

# **NOTICE:** AHCCCS Releases Billing Guidance for Differential Adjusted Payment (DAP)

February 12, 2024

Dear provider,

AHCCCS has implemented the Differential Adjusted Payment (DAP) for Contract Year 2024. DAP is a positive adjustment (i.e., an addition) to the AHCCCS Fee-for-Service (FFS) rates to distinguish providers who have committed to supporting designated actions that improve patients' care experience, improve members' health, and reduce cost of care. More information is available on the [DAP web page](#).

AHCCCS Managed Care Organizations (MCOs) add DAP increases to their contracted rates to match the corresponding AHCCCS Fee-For-Service rate increase percentages.

The MCOs and AHCCCS are required to pay the contracted rate or 100 percent of the billed charges, whichever is less. In order for providers to receive the DAP, the provider *must* include the value of the additional DAP increase when billing directly to AHCCCS or to an MCO for services.

See this example of how to correctly bill the DAP.

**Example with a 1% DAP increase:**

Contracted Rate (Excluding DAP): \$50

1% DAP: \$0.50

Billed Amount (Including DAP): \$50.50

Submit any questions to [AHCCCSdap@azahcccs.gov](mailto:AHCCCSdap@azahcccs.gov).

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