

# Medicaid

STATE REPORTS – FY 1997

Arizona



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# Medicaid State Report

ARIZONA, FY 1997 (October 1, 1996 - September 30, 1997)

Division of  
Health Policy Research

I. MEDICAID ENROLLEES AND EXPENDITURES			ARIZONA			MOUNTAIN REGION~			UNITED STATES		
A. Federal Medical Assistance Percentage (FMAP)*	65.5% (FY97)	65.5% (FY99)	75.8% (Enhanced)	62.8% (FY97)	64.6% (FY99)	75.2% (Enhanced)	56.6% (FY97)	60.7% (FY99)	72.5% (Enhanced)		
B. Total Medicaid Managed Care Enrollment, 06/30/1997 (% of Total Medicaid Enrollment)	349,142 ( 80.9% of 431,813 **)			887,072 ( 67.7% of 1,309,381 **)			14,642,500 ( 47.5% of 30,813,957 **)				
C. Percent of Births Paid for by Medicaid, 1996***	45.0%			37.0%			38%				
D. FY 1997 and FY 1994-97 Averaged DSH^ Payment	\$141 M \$125 M			\$391 M \$393 M			\$15,937 M \$14,105 M				
# E. Enrollee, by Age, FY 1997	<u>Enrollees</u>		<u>Percent</u>	<u>Enrollees</u>		<u>Percent</u>	<u>Enrollees</u>		<u>Percent</u>		
All Enrollees	670,635		100.0%	1,935,600		100.0%	40,327,268		100.0%		
<b>Children Under Age 21</b>	<b>431,637</b>		<b>64.4%</b>	<b>1,221,397</b>		<b>63.1%</b>	<b>22,729,432</b>		<b>56.4%</b>		
Under Age 6	206,759		30.8%	557,364		28.8%	9,643,356		23.9%		
Infants	62,041		9.3%	130,961		6.8%	2,112,346		5.2%		
Age 1 Through 5	144,718		21.6%	426,403		22.0%	7,531,010		18.7%		
Age 6 Through 20	224,878		33.5%	664,033		34.3%	13,086,076		32.4%		
## F. Percent Enrollees and Expenditures^^ by Eligibility Category, FY 1997	<u>Enrollees</u>	<u>Expenditures</u>	<u>\$Per Enrollee</u>	<u>Enrollees</u>	<u>Expenditures</u>	<u>\$Per Enrollee</u>	<u>Enrollees</u>	<u>Expenditures</u>	<u>\$Per Enrollee</u>		
All Enrollees	688,516	\$1,324 M	\$1,923	1,935,600	\$4,965 M	\$2,565	40,327,268	\$137,720 M	\$3,415		
Children^^^	59.8%	30.9%	\$836	56.9%	20.9%	\$1,109	51.4%	16.7%	\$1,132		
Categorically Needy - Cash	25.6%	15.7%	\$992	18.5%	5.7%	\$929	21.4%	6.6%	\$1,081		
Categorically Needy - Noncash	8.3%	3.5%	\$688	20.9%	7.6%	\$1,101	15.4%	4.2%	\$950		
Medically Needy				0.1%	0.0%	\$379	5.3%	1.8%	\$1,199		
Other	25.9%	11.7%	\$728	17.3%	7.5%	\$1,319	9.3%	4.0%	\$1,510		
Adults	23.8%	17.9%	\$1,215	19.0%	12.1%	\$1,919	20.6%	10.9%	\$1,844		
Categorically Needy - Cash	11.1%	7.2%	\$1,052	9.0%	5.3%	\$1,770	10.2%	5.4%	\$1,834		
Categorically Needy - Noncash	5.3%	2.8%	\$853	5.5%	4.1%	\$2,228	3.6%	2.4%	\$2,271		
Medically Needy	NA	NA	NA	0.1%	0.1%	\$2,079	2.6%	1.4%	\$1,798		
Other	7.4%	7.9%	\$1,719	4.3%	2.6%	\$1,829	4.1%	1.8%	\$1,523		
Blind and Disabled	11.6%	26.1%	\$3,644	15.2%	40.8%	\$8,118	16.6%	43.4%	\$9,152		
Aged	4.7%	25.1%	\$8,543	8.8%	26.3%	\$9,000	11.4%	29.0%	\$8,917		

Notes: ~ Includes AR, LA, OK & TX. \* US averages of FY97 FMAP are weighted by FY97 expenditures. FY99 and Enhanced FMAPs are unweighted. \*\* Enrollment on 06/30/97 was 62.7% of total annual enrollment reported to HCFA on Form 2082 for FY 1997. \*\*\* Data unavailable for HI and VA. Data for AR, CT, GA, MT, NH & WV are from 1995 and not included in region and US averages. ^ Disproportionate Share Hospital Payments. # Enrollee by age data for HI are from FY 1996 and did not include managed care enrollees. ## Enrollees and expenditures by eligibility category data for AZ, HI, OK and TN are from FY 1996 and not included in regional and US averages. HI did not report managed care enrollee and expenditures data on Form HCFA-2082 in FY 1996. ^^ Includes Medicaid vendor payments, health plan premiums, capitation and HMO payments reported by the states to HCFA on Form HCFA-2082. ^^^ As defined by HCFA based on age and other factors. 'na' Data unavailable. 'NA' Not Applicable.

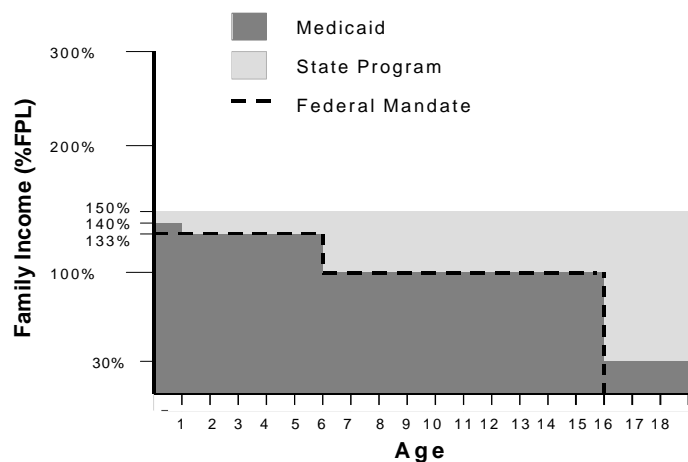
I. CONTINUED	ARIZONA				MOUNTAIN REGION				UNITED STATES			
	<u>CHILDREN Under 21</u>		<u>ADULTS</u>		<u>CHILDREN Under 21</u>		<u>ADULTS</u>		<u>CHILDREN Under 21</u>		<u>ADULTS</u>	
#G. FFS* Payments by Age and Type of Service												
Physician Services	4.6%		8.3%		3.5%		4.8%		2.1%		3.6%	
Dental Services	1.5%		0.6%		0.9%		0.5%		0.5%		0.3%	
Other Practitioners	0.2%		0.4%		0.4%		0.5%		0.4%		0.4%	
EPSDT**	1.3%		0.0%		0.6%		0.0%		1.3%		0.0%	
Family Planning Services	0.2%		1.0%		0.1%		0.3%		0.1%		0.3%	
Rural Health Clinics	0.0%		0.0%		0.1%		0.1%		0.1%		0.1%	
Other Clinics	1.6%		4.6%		1.2%		1.8%		1.0%		2.4%	
Outpatient Hospital	1.7%		3.4%		2.7%		3.2%		1.6%		3.4%	
Inpatient Hospital	18.9%		21.7%		8.7%		11.4%		6.3%		12.2%	
Nursing Home/Intermediate Care	0.0%		6.9%		0.6%		27.2%		0.7%		32.1%	
Mental/Psychiatric Hospital Care	0.0%		0.0%		0.9%		0.1%		0.9%		0.7%	
Home Health Care	0.1%		0.3%		1.3%		8.5%		1.4%		8.6%	
Lab and X-Ray	0.5%		1.3%		0.2%		0.5%		0.2%		0.6%	
Drug	0.1%		0.6%		1.5%		7.3%		1.4%		8.3%	
Other Services***	9.0%		11.1%		6.4%		4.6%		3.5%		5.5%	
<b>Total</b>	<b>39.8%</b>		<b>60.2%</b>		<b>29.2%</b>		<b>70.8%</b>		<b>21.5%</b>		<b>78.5%</b>	
#H. Average FFS* Payments per User of Service and Percent of Enrollees Using Each Service	<u>CHILDREN Under 21</u>		<u>ADULTS</u>		<u>CHILDREN Under 21</u>		<u>ADULTS</u>		<u>CHILDREN Under 21</u>		<u>ADULTS</u>	
	Per-user	%Use+	Per-user	%Use+	Per-user	%Use+	Per-user	%Use+	Per-user	%Use+	Per-user	%Use+
Physician Services	\$75	35.4%	\$142	60.0%	\$220	49.8%	\$417	62.4%	\$248	45.7%	\$428	57.9%
Dental Services	\$51	16.3%	\$67	8.7%	\$153	19.1%	\$220	12.4%	\$166	17.5%	\$191	11.0%
Other Practitioners	\$23	4.9%	\$49	9.1%	\$182	7.2%	\$176	14.2%	\$264	8.1%	\$151	18.3%
EPSDT**	\$13	58.2%	\$16	1.9%	\$55	33.0%	\$59	1.1%	\$255	27.5%	\$115	0.6%
Family Planning Services	\$45	2.5%	\$84	12.7%	\$83	2.0%	\$192	8.8%	\$123	2.6%	\$233	8.4%
Rural Health Clinics	NA	0.0%	NA	0.0%	\$85	3.3%	\$112	2.6%	\$202	3.6%	\$233	3.3%
Other Clinics	\$143	6.4%	\$449	10.5%	\$374	10.1%	\$611	15.9%	\$552	9.9%	\$1,266	13.5%
Outpatient Hospital	\$39	25.4%	\$95	36.6%	\$286	29.6%	\$465	36.7%	\$304	28.0%	\$591	39.8%
Inpatient Hospital	\$858	12.6%	\$1,245	17.9%	\$2,762	9.9%	\$3,372	18.2%	\$4,628	7.3%	\$5,029	16.9%
Nursing Home/Intermediate Care	\$509	0.0%	\$925	7.6%	\$38,444	0.1%	\$14,972	9.8%	\$58,410	0.1%	\$23,922	9.3%
Mental/Psychiatric Hospital Care	\$18	0.1%	\$0	0.0%	\$12,832	0.2%	\$5,816	0.1%	\$19,642	0.3%	\$31,204	0.2%
Home Health Care	\$47	1.1%	\$83	4.1%	\$3,578	1.2%	\$8,162	5.6%	\$3,554	2.1%	\$7,582	7.8%
Lab and X-Ray	\$10	27.8%	\$26	50.0%	\$42	18.6%	\$85	34.6%	\$60	20.6%	\$122	34.3%
Drug	\$10	7.2%	\$31	20.7%	\$139	33.3%	\$801	48.8%	\$165	45.4%	\$984	58.9%
Other Services***	\$269	19.1%	\$359	31.7%	\$1,283	15.6%	\$838	29.5%	\$818	22.7%	\$1,172	32.4%
<b>All Services</b>	na	na	na	na	<b>\$1,747</b>	<b>52.3%</b>	<b>\$6,364</b>	<b>59.9%</b>	<b>\$1,523</b>	<b>76.5%</b>	<b>\$6,352</b>	<b>86.5%</b>

Notes: # FFS payments by type of service data for HI, OK and TN are from FY 1996 and not included in regional and US averages. Utilization by type of service data for HI, OK and TN are from FY 1996 and not included in regional and US averages. When less than 0.05% of expenditures is accounted for by a type of service, it is rounded to 0.0%. \* FFS (fee-for-service) payments. Except for Tennessee, which appears to be reporting capitation payments as Vendor Payments for Other services, payments in Sections G and H do not include i) DSH payments(15.9 Billion), and ii) health plan premiums, capitation and HMO payments(14.1 Billion). FFS payments totaled \$124 Billion nationally in FY 1997. \*\* EPSDT services are known to be under-reported in many states due to complexities in the reporting process. \*\*\* Any other medical or remedial care recognized under state law and specified by the Secretary, including but not limited to transportation, physical and occupational therapy, dentures, prosthetic devices, rehabilitative and hospice services. Note that Tennessee includes capitation, HMO and plan premium payments as expenditures for Other Services. + Percents may sum to exceed 100 because enrollees may use multiple services. Service recipients in managed care plans may not be counted. 'na' Data unavailable. 'NA' Not applicable.

I. CONTINUED	ARIZONA		MOUNTAIN REGION		UNITED STATES	
<b># I. Enrollee Under Age 21, by Race and Age, FY 1997</b>	<u>Enrollees</u>	<u>Percent</u>	<u>Enrollees</u>	<u>Percent</u>	<u>Enrollees</u>	<u>Percent</u>
Non-hispanic White	148,779	34.5%	546,582	44.8%	9,292,048	40.9%
Ages 0 Through 5	69,271	46.6%	252,121	46.1%	3,943,710	42.4%
Ages 6 Through 20	79,508	53.4%	294,461	53.9%	5,348,339	57.6%
Non-hispanic Black	30,194	7.0%	78,728	6.4%	6,626,394	29.2%
Ages 0 Through 5	12,739	42.2%	32,539	41.3%	2,640,572	39.8%
Ages 6 Through 20	17,455	57.8%	46,189	58.7%	3,985,823	60.2%
Hispanic	185,768	43.0%	444,876	36.4%	4,699,339	20.7%
Ages 0 Through 5	96,909	52.2%	213,129	47.9%	2,201,446	46.8%
Ages 6 Through 20	88,859	47.8%	231,747	52.1%	2,497,893	53.2%
Other	66,896	15.5%	151,211	12.4%	2,111,649	9.3%
Ages 0 Through 5	27,840	41.6%	59,575	39.4%	857,628	40.6%
Ages 6 Through 20	39,056	58.4%	91,636	60.6%	1,254,021	59.4%
<b>II. POPULATION AND CHILD HEALTH DATA</b>						
<b>A. Total Population, 1997</b>	<b>4,458,245</b>	<b>100.0%</b>	<b>16,511,471</b>	<b>100.0%</b>	<b>267,645,341</b>	<b>100.0%</b>
Under Age 21	1,437,661	32.2%	5,386,166	32.6%	80,988,943	30.3%
Under Age 6	423,423	9.5%	1,511,454	9.2%	23,259,546	8.7%
Infants	67,662	1.5%	243,668	1.5%	3,810,851	1.4%
Age 1 Through 5	355,761	8.0%	1,267,786	7.7%	19,448,695	7.3%
Age 6 Through 20	1,014,238	22.7%	3,874,712	23.5%	57,729,397	21.6%
Age 21 and Older	3,020,584	67.8%	11,125,305	67.4%	186,656,398	69.7%
<b>B. Infant Mortality, Low Birth Weight and Prenatal Care, 1996</b>	<u>Total</u>	<u>White</u>	<u>Other</u>	<u>Total</u>	<u>White</u>	<u>Other</u>
<b>Infant Mortality per 1,000 Live Births</b>	7.6	7.1	10.6	6.8	6.5	9.5
Neonatal Mortality	5.1	4.9	6.2	4.4	4.2	5.7
Postneonatal Mortality	2.5	2.2	4.4	2.4	2.3	3.8
<b>% Low Birth Weight Infants</b>						
Under 2500 Grams	6.7%	6.3%	10.5%	7.3%	7.0%	10.0%
Under 1500 Grams	1.1%	1.0%	1.9%	1.1%	1.1%	1.7%
<b>% Not Receiving Prenatal Care</b>						
In First Trimester	26.3%	25.2%	34.5%	22.1%	21.0%	32.5%
Until Third Trimester or Not At All	7.4%	7.0%	10.2%	5.6%	5.2%	9.4%
<b>C. % Population Without Access to Primary Care Provider, 1996</b>	9.2%		14.3%		16.3%	
<b>D. Counties Designated Medically Underserved Areas*, 1996</b>	14	( 93.3% )	166	( 59.1% )	2,470	( 82.3% )
<b>E. Counties Designated Health Professional Shortage Areas*, 1996</b>	14	( 93.3% )	195	( 69.4% )	1,925	( 65.4% )

Notes: # Race may not be reported consistently across state. Maine, for example, reported all enrollees as 'Other'. Data for HI are from FY 1996, do not include managed care enrollees and are not included in regional and US summaries. \* Defined by the Bureau of Primary Health Care. Procedures and criteria for designation are available at " <http://www.bphc.hrsa.dhhs.gov/dsd/dsd11.htm#contents>".

**III. MEDICAID AND SCHIP PROGRAM ELIGIBILITY BASED ON FAMILY INCOME AS A PERCENTAGE OF THE FEDERAL POVERTY LEVEL (%FPL), AUGUST 1999**



**A. Title XIX Medicaid Eligibility and Expansions**

By federal mandate, all states must cover pregnant women and children to age 6 to 133% of the Federal Poverty Level (FPL) and children through age 15 up to 100% FPL, as of October 1, 1998.

In addition, 1996 federal welfare legislation requires states to use the AFDC income eligibility levels in effect as of July 16, 1996 to determine Medicaid eligibility. This establishes a state specific minimum eligibility level for poor children ages 16 through 18 (32% FPL for the state of Arizona, an equivalent of \$4441 for a family of 3 in 1999).

Arizona expanded its Title XIX Medicaid program to 140% FPL for pregnant women and infants. [41] The Medically Needy were not covered in 1997. [34] Brackets ( [ ] ) indicate total number of states with expansions or Medically Needy programs.

An estimated 40.2% of 386K uninsured children under age 19 in the state of Arizona were Medicaid eligible but unenrolled during 1997. A full report of Medicaid and SCHIP eligibility of uninsured children in the states can be downloaded from '<http://www.aap.org/advocacy/stateelg99.htm>'.

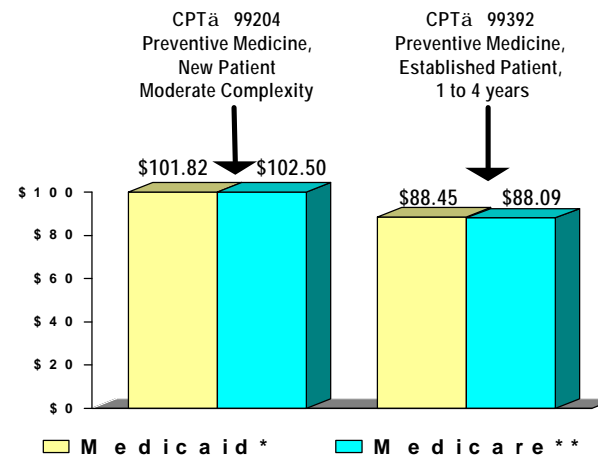
**B. Title XXI Medicaid/SCHIP Program Eligibility:**

Arizona's Title XXI state program covers infants and children through age 18 to 150% FPL. Arizona will expand eligibility to 200% FPL on October 1, 1999. Dec 98 - Jun 99 Title XXI program enrollment figures are available by state on the Kaiser Family Foundation website, at '<http://207.22.102.105/content/1999/2153/>'.

*More information about Medicaid and SCHIP activities in the states are available from reports published by the AAP's Department of Chapter and State Affairs: the SCHIP Update, available at '<http://www.aap.org/advocacy/schipprep.htm>', and the Access Issues section of the 1998 State Legislation Report, available at '<http://www.aap.org/advocacy/98stateleg rpt.pdf>'.*

**IV. MEDICAID SERVICES REIMBURSEMENT**

**Comparison of 1998/1999 Medicaid\* and Medicare\*\* Reimbursement Rates for Two Services Commonly Used by Pediatricians**



\* State level data reported by Arizona to the AAP in the 1998/1999 Medicaid Reimbursement Survey. \*\* Medicare Payment Schedule™ Physician's Current Procedural Terminology (CPT) five-digit codes, nomenclature and other data are copyright 1998 American Medical Association (AMA). All Rights Reserved. No fee schedules, basic unit, relative values or related listings are included in CPT. The American Academy of Pediatrics and the AMA assume no liability for the data contained herein.

A report compiled by the AAP's Division of Health Policy Research documents state reimbursement rates for more than 100 services commonly used by pediatricians. This report shows that services provided under Medicaid are typically reimbursed at 20 to 50 percent less than the same services provided under Medicare. The full report can be downloaded from '<http://www.aap.org/research/medreim.htm>'.

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- II A. Population Estimates for the US and States by Single Year of Age and Sex: July 1, 1997. Population Division, US Census Bureau. Downloadable from <http://www.census.gov/population/estimates/state/stats/ag9798.txt> .
- II B. Monthly Vital Statistics Report, Vol. 46, No. 11(S), September 11, 1997. National Vital Statistics Report, Vol. 47, No. 9, November 10, 1998. National Center for Health Statistics, Center for Disease Control. Additional statistics provided by staff from the NCHS Mortality and Natality Statistics Branches.
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- III A-B. "Medicaid and SCHIP Income Eligibility Guidelines for Children" and "Title XXI Medicaid Expansion Population and Date of Implementation", reports published by the Department of Chapter and State Affairs, American Academy of Pediatrics, August 1999. State Facts: Health Needs and Medicaid Financing. The Kaiser Commission on Medicaid and the Uninsured, February 1998. American Academy of Pediatrics analysis of March Demographic File, Current Population Survey, 1998.
  
- IV. 1998/1999 Medicaid Reimbursement Survey, American Academy of Pediatrics, 1999.

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Complete sets of the state reports can be purchased by contacting the American Academy of Pediatrics, Division of Health Policy Research, 141 Northwest Point Blvd., PO. Box 927, Elk Grove Village, Illinois, 60007; (800) 433-9016, extension 7627. Contact Suk-fong Tang, PhD, Division of Health Policy Research, with comments about the report; contact Jean Cilik, Department of Chapter and State Affairs, for Medicaid questions and advocacy advice. FY1994 to FY 1997 Medicaid State Reports are also available in Adobe Acrobat PDF format on the Research page of the AAP Web site, at <http://www.aap.org/research/medicaid.htm> .