

# FACT SHEET

## Arizona Health Care Cost Containment System Office of Managed Care

### Services:

The Office of Managed Care performs the following services:

- 1 Setting and adjusting capitation rates for acute and long-term care;
- 2 Setting and adjusting fee-for-service rates for AHCCCS physicians and other healthcare providers;
- 3 Monitoring the financial viability of its contractors;
- 4 Monitoring encounter data (records of healthcare services provided) submitted by contractors;
- 5 Performing data validation studies on encounter data submitted by contractors;
- 6 Performing research to support rate-setting and development processes; and
- 7 Negotiating contracts for the acquisition and provision of healthcare services to AHCCCS members.

### Facilities:

The Office performs its duties at the state-owned building at 701 East Jefferson Street, in Phoenix.

### Equipment:

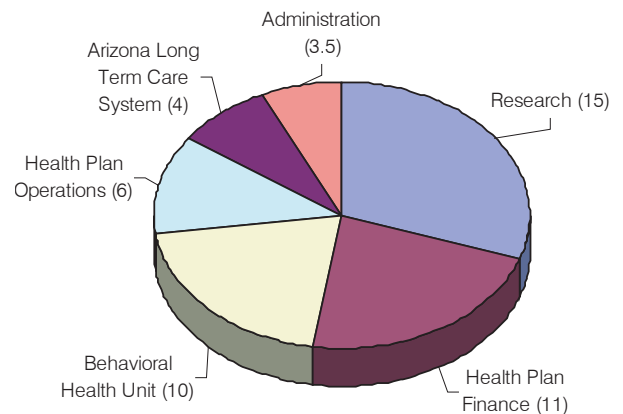
The Office uses and owns only standard office equipment.

### Mission:

To enhance the capability of the AHCCCS program to ensure the provision of quality healthcare services to its members and obtaining full economic value for monetary resources expended.

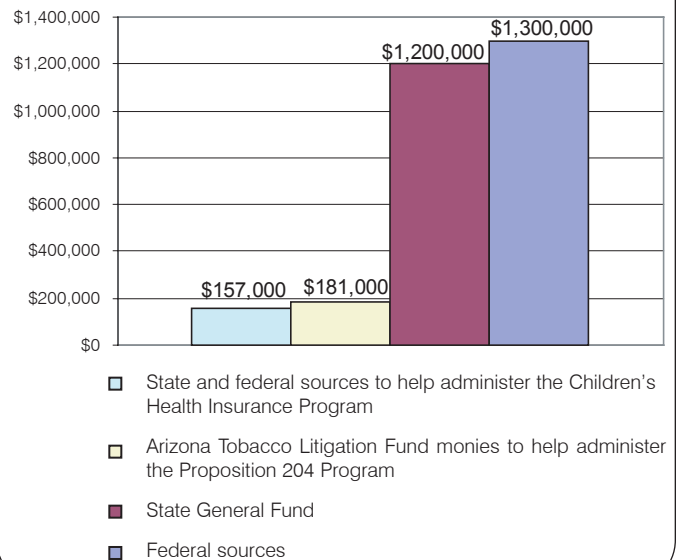
### Office staffing:

**49.5 full-time equivalent (fiscal year 2002)**



### Office funding sources:

**\$2.8 million (fiscal year 2002)**



### Office goals (fiscal years 2002-2004):

1. **To ensure acute care health plans and ALTCS program contractors comply with AHCCCS contract provisions.**
2. **To ensure the availability and accessibility of AHCCCS health plan providers throughout the State.**
3. **To improve the completeness and quality of encounter data collected from health plans, program contractors, and behavioral health.**

### Adequacy of goals and performance measures:

The Office of Managed Care's 3 goals appear to be appropriate for its mission, and it has established 16 performance measures that correlate to its goals. A review of the Office of Managed Care's mission and goals indicates that they are aligned with each other, and that the performance measures reasonably align with the goals.

The Office has established performance measures covering input, output, outcome, and efficiency. Although the Office has periodically conducted surveys to obtain feedback on performance, the Office has not formally established any performance measures addressing quality. Quality performance measures emphasize reliability or responsiveness to the customer or stakeholder, such as client satisfaction with physician or physician satisfaction with health plan/contractor.

Further, the Office reports only input measures for its third goal regarding encounter data. The Office could report on at least one outcome measure. Outcome measures indicate the results achieved and whether efforts are meeting proposed targets. For example, the Office already reports the percentage of encounter data determined to be accurate through medical file reviews to the federal Centers for Medicare and Medicaid Services and could report this measure to the Governor or Legislature.