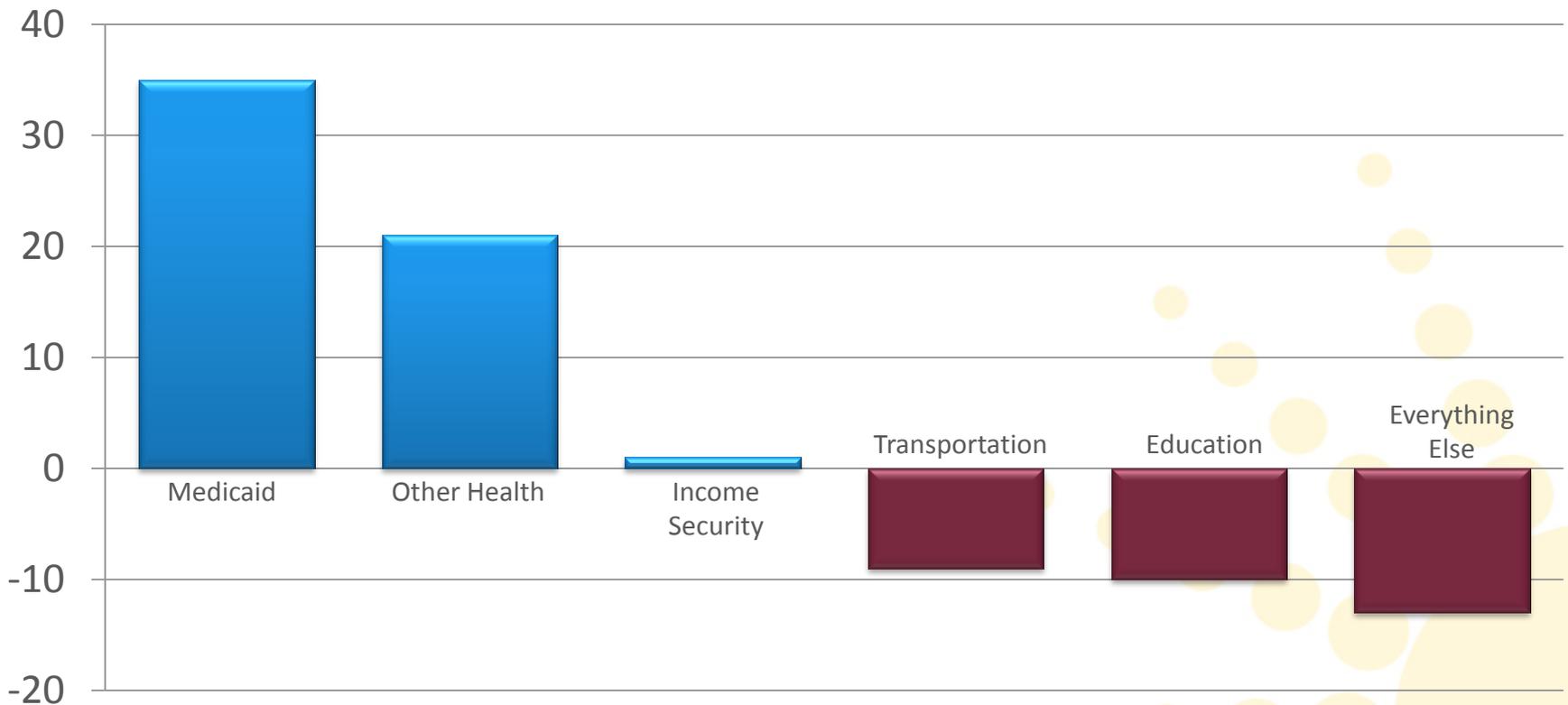
# Medicaid 50<sup>th</sup> Anniversary

- 70 m
- 1 in 3
- 1 in 7
- 10 m
- 25%
- 38 States
- 500 B
- Lives Covered
- Kids (33 m)
- Elderly (6 m)
- Disabled
- % of Total BH Spending
- Managed Care
- Total Cost

# Arizona Waiver Size (pages)



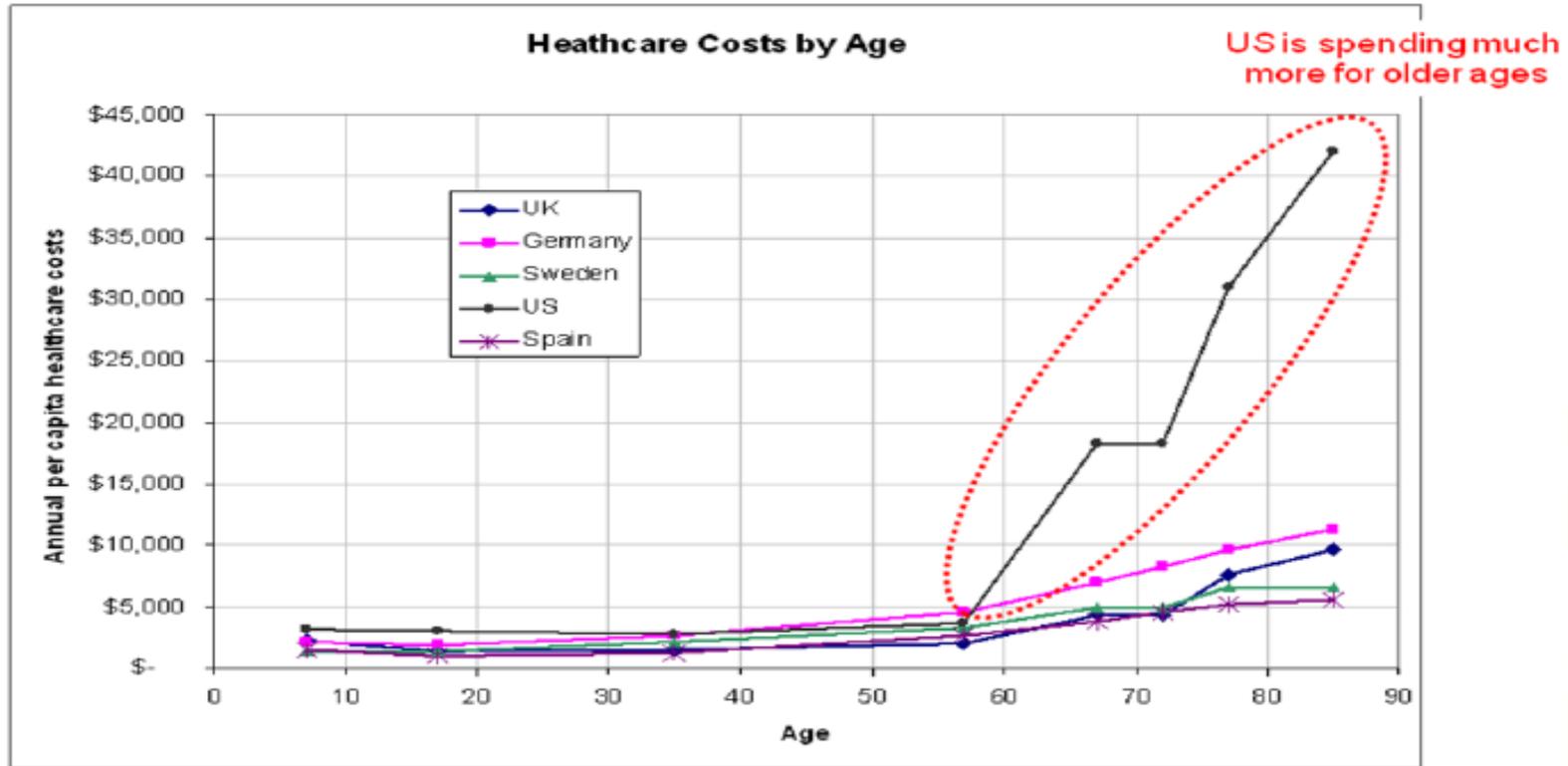
# Medicaid Sustainability



# GAO - Conditions of Members (%)

Condition	Asthma	Diabetes	HIV/AIDS	MH	SUD	Delivery	LTC	None
Asthma		24.5	3.9	65.1	29.1	6.5	7.3	17
Diabetes	18.5		2.6	52.4	23.9	3.1	12.7	29.7
HIV/AIDS	17.9	15.6		48.1	39.4	2.1	7.2	29
MH	17.6	18.7	2.8		26.7	4.0	11.9	42.9
SUD	20.8	22.6	6.0	70.8		4.5	10.2	15.6
Delivery	9.3	5.9	0.7	21.3	9.0		0.5	66
LTC	12.5	28.6	2.8	74.7	24.4	0.6		14.1

# What's Wrong With This Picture?

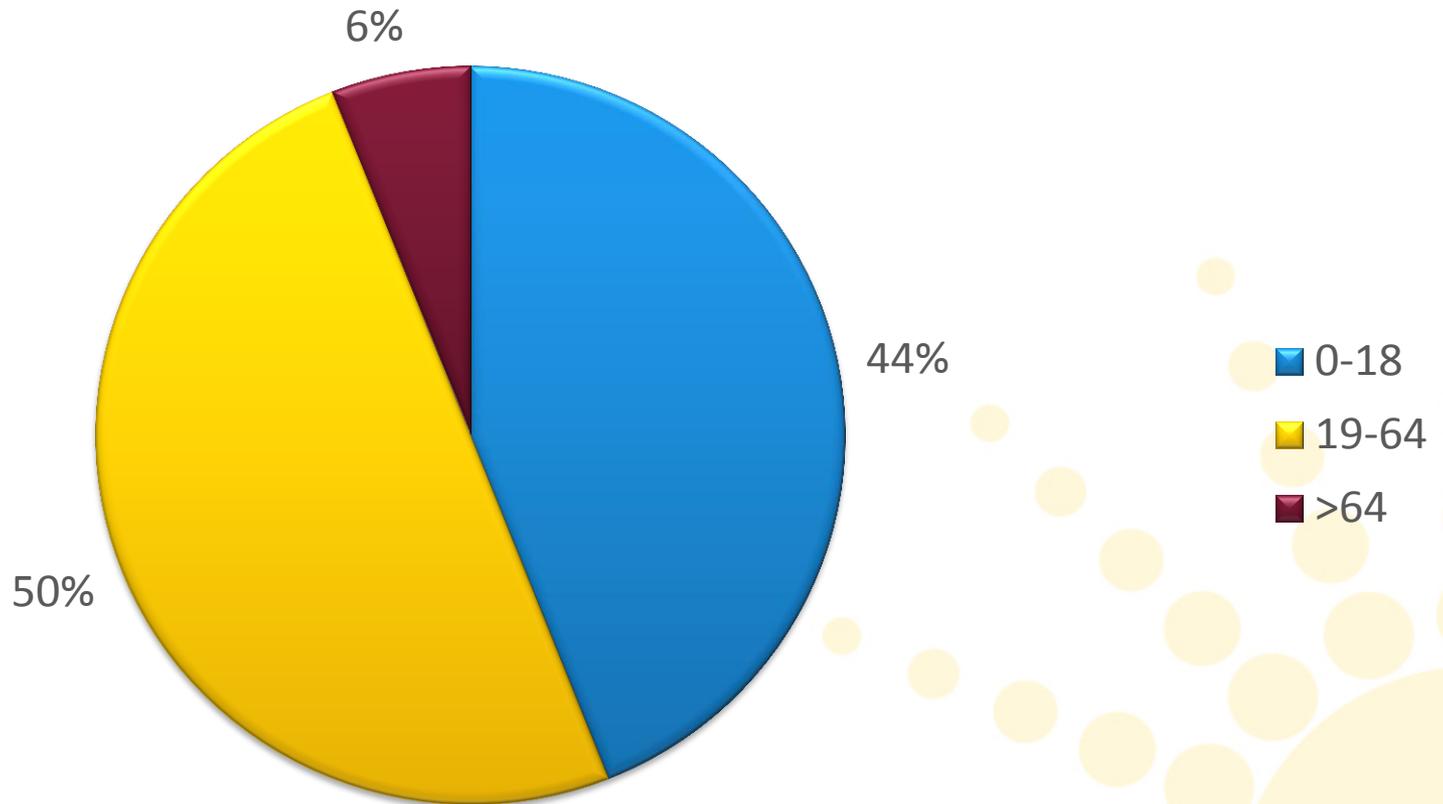


Source: Fischbeck, Paul. "US-Europe Comparisons of Health Risk for Specific Gender-Age Groups."

Carnegie Mellon University; September, 2009

Years of Medicaid Innovation  
Our first care is your health care  
Arizona Health Care Cost Containment System

# Age Breakout



# AHCCCS Strategic Plan

Reaching Across Arizona to Provide Comprehensive, Quality Health Care for Those in Need

Bend the cost curve while improving the member's health outcomes

Pursue continuous quality improvement

Reduce fragmentation in healthcare delivery driving towards an integrated system

Maintain core organizational capacity, infrastructure and workforce.

# Value Based Purchasing

- Acute VBP—20% (10-1-15)- 35%(10-1-16)—50%(10-1-17)
- Health Plan 1% Cap Withhold Competition
  1. 30 day readmission
  2. ED Utilization
  3. Well Child visits – 15 months
  4. Well Child visits – 3-6 years
  5. Well Child visits – 12-21 years
  6. Children’s dental visit – ages 2-21
- Have requirements in place for other lines of business

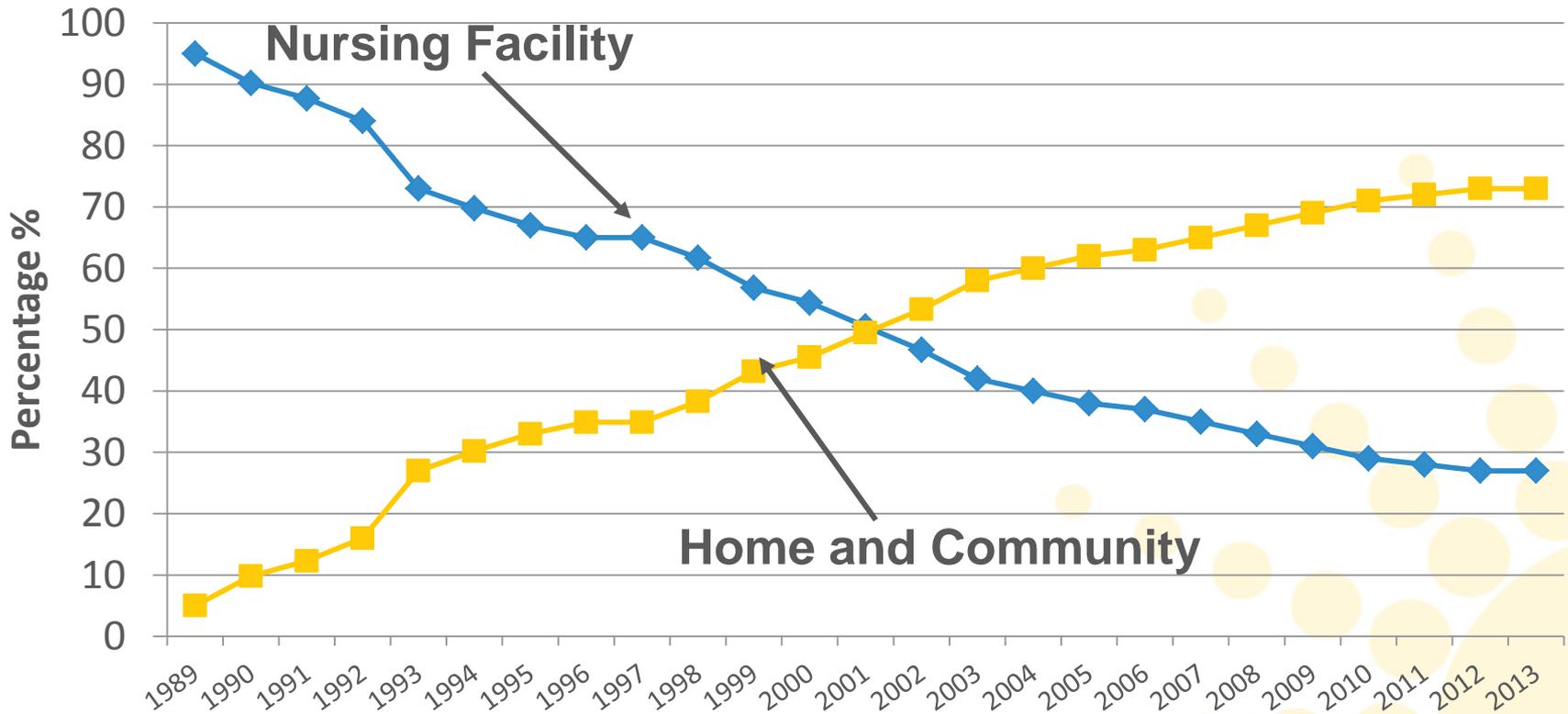
# ALTCS – Fully Integrated Plans



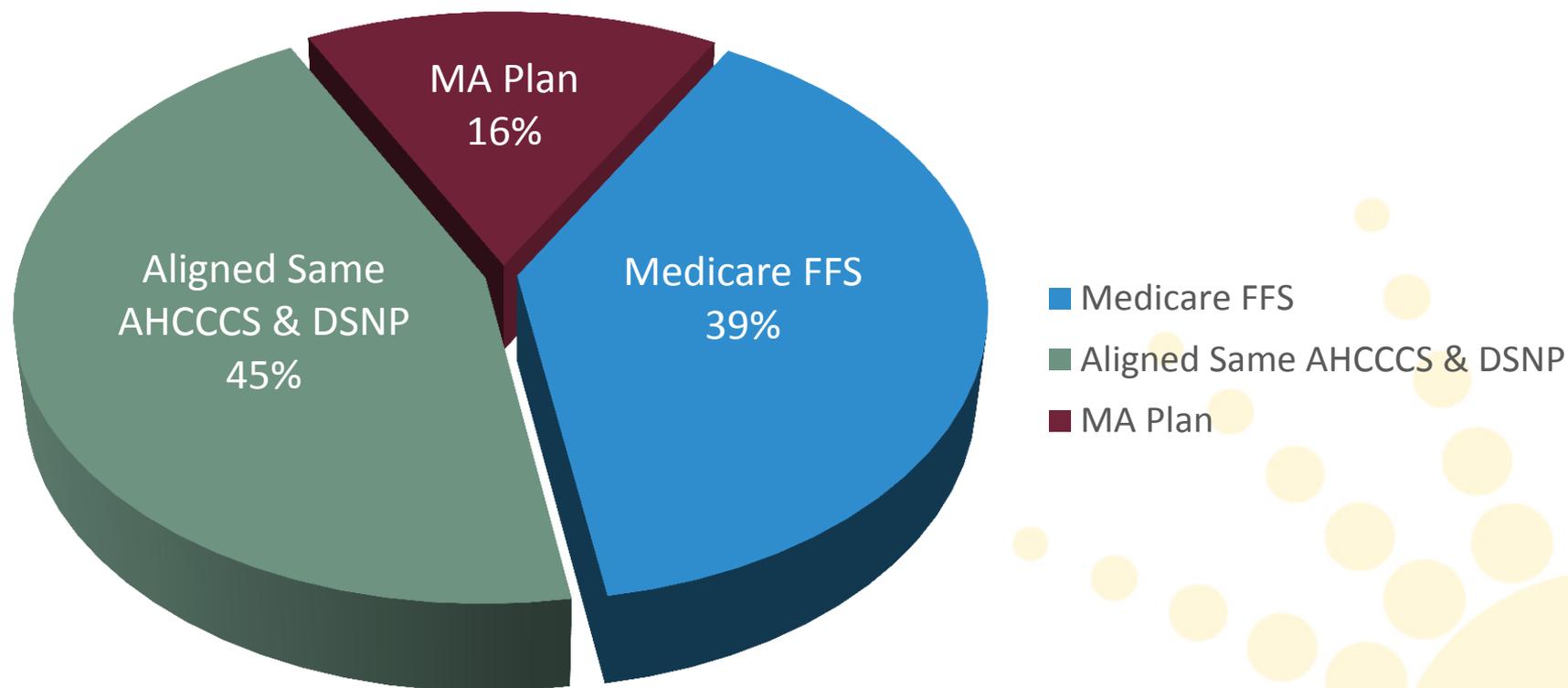
Reaching across Arizona to provide comprehensive quality health care for those in need

# Effective Use of Home and Community Based Care

ALTCS Trend in HCBS Utilization



# AHCCCS Dual Eligible Members Medicare Enrollment October 2014



# Social Determinants - Opportunities

## HOME



**9k-30k Savings**

## FOOD



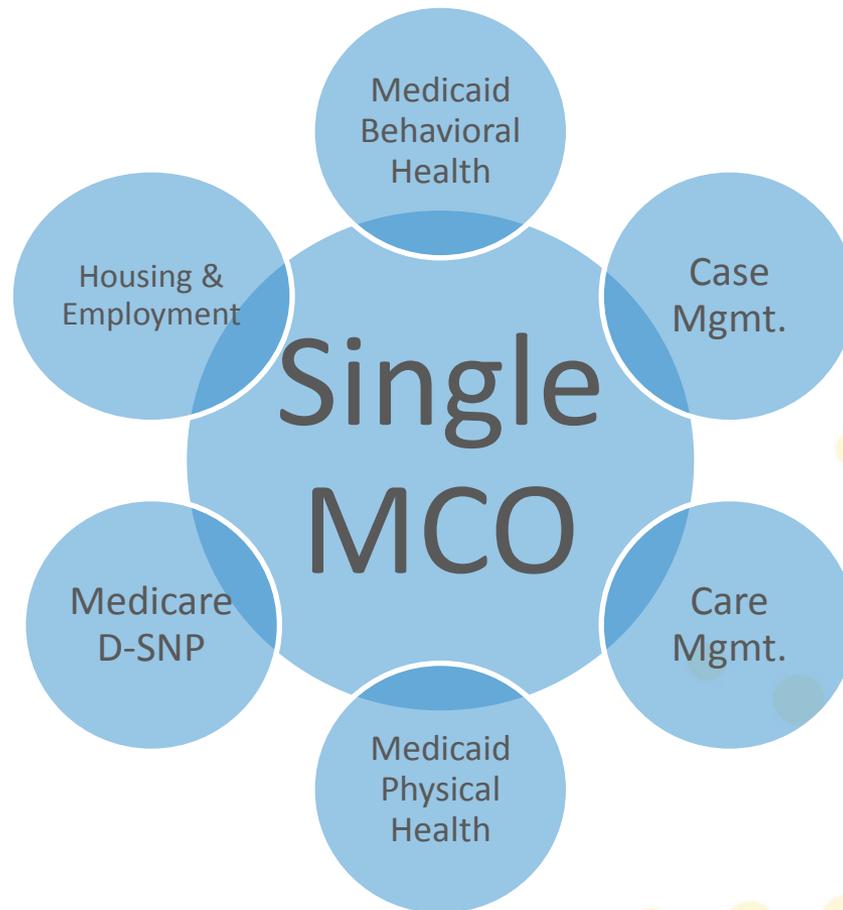
**2 x ROI**

## CARE MANAGEMENT



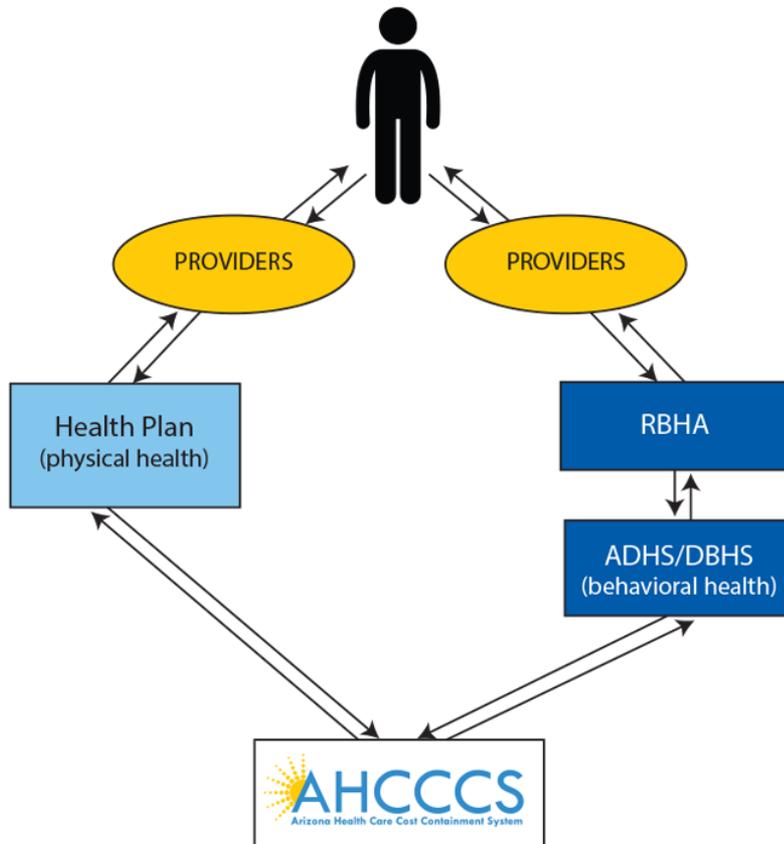
**20% Inpatient  
30% Emergency**

# Integration Model for Members with Serious Mental Illness

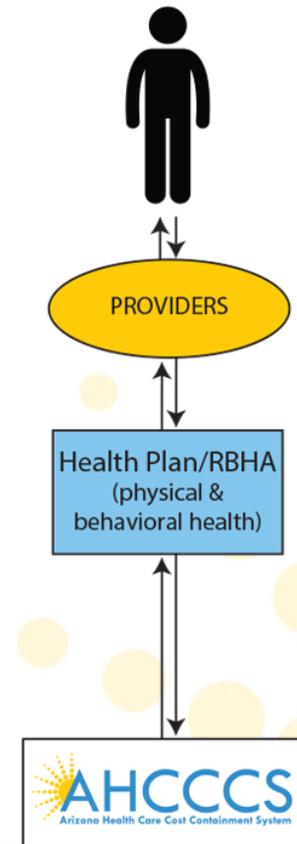


# Three Levels of Integration

CURRENT CONFIGURATION



STREAMLINED CONFIGURATION



# MMIC First Year Results

- Integrated Health Homes
  - 13% Whole Health SMI Clinic - 18.4% PCMH
  - 68.6% Virtual Health Home
- MMIC has implemented a 16 question health risk assessment
- Began Value Based Purchasing with ACT Teams including ED-Readmissions – Housing – Employment
- Created Medical Assertive Community Treatment Team
- Created Forensic ACT Team to partner with Justice System
- Permanent supportive housing from 2,724 (7-14) to 3,686 (3-15)
- Supported Employment 473 (7-14) to 670 (3-15)
- Peer and Family Support Utilization 2,323 (7-14) to 3,854 (3-15)

# Arizona's Application

- Arizona's application for a new 5-year waiver includes:
  - Part I: Governor Ducey's vision to modernize Medicaid: The AHCCCS CARE program
  - Part II: The Legislative Partnership
  - Part III: DSRIP: Arizona's Approach
  - Part IV: HCBS Final Rule
  - Part V: American Indian Medical Home
  - Part VI: Building Upon Past Successes
  - Part VII: Safety Net Care Pool

# Value of 1115 Waiver

- Provides important flexibility for states to be laboratories building strategies that reflect local markets – still changing
- Resulted in creation of model of managed care for long term care with documented success
- Improved member outcomes – reduced costs
- Preserved the core healthcare delivery system in Arizona
- Always areas for marginal gains – workforce expansion – quality - spouses as paid caregivers
- Given enormous changes in healthcare –1115 waiver will be used to create new models of care that would not have otherwise been created