

**330 - ACCESS TO PROFESSIONAL SERVICES INITIATIVE**

EFFECTIVE DATES: 10/01/19, 10/01/20, 10/01/21, 10/01/22, 05/16/23, [UPON PUBLISHING](#)<sup>1</sup>

APPROVAL DATES: 01/16/20, 08/05/20, 09/03/20, 06/15/21, 06/16/22, 05/02/23, [10/02/24](#)<sup>2</sup>

**I. PURPOSE**

This Policy applies to ACC, ACC-RBHA, ALTCS E/PD, DCS CHP (CHP), and DES DDD (DDD) Contractors. The Contractor is responsible for adhering to all requirements as specified in Contract, Policy, 42 CFR Part 457, and 42 CFR Part 438.6(c). This Policy establishes requirements for the Contractor regarding the Access to Professional Services Initiative (APSI).

**II. DEFINITIONS**

Refer to [the AHCCCS Contract and Policy Dictionary](#) for common terms found in this Policy including but not limited to:

CONTRACT YEAR	CONTRACTOR	MEMBER
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For purposes of this Policy, the following terms are defined as:

**ACCESS TO PROFESSIONAL SERVICES INITIATIVE (APSI) ELIGIBLE ENCOUNTERS**

Fully adjudicated and approved Prospective and Prior Period Coverage (PPC) professional and dental expenses incurred by the Contractor that are subject to the rate increase for services performed by Qualified Practitioners. APSI Eligible Encounters exclude the following:

1. Subcapitated/block purchase expenses.
2. Encounters where AHCCCS is not the primary payer.
3. Encounters billed for Long-Acting Reversible Contraceptives (LARC) billed on a 1500 by the hospital using ~~these~~ CPT codes [listed in the Fee-For-Service \(FFS\) Provider Billing Manual, Chapter 11 Addendum under Long Acting Reversible Contraceptives \(LARC\): J7296 – J7298, J7300, J7301, and J7307.](#)<sup>3</sup>
4. Encounters for payments made by the Contractor to Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs).

<sup>1</sup> [Date Policy is effective.](#)

<sup>2</sup> [Date Policy is approved.](#)

<sup>3</sup> [Updated to remove codes and refer to Billing Manual](#)

**AFFILIATION AGREEMENT**

1. The practitioner is employed by an organization owned by the designated hospital.
2. The practitioner is employed by an organization that is owned by an organization that also owns the designated hospital and the practitioner is practicing at one of the designated hospitals.
3. There is a contract between a practitioner (or the practitioner’s employer) and
  - a. The designated hospital,
  - b. An organization owned by the designated hospital, or
  - c. An organization that is owned by an organization that also owns the designated hospital, that requires the practitioner to provide services exclusively to the designated hospital or the organization that the practitioner (or practitioner’s employer) has contract with, and the practitioner is practicing at one of the designated hospitals, or
4. There is a contract between the practitioner (or the practitioner’s employer) and a hospital whose employed physicians and physicians contracted exclusively at a designated hospital makes up less than 25% of its credentialed medical staff.

**DESIGNATED HOSPITALS**

1. A hospital facility with an Accreditation Council for Graduate Medical Education (ACGME)-accredited teaching program and which is operated pursuant to the authority in ARS<sup>4</sup> Title 48, Chapter 31; or,
2. A hospital facility with:
  - a. An ACGME-accredited teaching program with a State university, and
  - b. AHCCCS inpatient discharge utilization volume greater than or equal to 20<sup>5</sup>% as calculated by the Arizona Department of Health Services (ADHS) for calendar year 202~~14~~;<sup>5</sup> or
3. A freestanding children’s hospital or a pediatric unit of a general acute care hospital with greater than 100 licensed pediatric beds, excluding nursery beds.

**PREMIUM TAX**

The tax imposed pursuant to ARS 36-2905 and 36-2944.01 for all payments made to Contractors for the Contract year.

<sup>4</sup> Revised to align with Section 504 of The Rehabilitation Act, changes made throughout Policy

<sup>5</sup> This is being changed to 20% after updating the calendar year from 2014 to 2022 to ensure existing providers still qualified.

### QUALIFIED PRACTITIONERS

The Providers who have a contract with the Contractor, are employed by or have an Affiliation Agreement with one of the Designated Hospitals, and who bill for services under the Tax Identification Numbers (TINs) of the Designated Hospital or an organization that is party to an Affiliation Agreement with Designated Hospitals identified in Section III of this Policy, and include the following practitioners:

1. Physicians, including Doctor of Medicine and Doctor of Osteopathic Medicine (Provider Types 08 and 31).
2. Certified Registered Nurse Anesthetists (Provider Type 12).
3. Certified Registered Nurse Practitioners (Provider Type 19).
4. Physician Assistants (Provider Type 18).
5. Certified Nurse Midwives (Provider Type 09).
6. Clinical Social Workers (Provider Type 85).
7. Clinical Psychologists (Provider Type 11).
8. Dentists (Provider Type 07).
9. Optometrists (Provider Type 69).
10. Other Providers that bill under Form Type A (Form 1500) and D (Dental).

### III. POLICY

~~AHCCCS provides enhanced support to Qualified Practitioners who deliver services, subject to the APSI Eligible Encounters, to AHCCCS members and to support Qualified Practitioners who are critical to professional training and education efforts.~~

The APSI is a program to preserve and promote access to medical services through a uniform percentage rate increase to the Contractor's rates paid to Qualified Practitioners for professional services provided by Qualified Practitioners affiliated with Designated Hospitals.

Subject to APSI Eligible Encounters, AHCCCS provides enhanced support to Qualified Practitioners who deliver services to AHCCCS members in Designated Hospitals and who are critical to professional training and education efforts.<sup>6</sup>

#### A. GENERAL

~~Designated Hospitals participating in APSI include the following:<sup>7</sup>~~

- ~~1. Banner University Medical Center Phoenix.~~
- ~~2. Banner University Medical Center Tucson.~~
- ~~3. Banner University Medical Center South.~~
- ~~4. Cardon Children's Medical Center at Banner Desert Medical Center.~~

<sup>6</sup> Language moved from above and revised for clarity

<sup>7</sup> Removed specific hospitals to keep the policy more generic

- ~~5. Valleywise Health Medical Center.~~
- ~~6. Phoenix Children’s Hospital.~~
- ~~7. Dignity Health St. Joseph’s Hospital and Medical Center.~~
- ~~8. Tucson Medical Center.~~
- ~~9. Abrazo Arrowhead Campus.~~
- ~~10. Abrazo Central Campus.~~
- ~~11. Abrazo West Campus.~~

The amount due from, or due to, the Contractor as a result of this payment methodology is determined on an annual basis and is based on an increase of an annually designated percentage over the contracted rates between the Contractor and Qualified Practitioners that will not result in provider payments that will exceed the Average Commercial Rate (ACR).

## **B. CONTRACTOR RESPONSIBILITIES**

1. AHCCCS makes quarterly lump sum directed payments to the Contractor as specified in the Section on AHCCCS Responsibilities. The Contractor shall pay Designated Hospitals within 15 business days from receipt of funds from AHCCCS, less Premium Tax, as directed by AHCCCS.
2. The rate increase is intended to supplement, not supplant, payments to Qualified Practitioners.
3. The Submitted APSI Eligible Encounters shall indicate if the encounter is eligible to have APSI applied. Technical guidance has and will continue to be provided on how to transmit this information. The Contractor will no longer directly reimburse the APSI increase on a per claim basis, but by making payments as directed by AHCCCS.
4. It is the responsibility of the Contractor to have any identified encounter data issues from Designated Hospitals corrected and fully adjudicated no later than eight months from the end of the Contract year.
5. If the Contractor performs recoupments/refunds/recoveries on any APSI claims, the related encounters shall be adjusted (voided or void/replaced) as specified in ACOM Policy 412. If the Contractor does not submit the revised encounters within the required timeframe, AHCCCS may recoup the estimated impact on the final payment and reserves the right to impose administrative actions on the Contractor. AHCCCS reserves the right to adjust any previously issued APSI final payments for the impact of the revised encounters and recoup any amounts due to AHCCCS.

**C. AHCCCS RESPONSIBILITIES**

1. AHCCCS will communicate the Tax Identification Numbers (TINs) to the Contractor prior to the beginning of the Contract year.
2. AHCCCS will estimate the total dollar amount to be paid to Designated Hospitals by TIN prior to the beginning of the Contract year, based on adjudicated and approved encounters from a prior period.
3. The final payment will be calculated with APSI Eligible Encounters for the Contract year being reconciled, less the estimated payments that were made during the Contract year. Data for the final payment will be extracted no sooner than eight months following the end of the Contract year (e.g. for Contract Year Ending [CYE] 23 AHCCCS will extract APSI Eligible Encounters no sooner than the second encounter cycle in May 2024, calculate the percentage increase, and subtract the estimated payments that were previously made).
4. The final payment will be made to the Contractor no sooner than 10 months following the end of the Contract year. This will allow for completion of the claims lag and encounter reporting. AHCCCS will provide to the Contractor the data used for the final payment and provide a set time period for review and comment by the Contractor. Upon completion of the review period, AHCCCS will evaluate Contractor comments and make any adjustments to the data or final payment as warranted.
5. When making payments to the Contractor, AHCCCS will provide a list by TIN reflecting how payments shall be made to Designated Hospitals.
6. AHCCCS will make payments to the Contractor once all funds are received via Intergovernmental Transfers (IGTs).
7. All payments made to the Contractor will include Premium Tax.