



ARIZONA STATE SENATE
Fiftieth Legislature, Second Regular Session

FACT SHEET FOR S.B. 1473

AHCCCS; dental care; contractor

Purpose

Requires Arizona Health Care Cost Containment System (AHCCCS) to issue a request for proposals (RFP) and contract for dental health plans to provide services.

Background

AHCCCS was originally established by the Legislature in 1981 as Arizona's Medicaid program to provide health insurance coverage for low-income individuals and families. Today, over one million Arizonans are enrolled in the program. AHCCCS contracts with a number of public and private plans to provide acute care and long-term care services to members, that include inpatient and outpatient hospital services, laboratory and x-rays, and specialty care. According to AHCCCS, they currently have contracts with nine plans that contract with providers (e.g. doctors and dentists) for services, including comprehensive dental services for members age 18 or younger, and limited emergency dental services for adults. This bill separates dental services from current health plans by requiring AHCCCS to contract with dental plans.

The impact to the General Fund (GF) is undetermined at this time; AHCCCS estimates an impact to the GF due to an increase in administration costs and possibly the increased utilization of dental services. A fiscal note has been requested from the Joint Legislative Budget Committee.

Provisions

1. Requires AHCCCS to prepare and issue an RFP, including a proposed contract format, at least once every five years to two or more licensed and qualified dental health plans.
2. Directs AHCCCS to compensate the two dental health plans on a prepaid or capitated basis for the delivery of all dental care services.
3. Stipulates that the contract must specify:
 - a) that the dental health plans compensate the providers on a fee-for-service basis;
 - b) the administrative requirements;
 - c) the delivery of specific dental services provided; and
 - d) the subcontracting requirements.
4. Becomes effective on January 1, 2013.