



Arizona State Overview

A Medicaid Program Overview

More than 1.9 Million individuals enrolled + Medicaid expansion implemented



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MANAGED MEDICAID OPPORTUNITY ASSESSMENT

Updated 12-05-24

Arizona has historically been considered a favorable market for managed care. The state contracts with Medicaid plans through its Arizona Health Care Cost Containment System (AHCCCS) for the Medical Assistance program, which includes traditional Medicaid, CHIP, and expansion populations as well as the Arizona Long Term Care System (ALTCS) program.

In May 2024, Arizona awarded Long-Term Care System/Elderly & Physically Disabled (ALTCS-EPD) program contracts valued at \$15.8 million (See RFP Analysis Section). The ALTCS-EPD program covers 26,000 individuals, representing approximately 38 percent of the ALTCS managed care population. The remaining ALTCS members are covered under a state-run model through the Department of Economic Security, Division of Developmental Disabilities (DES/DDD) health plans, which provide long-term care (LTC) to individuals with intellectual/developmental disabilities. A significant focus of ALTCS-EPD is to provide services in the least restrictive setting possible, with many members receiving care in their own homes or community settings rather than in institutional facilities.

Arizona awarded a Competitive Contract Expansion (CCE) for incumbent AHCCCS Complete Care (ACC) health plans to integrate physical and behavioral health services for individuals with serious mental illness in each of the state's three regions (See RFP Analysis). This procurement replaced the state's current Regional Behavioral Health Authorities (RBHAs) with ACC-RBHAs. This integration was intended to streamline care, improve coordination, and enhance the overall quality of services provided to individuals with serious mental illness. The contract expansion also included the administration of services, such as crisis services, grant-funded services, and Court Ordered Evaluations (COE). The additional contract requirements became effective October 1, 2022.

Hot Topics

Arizona received federal approval to increase the upper income limit of KidsCare, the state's Children's Health Insurance Program (CHIP), to 225 percent of the federal poverty level. The state also received approval to pay parents as caregivers of their minor children with disabilities enrolled in ALTCS, which will now be a permanent feature of the program.

Section 1115 Demonstrations

Arizona received federal approval for an amendment to its Section 1115 Arizona Health Care Cost Containment System (AHCCCS) demonstration. The amendment will allow the state to provide limited pre-release and reentry Medicaid services to incarcerated individuals for up to 90 days prior to the date of release. It also will provide non-medical transportation to and from health-related social need services and home and community-based services for Arizona Long Term Care System (ALTCS) eligible beneficiaries. The demonstration is effective through September 30, 2027.

Arizona has submitted an amendment request for its section 1115 Arizona Health Care Cost Containment System demonstration. Under the amendment, the state seeks to extend eligibility for Medicaid state plan benefits to former foster youth who are under age 26. The amendment aims to address chronic health conditions and health related social needs experienced by foster youth and former foster youth, including an increased prevalence of physical and behavioral health needs and higher rates of homelessness.

HMA Arizona Medicaid Program Snapshot

Managed Care Indicators

Expansion Status	Adopted
Total Medicaid Enrollment	Over 2 million to date
Medicaid Delivery System	MCO, PCCM
Number of Managed Care Plans	7 plans
Managed Care Procurement	Competitive
Total Medicaid Spending	\$22.2 billion in 2023

State Program Authorities *MCO's operate statewide*

MLTSS State	Yes
Bid Separate MLTSS Contract	Yes
HCBS Services for Persons with IDD via Capitation	Yes
Medicare Advantage Dual Eligible Special Needs Plan Type	FIDE-SNP

Arizona Medicaid Managed Care Programs						
Program	Population	BH	LTSS	Dental	SUD	Pharmacy
Arizona Health Care Cost Containment System-Complete Care	Traditional Medicaid & Expansion	Y	Y	Y	Y	Y
Arizona Long Term Care System (ALTCS)	Individuals who are age 65 or older, or who have a disability, and who require nursing facility level of care. Services may be provided in an institution or in a home or community-based setting.	Y	Y	Y	Y	Y
Regional Behavioral Health Authorities (RBHA)	Individuals enrolled in foster care (CMDP), including those CMDP members who have a CRS condition; Members enrolled with DES/DDD and individuals determined to have a Serious Mental Illness.	Y	Y	Y	Y	Y
KidsCare (CHIP)	Children (under age 19) who are not eligible for other AHCCCS health insurance	Y	Y	Y	Y	Y
DCS/CMDP	Provides medical and dental coverage for children in foster care.	Y	Y	Y	Y	Y

RFP DEVELOPMENT AND ANALYSIS

Updated 10-14-24

Table 1. Arizona Medicaid RFP Calendar

Contract	Key Dates	# of Beneficiaries
I/DD Integrated Healthcare services	RFP Release: June 25, 2018 Contract Awards: Fall 2018 Implementation: October 2019 Contract Ends: September 30, 2025 Annual Options: Through 2029	~28,000
ALTCS	RFP Released: August 1, 2023 Proposals Due: October 2, 2023 Contracts Awarded: December 1, 2023 Contract Start: October 1, 2025	~26,000
Arizona Complete Care (ACC)	RFP Release: November 2, 2017 Proposals Due: January 25, 2018 Contract Awards: March 5, 2018 Implementation: October 1, 2018 Contract Ends: September 30, 2025 Annual Options: Through 2027	
CMDP	RFI Release: August 27, 2019 RFI Responses Due: August 30, 2019 RFP Re-Release: September 2019 Implementation: July 1, 2020 Expiration: June 2025	
Competitive Contract Expansion (CCE)/ACC-RBHA	Release Date: August 4, 2021 Awards: November 15, 2021 Implementation: October 1, 2022 Expiration: September 30, 2027	
PBM Services	Release Date: October 24, 2023 Proposals: December 7, 2023 Implementation: October 1, 2024	

Arizona Long-Term Care System

ALTCS is one of the oldest Medicaid managed long term services and supports programs in the country. In September 2024, the state extended its Long-Term Care System/Elderly & Physically Disabled (ALTCS-EPD) program contracts with incumbents Banner-University Family Care, Mercy Care Plan, and UnitedHealthcare for one year, through September 30, 2025. ALTCS-EPD covers 26,000 individuals, representing approximately 38 percent of the ALTCS managed care population, and provides a comprehensive set of physical and behavioral healthcare services and long-term services and supports, as well as pharmacy benefits. The decision to extend the current contracts comes after the state faced protests from the three incumbents over newly awarded contracts to Centene/Health Net Access and UnitedHealthcare Community Plan, which were scheduled to go live on October 1, 2024, and run through September 30, 2027, with options to extend up to an additional four years.

The state awarded in May 2024 ALTCS-EPD contracts to Centene/Health Net Access and UnitedHealthcare Community Plan which are now scheduled to begin October 1, 2025. This is the first time that members across the state, regardless of geographic service area, will have a choice between health plans. Both contractors will serve ALTCS-EPD members each of the state's three geographic service areas. The new ALTCS-EPD contracts build on performance incentives in the current contracts by strengthening the link between compensation to specific health outcomes and quality metrics. As AHCCCS transitions from three to two plans, the agency plans to work with the two new plans to develop provider networks and transition processes for members.

AHCCCS Complete Care Program

Arizona announced contracts in March 2018 for its Complete Care (ACC) Integrated Services Medicaid managed care program, which replaced the state's long-standing Acute Care Medicaid managed care program serving most adults and children. The seven plans receiving contracts are Banner-University Family Care Plan, Care1st Health Plan Arizona (WellCare), Health Choice Arizona (BCBS-AZ/Steward Health Choice Arizona), Health Net Access (Centene), Magellan Complete Care of Arizona, Mercy Care, and UnitedHealthcare Community Plan. Contracts were awarded for the state's central, south, and north geographic service areas, and plans are expected to collectively enroll roughly 1.5 million Medicaid members.

Implementation of the program, which integrates physical and behavioral health, began October 1, 2018, for an initial three-year period through September 30, 2021, with two (2) two-year options to extend (October 1, 2021 - September 30, 2023) and (October 1, 2023 - September 30, 2025). The state subsequently authorized an additional two-year option to extend October 1, 2025 - September 30, 2027, not to exceed a total contracting period of nine years. Notable provisions in the 2023-2025 contract extension include the following:

- The contract amendments include several provisions emphasizing behavioral health services. For adult members, the contracted plans must adhere to Nine Guiding Principles for Recovery-Oriented Adult Behavioral Health Services and Systems, that were developed to promote recovery in the adult behavioral health system, and the Arizona Vision-12 Principles for Children Behavioral Health Service Delivery. Plans must ensure the availability of behavioral health services for school-aged children in school settings.
- The contract amendment addresses AHCCCS' Targeted Investments (TI) programs and directs contracted health plans to align with TI milestones and performance measures when developing and implementing strategies to support integration efforts, such as value-based purchasing arrangements, with TI participating providers.
- Incentive arrangements including the Alternative Payment Model-Performance Based Payment (APM-PBP) which incorporates an incentive arrangement for contracted health plans to receive additional funds up to 5 percent of above the capitation rates for implementing APM arrangements with providers who successfully meet targets established by the health plan that are focused on quality improvement, such as reducing costs, improving health outcomes, or improving access to care.
- APM Initiative – Withhold and quality monitoring program incorporates a withhold arrangement of 1% of the contracted health plan's prospective capitation and a portion of, or all of, the withheld amount will be paid to the Contractor for performance on select performance measures. The plan includes performance measure stratifications.

ACC-RBHA

Arizona released a Competitive Contract Expansion (CCE) request for proposals for incumbent AHCCCS Complete Care (ACC) health plans to integrate physical and behavioral health services, including crisis

services, for individuals with serious mental illness (SMI) in each of the state's three regions. Through this procurement the state updated its contracts with ACC health plans, replacing its Regional Behavioral Health Agreements (RBHAs) with ACC-RBHA contracts. The expanded contracts were awarded to Mercy Care, Centene/Arizona Complete Health, and Centene/Care 1st Health Plan Arizona. The ACC-RBHA contracts took effect October 1, 2022, and are set to expire September 30, 2027.

Other Program Developments

Arizona awarded a pharmacy benefit management services contract to incumbent United/OptumRX for the state's fee-for-service Medicaid populations. The contract will run for three-years with two one-year renewal options. The anticipated contract start date was October 1, 2024.

Arizona awarded Mercy Care an Administrative Services Organization contract to manage an integrated physical-behavioral health program for children in foster care. As of April 1, 2021, the program transitioned to the Mercy Care Department of Child Safety Comprehensive Health Plan (Mercy Care DCS CHP). Foster children with chronic and disabling medical conditions are enrolled in the Children's Rehabilitative Services, which is contracted to UnitedHealthcare Community Plan for behavioral services. The contract will run from April 1, 2021, through March 31, 2026.

A three-year, \$16.4 million Medicaid Management Information System (MMIS) contract was awarded to CNSI, a health information technology business solutions provider, by AHCCCS with the goal of streamlining Medicaid enrollment, verification registration, and provider screening. The contract award was announced October 2018.

MANAGED CARE ENROLLMENT UPDATE

Arizona's Medicaid MCO enrollment was down 4.4% in November 2024 compared to year-end 2024, after decreasing 12.6% in 2023, increasing 7.1% in 2022, 9.7% in 2021, and 13.7% in 2020. In January 2020, Blue Cross Blue Shield-AZ acquired Steward Health Choice Arizona. In 2014, overall Medicaid managed care enrollment increased by 26% to nearly 1.4 million, driven by expansion. In March 2018, Banner-University Family Care Plan, Care1st Health Plan Arizona (WellCare), Health Choice Arizona (Steward Health Choice Arizona), Health Net Access (Centene), Magellan Complete Care of Arizona, Mercy Care, and UnitedHealthcare Community Plan won the Complete Care Integrated Services Medicaid managed care contracts. Implementation began October 1, 2018.

Table 2. Arizona Managed Medicaid Enrollment, 2016-2024, November 2024

Program	2020	2021	2022	2023	Nov-24
Acute Care	1,745,801	1,921,801	2,060,376	1,791,191	1,705,962
+/- between reporting periods	218,723	176,000	138,575	(269,185)	(85,229)
% chg. Between reporting periods	14.3%	10.1%	7.2%	-13.1%	-4.8%
ALTCs	65,979	65,607	67,290	69,227	72,214
+/- between reporting periods	(689)	(372)	1,683	1,937	2,987
% chg. Between reporting periods	-1.0%	-0.6%	2.6%	2.9%	4.3%
Total Arizona	1,811,780	1,987,408	2,127,666	1,860,418	1,778,176
+/- between reporting periods	218,034	175,628	140,258	(267,248)	(82,242)
% chg. Between reporting periods	13.7%	9.7%	7.1%	-12.6%	-4.4%

Source: AHCCCS, HMA

Table 3. Arizona Managed Medicaid Enrollment by Plan, 2016-2024, November 2024

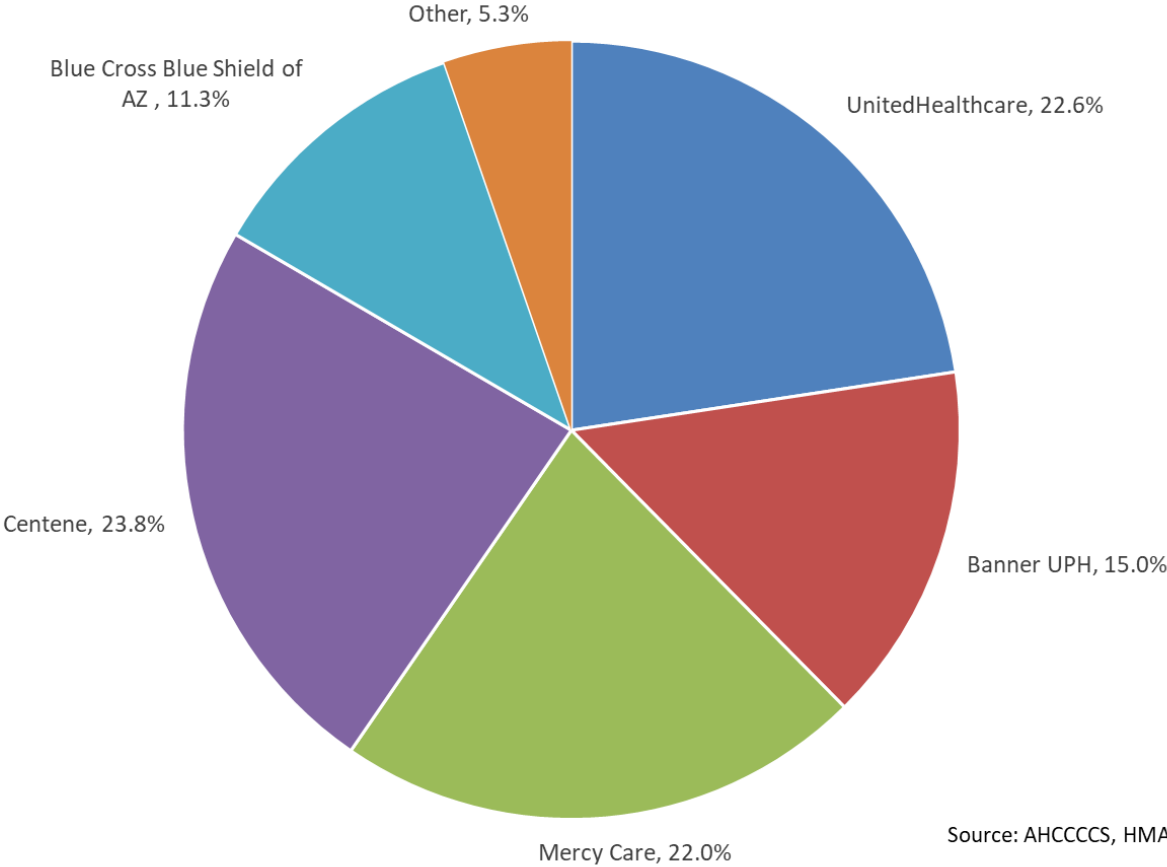
Plan Name	2020	2021	2022	2023	Mar-24
UnitedHealthcare (APIPA/Evercare)					
Acute Care	402,887	448,198	479,293	413,322	392,864
LTC	9,107	8,574	8,512	8,601	8,960
Total UnitedHealth	411,994	456,772	487,805	421,923	401,824
+/- between reporting periods	45,428	44,778	31,033	(65,882)	(20,099)
% chg. Between reporting periods	12.4%	10.9%	6.8%	-13.5%	-4.8%
% of total	22.7%	23.0%	22.9%	22.7%	22.6%
(Dignity) Mercy Care Plan/Mercy Maricopa Integrated Care¹					
Acute Care	388,590	425,382	453,757	394,662	381,358
LTC	11,813	10,985	10,704	10,426	9,986
Total (Dignity) Mercy Care Plan/Mercy Maricopa Integrated Care	400,403	436,367	464,461	405,088	391,344
+/- between reporting periods	40,406	35,964	28,094	(59,373)	(13,744)
% chg. Between reporting periods	11.2%	9.0%	6.4%	-12.8%	-3.4%
% of total	22.1%	22.0%	21.8%	21.8%	22.0%
Blue Cross Blue Shield of AZ/Health Choice Arizona²					
Acute Care	216,779	236,141	244,599	210,896	200,533
LTC	0	0	0	0	0
Total Health Choice	216,779	236,141	244,599	210,896	200,533
+/- between reporting periods	14,715	19,362	8,458	(33,703)	(10,363)
% chg. Between reporting periods	7.3%	8.9%	3.6%	-13.8%	-4.9%
% of total	12.0%	11.9%	11.5%	11.3%	11.3%
Banner UPH (Univ. Family Care)					
Acute Care	254,276	283,661	309,658	270,636	260,131
LTC	6,450	6,425	6,795	6,821	6,956
Total UPH	260,726	290,086	316,453	277,457	267,087
+/- between reporting periods	49,529	29,360	26,367	(38,996)	(10,370)
% chg. Between reporting periods	23.5%	11.3%	9.1%	-12.3%	-3.7%
% of total	14.4%	14.6%	14.9%	14.9%	15.0%

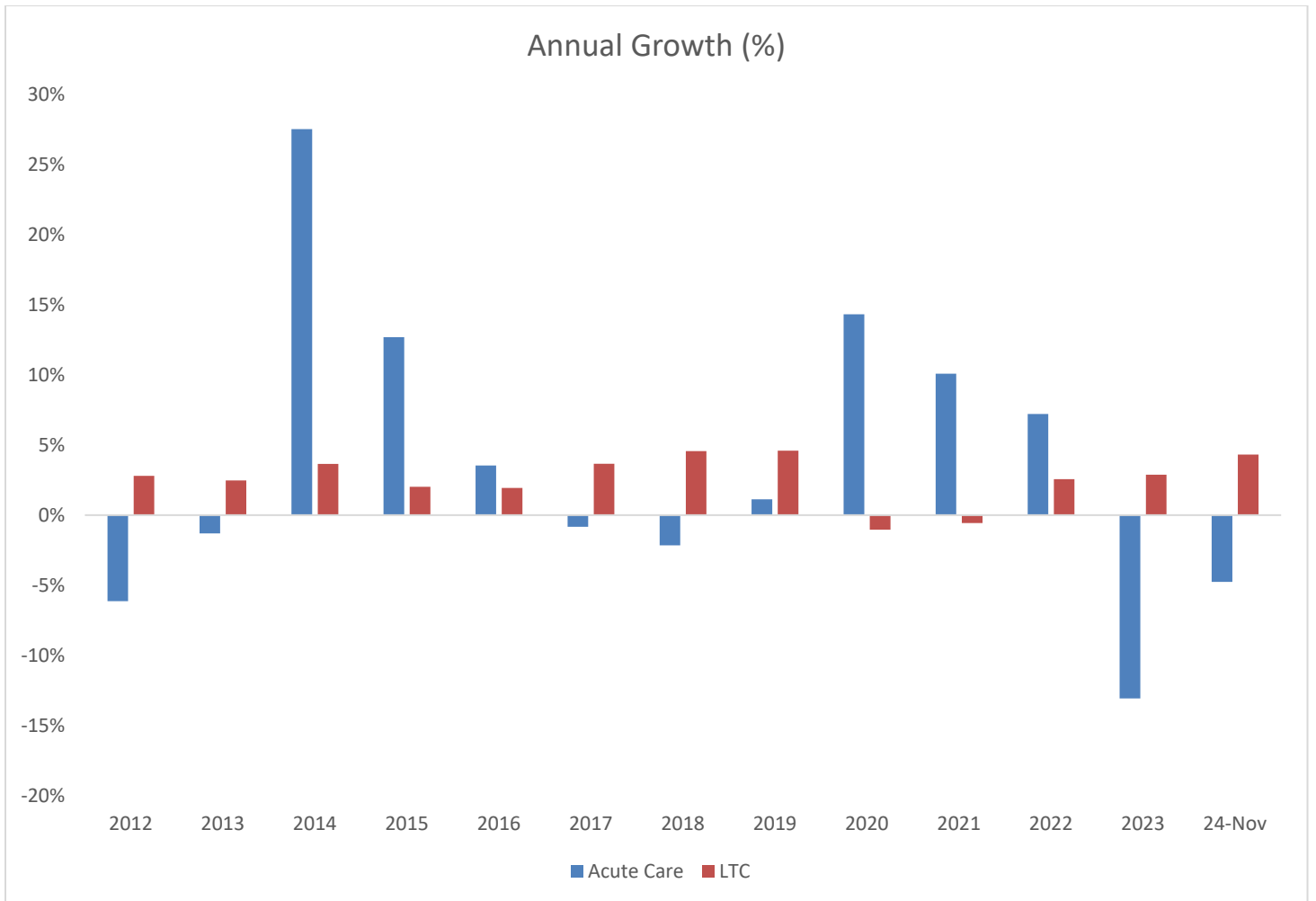
Plan Name	2020	2021	2022	2023	Mar-24
Molina (Magellan Complete Care)³					
Acute Care	42,203	45,912	49,985	42,276	39,699
LTC	0	0	0	0	0
Total Molina	42,203	45,912	49,985	42,276	39,699
+/- between reporting periods	25,588	0	0	(0)	(0)
% chg. Between reporting periods	154.0%	8.8%	8.9%	-15.4%	-6.1%
% of total	2.3%	2.3%	2.3%	2.3%	2.2%
DES/DDD/CMDP					
Acute Care	13,657	13,545	11,677	9,610	8,017
LTC	36,197	37,405	39,141	41,336	44,297
Total DES	49,854	50,950	50,818	50,946	52,314
+/- between reporting periods	1,755	1,096	(132)	128	1,368
% chg. Between reporting periods	3.6%	2.2%	-0.3%	0.3%	2.7%
% of total	2.8%	2.6%	2.4%	2.7%	2.9%
Centene/Arizona Complete Health- Complete Care Plan (ACC)⁴/Integrated					
Acute Care	242,865	387,738	418,968	369,828	423,360
LTC	0	0	0	0	0
Care 1st Arizona (WellCare)⁶					
Acute Care	184,544	81,224	92,439	79,961	0
LTC	0	0	0	0	0
Total Centene	427,409	468,962	511,407	449,789	423,360
+/- between reporting periods	211,218	41,553	42,445	(61,618)	(26,429)
% chg. Between reporting periods	97.7%	9.7%	9.1%	-12.0%	-5.9%
% of total	23.6%	23.6%	24.0%	24.2%	23.8%
Native American LTC plans					
Acute Care	0	0	0	0	0
LTC	2,412	2,218	2,138	2,043	2,015
Total Native American LTC plans	2,412	2,218	2,138	2,043	2,015
+/- between reporting periods	(288)	(194)	(80)	(95)	(28)
% chg. Between reporting periods	-10.7%	-8.0%	-3.6%	-4.4%	-1.4%
% of total	0.1%	0.1%	0.1%	0.1%	0.1%

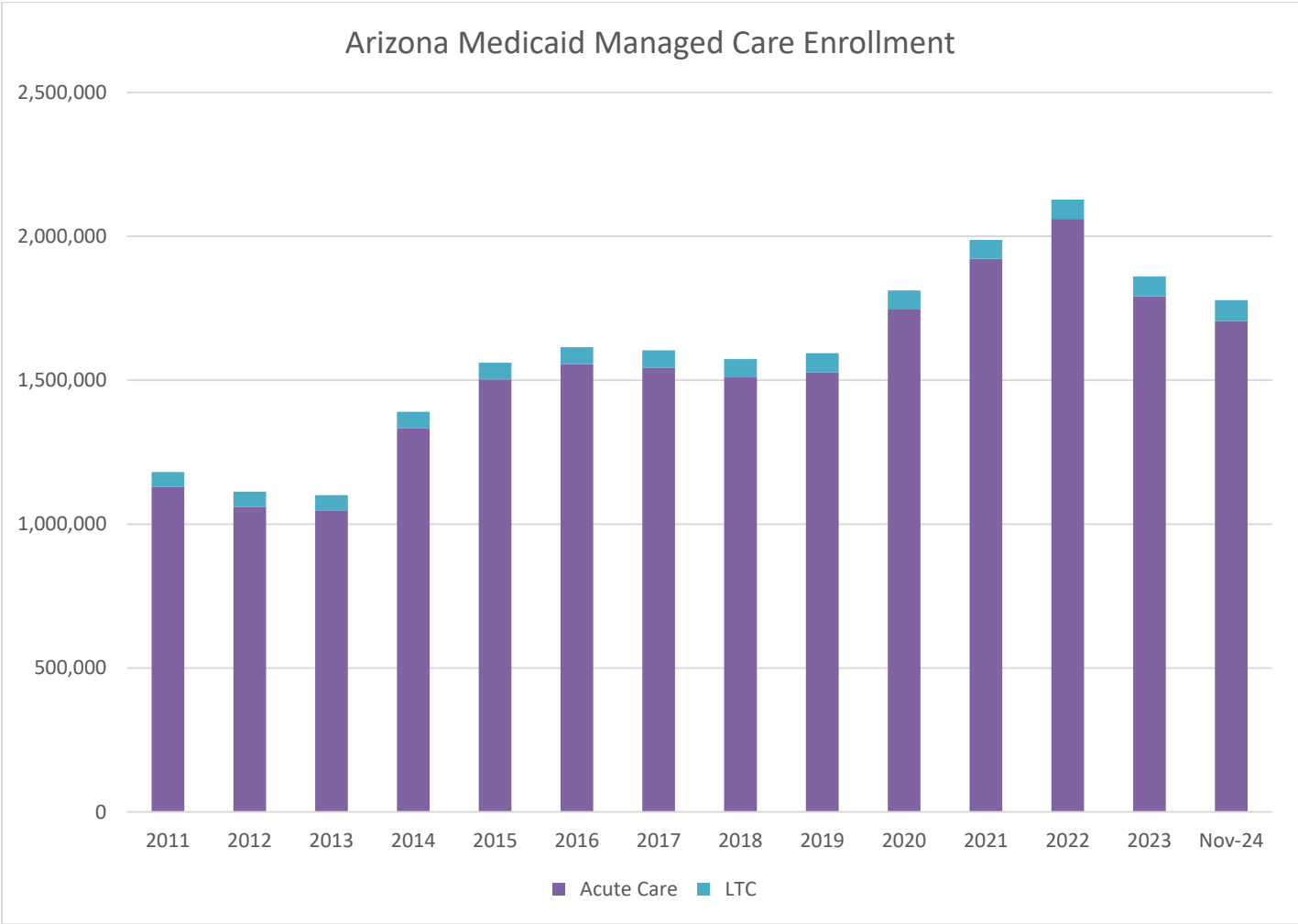
Plan Name	2020	2021	2022	2023	Mar-24
Totals					
Acute Care	1,745,801	1,921,801	2,060,376	1,791,191	1,705,962
LTC	65,979	65,607	67,290	69,227	72,214
Total Arizona	1,811,780	1,987,408	2,127,666	1,860,418	1,778,176
% chg. Between reporting periods	218,034	175,628	140,258	(267,248)	(82,242)
% of total	13.7%	9.7%	7.1%	-12.6%	-4.4%

1. Aetna has an ASO management agreement with Mercy Care/Dignity Health
2. BCBS-AZ acquired Steward Health Choice in January 2020
3. Molina acquired Magellan Complete Care on January 2021
4. Health Net of Arizona and Cenpatico Integrated Care became Arizona Complete Health, effective October 1, 2018
5. Cenpatico Integrated Care is a Centene affiliate acute care plan for individuals with severe mental illness
6. Centene acquired WellCare on January 2020
7. This reflects the number prior to Centene's acquisition of HealthNet in March 2016
8. WellCare acquired Care 1st in January 2017
9. As of February 2017, UnitedHealthcare purchased Maricopa Health Plan's Medicaid membership in AZ
10. WellCare acquired Medicaid assets of Phoenix Health Plan in December 2016

Arizona Managed Medicaid Market Share by Enrollment, Top 5 Plans, November 2024







MEDICAID FEE FOR SERVICE VS. MANAGED CARE PENETRATION

Total Medicaid enrollment in Arizona was approximately 2 million in 2023. About 91.3% of Medicaid beneficiaries were enrolled in a managed care plan. The remainder are in fee-for-service Medicaid. Total Medicaid expenditures in Arizona were nearly \$22.2 billion in 2023, with about 83.4% through managed care and the rest through fee-for-service.

Table 4. Arizona Expenditures and Enrollment for Total Medicaid vs Medicaid Managed Care, 2014-2023

Year	Total Medicaid Expenditures	Medicaid Managed Care Expenditures ¹	Medicaid Managed Care Expenditures as % of Total	Total Medicaid/CHIP Enrollment	Medicaid MCO Enrollment	Medicaid MCO Enrollment as % of Total
2023	\$22,183,972,139	\$18,506,506,436	83.4%	2,037,255	1,860,418	91.3%
2022	\$20,257,896,179	\$17,422,394,867	86.0%	2,291,196	2,127,666	92.9%
2021	\$17,585,138,173	\$15,711,945,983	89.3%	2,139,682	1,987,408	92.9%
2020	\$14,380,097,500	\$12,322,798,304	85.7%	1,963,007	1,811,780	92.3%
2019	\$13,167,873,159	\$11,321,053,265	86.0%	1,708,073	1,593,746	93.3%
2018	\$12,132,120,126	\$10,446,014,243	86.1%	1,700,470	1,573,735	92.5%
2017	\$11,823,748,029	\$10,199,902,718	86.3%	1,716,236	1,604,208	93.5%
2016	\$11,118,985,133	\$9,683,119,933	87.1%	1,735,841	1,602,441	92.3%
2015	\$10,617,725,498	\$9,036,032,389	85.1%	1,665,454	1,560,644	93.7%
2014	\$9,184,808,597	\$7,599,680,003	82.7%	1,482,316	1,206,758	81.4%

(1) Includes evaluation and management, vaccine codes, Community First Choice, and preventive services Grade A or B, ACIP vaccines and their administration, Prepaid Ambulatory Health Plans, and Prepaid Inpatient Health Plans.

Sources: CMS64 for expenditures. CMS for total Medicaid/CHIP enrollment. States, NAIC for Medicaid managed care enrollment.

SNPS AND DUAL ELIGIBLE

Arizona had 149,898 Special Needs Plan members as of November 2024. The state primarily utilizes Dual Eligible Special Needs Plans (D-SNPs) for individuals who are dually eligible. Arizona does not require the use of either Fully Integrated Dual Eligible SNPs (FIDE-SNPs) or Highly Integrated Dual Eligible SNPs (HIDE-SNPs). However, the state does offer both types of plans to provide integrated care services that include coordination with Medicare providers. The state agency has pursued other strategies to integrate care for dually eligible individuals, including care coordination programs, aligned enrollment, community-based services, and efforts to improve provider networks and data sharing between Medicare and Medicaid.

Table 5. Arizona SNP Enrollment by Plan, November 2024

Plan	Total SNPs	DSNPs	CSNPs	ISNPs	Share
UnitedHealthCare	78,841	68,415	9,425	1,001	52.6%
Centene	23,766	22,857	909	0	15.9%
Banner Health	11,952	11,952	0	0	8.0%
MercyCare	11,576	11,576	0	0	7.7%
Health Choice Arizona, Inc.	9,900	9,900	0	0	6.6%
Cigna	3,550	0	3,550	0	2.4%
Elevance	2,377	0	1,721	656	1.6%
Devoted Health Plan	4,088	0	4,088	0	2.7%
Alignment Health Plan	1,787	0	1,787	0	1.2%
SCAN Health Plan	1,135	0	376	759	0.8%
Molina	212	212	0	0	0.1%
Gold Kidney of Arizona	714	0	714	0	0.5%
Total	149,898	124,912	22,570	2,416	100%

¹Imperial Insurance CSNP enrollment includes members from Nevada, New Mexico, Texas, and Utah
Sources: CMS, HMA

MANAGED MEDICAID PLAN FINANCIALS

In 2023, plans had a total operating margin of 4.1%.

Table 6. Arizona Medicaid Managed Care Plan Financials, 2023 (\$ in 000)

Plan	Fiscal Year Ending	Publicly Traded (Y/N)	Premiums	Healthcare Expenses	MLR	G&A Expenses	Operating Income	Operating Margin
Aetna/Mercy Care Plan, Total ⁽¹⁾	6/30/2023	Y	\$4,412,092	\$3,818,990	86.6%	\$369,937	\$132,039	3.0%
ACC/ RBHA	6/30/2023	Y	\$3,285,503	\$2,814,743	85.7%	\$282,634	\$114,458	3.5%
DES/DDD	6/30/2023	Y	\$212,893	\$202,811	95.3%	\$15,929	(\$5,847)	-2.7%
DES/CHP	6/30/2023	Y	\$166,395	\$147,205	88.5%	\$14,316	\$4,874	2.9%
ALTCS	6/30/2023	Y	\$747,301	\$654,231	87.5%	\$57,058	\$18,554	2.5%
Medicare	6/30/2023	Y	\$407,805	\$364,319	89.3%	\$34,706	(\$8,780)	-2.2%
BCBS-AZ ⁽²⁾	9/30/2023	N	\$1,301,621	\$1,093,389	84.0%	\$118,622	\$65,963	5.1%
Centene	12/31/2023	Y	\$2,767,445	\$2,405,570	86.9%	\$2,212,903	\$79,708	2.9%
Centene/Complete Health	12/31/2023	Y	\$2,220,591	\$1,941,590	87.4%	\$2,161,791	\$58,799	2.6%
WellCare/Care1st Arizona	12/31/2023	Y	\$546,854	\$463,980	84.8%	\$51,112	\$20,909	3.8%
UnitedHealth/AZ Physicians IPA	12/31/2023	Y	\$4,463,534	\$3,781,675	84.7%	\$341,400	\$227,427	5.1%
Banner Health	12/31/2023	N	\$1,971,587	\$1,654,985	83.9%	\$153,664	\$104,756	5.3%
ACC	12/31/2023	N	\$1,502,316	\$1,248,019	83.1%	\$126,979	\$92,689	6.2%
ALTCS	12/31/2023	N	\$469,271	\$406,966	86.7%	\$26,685	\$12,067	2.6%
Molina	12/31/2023	Y	\$221,064	\$171,080	77.4%	\$43,425	\$6,559	3.0%
Totals			\$15,137,343	\$12,925,689	85.4%	\$3,239,951	\$616,452	4.1%

(1) Totals only represent Acute, DES/DDD, HCG, and ALTCS lines of business.

(2) Premiums exclude ACA fee.

Source: AHCCCS, HMA

Table 7. Arizona Medicaid Managed Care Plan Financials, 2022 (\$ in 000)

Plan	Fiscal Year Ending	Publicly Traded (Y/N)	Premiums	Healthcare Expenses	MLR	G&A Expenses	Operating Income	Operating Margin
Aetna/Mercy Care Plan, Total(1)	6/30/2022	Y	\$4,082,407	\$3,545,958	87.6%	\$333,556	\$116,000	2.8%
ACC	6/30/2022	Y	\$2,011,888	\$1,705,913	86.3%	\$178,903	\$76,934	3.8%
DES/DDD	6/30/2022	Y	\$178,741	\$166,625	116.6%	\$15,090	(\$2,975)	-1.7%
DES/CHP	6/30/2022	Y	\$161,724	\$140,923	111.9%	\$13,220	\$7,580	4.7%
ALTCS	6/30/2022	Y	\$678,695	\$604,003	94.0%	\$43,109	\$14,653	2.2%
Medicare	6/30/2022	Y	\$402,338	\$371,118	101.3%	\$39,641	(\$8,421)	-2.1%
RBHA	6/30/2022	Y	\$1,051,359	\$928,494	88.8%	\$83,234	\$19,808	1.9%
BCBS-AZ (2)	6/30/2022	N	\$1,422,915	\$1,212,658	85.2%	\$119,837	\$62,802	4.4%
Centene	9/30/2022	Y	\$2,607,062	\$2,235,880	86.1%	\$2,160,072	\$63,457	2.4%
Centene/Complete Health	12/31/2021	Y	\$2,177,632	\$1,862,925	86.0%	\$2,120,338	\$57,295	2.6%
WellCare/Care1st Arizona	12/31/2021	Y	\$429,430	\$372,955	86.8%	\$39,734	\$6,162	1.4%
UnitedHealth/AZ Physicians IPA	12/31/2021	Y	\$4,041,288	\$3,393,164	85.0%	\$370,661	\$220,110	5.4%
Banner Health	12/31/2022	N	\$1,802,728	\$1,550,823	86.8%	\$137,467	\$75,013	4.2%
ACC	12/31/2022	N	\$1,398,732	\$1,191,351	85.9%	\$115,472	\$61,176	4.4%
ALTCS	12/31/2022	N	\$403,996	\$359,472	90.2%	\$21,995	\$13,837	3.4%
Molina	12/31/2022	Y	\$242,899	\$197,709	85.4%	\$41,129	\$4,061	1.7%
Totals, AZ plans			\$14,199,299	\$12,136,192	86.1%	\$3,162,722	\$541,443	3.8%

(1) Totals only represent Acute, DES/DDD, HCG, and ALTCS lines of business.

(2) Premiums exclude ACA fee.

Source: AHCCCS, HMA



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