



ARIZONA STATE SENATE
Fifty-Second Legislature, Second Regular Session

REVISED
FACT SHEET FOR S.B. 1507

ALTCS; dental services

Purpose

Adds dental services to the list of required institutional services provided to Arizona Long Term Care System members by program contractors.

Background

The Arizona Long Term Care System (ALTCS) provides long term care services, including institutional care at a nursing facility as well as home and community-based services provided by a nurse, personal care attendant or a spouse, to financially needy individuals that are at risk for institutionalization. The Arizona Health Care Cost Containment System (AHCCCS) serves as the ALTCS administrator for those that are elderly and physically disabled while the Arizona Department of Economic Security (DES) serves as the ALTCS administrator for those that are developmentally disabled.

A person's eligibility for ALTCS services is based on: 1) income and resource limits; and 2) medical and functional requirements. The income limit for ALTCS is 300 percent of the Federal Benefit Rate, which is equivalent to 222 percent of the Federal Poverty Level. Applicants that meet the financial eligibility requirements for ALTCS services must undergo a pre-admission screening test to determine whether both their medical and functional needs are at a sufficiently high level to qualify for ALTCS. The functional assessment portion is used to determine an applicant's ability to independently carry out various activities of daily living (ADLs), including bathing, dressing, grooming, eating, and toileting. The medical assessment portion is used to examine any medical conditions that may impair an applicant's ability to carry out such ADLs, including vision problems and cognitive functioning.

All services provided through ALTCS are delivered by program contractors in each county that receive capitation payments per member served. In 2015, program contractors received an average capitation payment of approximately \$4,700 per member month for ALTCS members that were not eligible for Medicare and approximately \$3,000 per member month for ALTCS members that also qualified for Medicare (Joint Legislative Budget Committee).

Current law requires program contractors to provide the following services to ALTCS members who are determined to be in need of institutional services: 1) nursing facility services other than services in an institution for tuberculosis or mental disease; 2) behavioral health services; 3) hospice services; 4) case management services; and 5) health and medical services (A.R.S. § 36-2939).

According to the Joint Legislative Budget Committee (JLBC), the bill is estimated to increase state General Fund spending by \$2.6 million (\$12.1 million Total Funds) in FY 2017 and by \$3.1 million (\$15.1 million Total Funds) in FY 2018 and annually thereafter. JLBC states that these amounts represent AHCCCS and DES estimates based on claims data of prior dental service use and do not include any potential offsetting savings of the bill from reduced use of non-dental services.

Provisions

1. Adds dental services to the list of required institutional services that ALTCS program contractors must provide to members.
2. Specifies that such dental services may not exceed an annual amount of \$1,000 per member.
3. Makes technical changes.
4. Becomes effective on the general effective date.

Revision

- Updates the fiscal impact statement.

Prepared by Senate Research

March 7, 2016

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