



Southwest Educational Billing Services

...putting all the DSC pieces together.

Enclosed is a copy of the letter from AHCCCS regarding the assignment of the MAXIMUS TPA contract to PCG. We are confident in the good intentions of AHCCCS and the Department of Education to minimize any program interruptions.

On your behalf, we will continue to do all we can to work cooperatively and assist in an easy, seamless transition for you and the providers, and to minimize as many changes directly to the districts as we can.

As many of you know, we have gone through MANY adjustments together from the beginning of this program in Arizona. You have our assurance that we will work with AHCCCS and the new vendor, and will help see you through any future changes as well.

We will see you at the statewide RIS meetings the first week in February!



Our first care is your health care
ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM

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DATE: January 14, 2009

TO: Contracted LEAs

FROM: Tricia Krotenberg, M.Ed., MBA, MSBC Program Manager, AHCCCS
Melinda Hollinshead, Ph.D., MSBC Program Manager, AHCCCS

SUBJECT: Assignment of MAXIMUS Contract to Public Consulting Group

As you are aware, last year MAXIMUS decided that they will no longer be participating in federal claiming practices. It was MAXIMUS' intention to complete the current contract; however, they have since requested to assign the remainder of their contract to a new vendor. Effective February 1, 2009, AHCCCS will be assigning the current MAXIMUS contract to a new vendor, Public Consulting Group (PCG).

AHCCCS thoroughly reviewed the request of assignment versus the pursuit of the Request for Proposal (RFP). AHCCCS also discussed with the Department of Education the prospect of assignment of the contract and a potential contract extension. Due to challenges facing the Medicaid School Based Claiming (MSBC) program, including the difficulty of predicting the outcome of pending federal legislation affecting both the MAC and DSC programs, it was important to carefully consider this proposal. Those pending legislative issues have presented unique challenges to the RFP process as AHCCCS tried to anticipate what should be required under the new Third Party Administrator (TPA) contract. The decision was made to approve the assignment and extend the contract with PCG until June 30, 2010. Providing an extension to the contract will limit the disruption of additional contract transitions in 2009 and afford AHCCCS an opportunity to address any legislative changes necessary in the next RFP process.

An additional benefit of this assignment is the ability of PCG, with the cooperation of MAXIMUS, to continue MAC claiming without interruption. Historically, the April through June quarter MAC claim is the largest claim quarter for the LEAs. Prior to the assignment agreement, it would have been necessary to suspend claiming for the 2nd quarter during the RFP and transition period.

In reviewing the proposed contract assignment, careful consideration was given to how it might affect the daily operations for the LEAs. A condition of the assignment was that it be as seamless as possible. To minimize disruption, PCG has agreed to do the following:

- Review and adopt, as appropriate, the current MAXIMUS processes, materials, methodologies, and work plans which support the current contract;
- Hire current MAXIMUS project staff for continuity;
- Contract with the systems vendor currently in use by MAXIMUS for seamless DSC claims processing and payment;

- Use current MAC claiming processes and procedures for future claims (including second quarter); and
- Provide significant management resources.

Some changes are unavoidable and include: new participating agreements between PCG and each LEA, new e-mail addresses for PCG staff, minor changes to procedures for the MAC claim following the 2nd quarter claim and a new location to send DSC claims.

PCG, in partnership with AHCCCS, is planning to conduct Regional Information Sessions the first week of February. We encourage all the contracted LEAs to attend one of these sessions in order to ask questions and obtain information about our new contractor.

AHCCCS is confident in the ability of PCG to successfully carry out the remainder of the Medicaid School Based Claiming contract. In the interim, if you have any questions or concerns regarding this information please feel free to call either Tricia Krotenberg at (602) 417-4149 or Melinda Hollinshead at (602) 417-4746. We look forward to seeing everyone at the Regional Information Sessions.

CC: Marc Leib, MD, Chief Medical Officer, AHCCCS
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