Building Provider Capacity -- Arizona
Medicaid In Arizona

• Medicaid funds introduced in 1982 via 1115 Research and Demonstration Waiver
• Developmental Disabilities Arizona Long Term Services (DD-ALTCS) began December 1988
• Elderly and Physical Disabilities EPD-ALTCS began January 1, 1989 as a component of the 1115 Waiver
Early Provider Network Development

- Annual contract Request for Proposal (RFP)
- Provider response included qualifications for services proposed with initial rate requests
- Individual provider rate requests
- Individual provider rate negotiation by service
- Contract awarded by service with negotiated rate for one year
Early Provider Network Development

• Rate varied based on either / or provider and state employee skillset for negotiating
• Provider Network locked in for 12 months or until subsequent RFP
• Rural areas lacked full complement of services due to few or no provider interest
• Provide Medicaid Agency with Provider Roster by Service
Qualified Vendor System

- Began 2003
- Rate Development based on:
  - Provider cost survey
  - Common elements across services (salary, administrative overhead, etc)
  - Rates set by service and published
- Open and continuous recruitment
- Specialty rates for areas under-represented by service (e.g. therapy providers in rural areas)
- Arizona Administrative Code Title 6, Ch. 21: [http://apps.azsos.gov/public_services/Title_06/6-06.pdf](http://apps.azsos.gov/public_services/Title_06/6-06.pdf)
Network Development Plan

- Contract outlines critical requirements for development of a network:
- Promote member-centered care
- Ensure support of member’s informal support system
- Develop HCBS settings to meet needs of members
- Promote delivery of services in a culturally competent manner
Network Development Plan

- Contract establishes a contract deliverable which:
  - Demonstrates that it maintains a network of providers sufficient in number, mix and geographic distribution to meet the needs of the anticipated number of members
  - Assurance when there has been a significant change in operations that would affect adequate capacity and services
  - Report “gaps” in critical services and resolve these gaps within 2 hours of the notice of a gap
Network Development Plan

Contract establishes Network Management Policies including:

1. Communicate/negotiate with the network
2. Monitor network compliance with policies/rules
3. Evaluate quality of services delivered
4. Provide/arrange for medically necessary covered services
5. Monitor the adequacy, accessibility and availability of provider network
6. Process provisional credentials
7. Recruit, select, credential and contract with providers
8. Provide training for providers
9. Track/Trend provider inquiries/complaints/requests
10. Ensure provider calls are acknowledged and resolved
Agency with Choice

- Provider Agency and member enter into a “co-employment agreement”
- Provider Agency serves as the legal employer of the direct care worker
- Member/Individual Representative serves as the day-to-day managing employer of the direct care worker
- Policy states DES/DDD shall update and maintain an Agency with Choice roster