

**SECTION: 1 CHAPTER: 100**  
**POLICY: 106, Serious Mental Illness Determination**

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**1. PURPOSE:**

- a. A critical component of the service delivery system is the effective and efficient identification of persons who have special behavioral health needs due to the severity of their behavioral health disorder. One such group is persons with Serious Mental Illness (SMI). Without receipt of the appropriate care, these persons are at high risk for further deterioration of their physical and mental condition, increased hospitalizations and potential homelessness and incarceration.
- b. In order to ensure that persons with SMI are promptly identified and enrolled for services, the Arizona Department of Health Services/Division of Behavioral Health Services (ADHS/DBHS) has developed a standardized process for the referral, evaluation, and determination for SMI eligibility. The requirements associated with the referral for an SMI evaluation and SMI eligibility determination are set forth in this section.

**2. TERMS:**

Definitions for terms are located online at <http://www.azdhs.gov/bhs/definitions/index.php>. The following terms are referenced in this section:

ADHS/DBHS Designee  
Behavioral Health Technician  
Behavioral Health Professional  
Qualified Assessor  
Serious Mental Illness (SMI)  
T/RBHA Designee

**3. PROCEDURES:**

- a. General requirements
  - i. This policy applies to:
    - (1) Persons who are referred for, request, or have been determined to need an eligibility determination for SMI;
    - (2) Persons who are determined SMI for whom a review of the determination is indicated; and,
    - (3) Tribal/Regional Behavioral Health Authorities (T/RBHAs), their subcontracted providers, and the ADHS/DBHS designee.
  - ii. A qualified assessor must complete all SMI evaluations. If the qualified assessor is a Behavioral Health Technician the evaluation must be reviewed, approved, and signed by a Behavioral Health Professional.
  - iii. All persons must be evaluated for SMI eligibility by a qualified assessor and have an SMI determination made by ADHS/DBHS designated authority or the T/RBHA, if the person:
    - (1) Requests an SMI determination; or

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- (2) Has a score of 50 or lower on the Global Assessment of Functioning Scale (GAF) and has a qualifying SMI diagnosis (see [Policy Attachment 106.1](#) for a list of qualifying diagnoses).
- iv. Behavioral health providers must use the GAF score as a screening mechanism for identifying persons (including enrolled children upon reaching 17.5 years of age) who may have functional impairments because of a SMI qualifying diagnosis; however, the GAF score shall not be used as a criterion for determining or denying SMI eligibility. The GAF is completed as part of the assessment process (see [Policy 105, Assessment and Service Planning](#)).
- v. The SMI eligibility determination record must include all of the documentation that was considered during the review including, but not limited to current and/or historical treatment records. The record may be maintained in either hardcopy or electronic format. The T/RBHA must develop and make available to providers any requirements or guidance on SMI eligibility determination record location and/or maintenance.
- vi. Computation of time is as follows:
- Evaluation date with a qualified clinician = day zero (0), regardless of time of the evaluation
  - Determination due date = Three (3) business days from day zero (0), excluding weekends and holidays
  - The final determination is required three (3) business days from day 0, not 3 business days from the date of submission to T/RBHA, T/RBHA designee, or ADHS/DBHS designee. Providers that contract with T/RBHA must submit the SMI evaluation to the designees as soon as practicable, but no later than 11:59 p.m. on the next business day following the evaluation. The T/RBHA or ADHS/DBHS designee will have at least two (2) business days to complete the SMI determination.
- b. Process for completion of the initial SMI evaluation
- i. Upon receipt of a referral for, a request, or identification of the need for an SMI determination the T/RBHA, ADHS/DBHS designee or designated Department of Corrections (DOC) or Arizona Department of Juvenile Corrections (ADJC) staff person will schedule an appointment for an initial meeting with the person and a qualified assessor (see [Policy 405, Credentialing and Recredentialing](#)). This shall occur no later than 7 days after receiving the request or referral.
- ii. During the initial meeting with the person by a qualified assessor, the assessor must:
- (1) Make a clinical assessment whether the person is competent enough to participate in an assessment;
  - (2) Obtain general consent from the person or, if applicable, the person's guardian to conduct an assessment;
  - (3) Provide to the person and, if applicable, the person's guardian, the information required in R9-21-301(D)(2), a client rights brochure, and the appeal notice required by R9-21-401(B); and
- iii. If, during the initial meeting with the person, the assessor is unable to obtain sufficient information to determine whether the applicant is SMI, the assessor must:

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- (1) Request the additional information in order to make a determination of whether the person is SMI and obtain an authorization for the release of information, if applicable (see [Policy 1401, Confidentiality](#)); and
  - (2) Initiate an assessment including completion of the SMI Determination Form (see [Policy Form 106.1](#)).
- c. Criteria for SMI eligibility
- i. The determination of SMI requires both a qualifying SMI diagnosis and functional impairment as a result of the qualifying diagnosis (see [Policy Attachment 106.1](#) for a list of qualifying diagnoses).
  - ii. Functional Criteria for SMI eligibility
    - (1) To meet the functional criteria for SMI status, a person must have, as a result of a qualifying SMI diagnosis, dysfunction in at least one of the following four domains, as described below, for most of the past twelve (12) months or for most of the past six(6) months with an expected continued duration of at least six (6) months:
    - (2) Inability to live in an independent or family setting without supervision – Neglect or disruption of ability to attend to basic needs. Needs assistance in caring for self. Unable to care for self in safe or sanitary manner. Housing, food and clothing must be provided or arranged for by others. Unable to attend to the majority of basic needs of hygiene, grooming, nutrition, medical and dental care. Unwilling to seek prenatal care or necessary medical/dental care for serious medical or dental conditions. Refuses treatment for life threatening illnesses because of behavioral health disorder.
      - (a) A risk of serious harm to self or others – Seriously disruptive to family and/or community. Pervasively or imminently dangerous to self or others' bodily safety. Regularly engages in assaultive behavior. Has been arrested, incarcerated, hospitalized or at risk of confinement because of dangerous behavior. Persistently neglectful or abusive towards others in the person's care. Severe disruption of daily life due to frequent thoughts of death, suicide, or self-harm, often with behavioral intent and/or plan. Affective disruption causes significant damage to the person's education, livelihood, career, or personal relationships.
      - (b) Dysfunction in role performance – Frequently disruptive or in trouble at work or at school. Frequently terminated from work or suspended/expelled from school. Major disruption of role functioning. Requires structured or supervised work or school setting. Performance significantly below expectation for cognitive/developmental level. Unable to work, attend school, or meet other developmentally appropriate responsibilities; or
      - (c) Risk of Deterioration – A qualifying diagnosis with probable chronic, relapsing and remitting course. Co-morbidities (like mental retardation, substance dependence, personality disorders, etc.). Persistent or chronic factors such as social isolation, poverty, extreme chronic stressors (life-threatening or debilitating medical illnesses, victimization, etc.). Other (past psychiatric history; gains in functioning have not solidified or are a result of current

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- compliance only; court-committed; care is complicated and requires multiple providers; etc.).
- (d) The following reasons shall not be sufficient in and of themselves for denial of SMI eligibility:
- (i) An inability to obtain existing records or information; or
  - (ii) Lack of a face-to-face psychiatric or psychological evaluation.
- iii. Person with Co-occurring Substance Abuse  
For persons with co-occurring substance abuse without an established psychiatric diagnosis, the diagnostic assessment may be performed in accordance with the [DBHS Guidance Document, Co-occurring Psychiatric And Substance Disorders](#).
- (1) For persons who have a qualifying SMI diagnosis and co-occurring substance abuse, for purposes of SMI determination, presumption of functional impairment is as follows:
- (a) For psychotic diagnoses (bipolar I disorder with psychotic features, delusional disorder, major depression, recurrent, severe, with psychotic features, schizophrenia, schizoaffective disorder and psychotic disorder NOS) functional impairment is presumed to be due to the qualifying psychiatric diagnosis;
  - (b) For other major mental disorders (bipolar disorders, major depression and obsessive compulsive disorder), functional impairment is presumed to be due to the psychiatric diagnosis, unless:
    - (i) The severity, frequency, duration or characteristics of symptoms contributing to the functional impairment cannot be attributed to the qualifying mental health diagnosis; or
    - (ii) The assessor can demonstrate, based on a historical or prospective period of treatment, that the functional impairment is present only when the person is abusing substances or experiencing symptoms of withdrawal from substances.
- (2) For all other mental disorders not covered above, functional impairment is presumed to be due to the co-occurring substance use unless:
- (a) The symptoms contributing to the functional impairment cannot be attributed to the substance abuse disorder; or
  - (b) The functional impairment is present during a period of cessation of the co-occurring substance use of at least thirty (30) days; or
  - (c) The functional impairment is present during a period of at least ninety (90) days of reduced use and is unlikely to cause the symptoms or level of dysfunction.
- d. Process for completion of final SMI determination
- i. The T/RBHA must develop and make available to the provider policies and procedures that describe the provider's requirements for submission of information for the final SMI eligibility determination.
  - ii. The licensed psychiatrist, psychologist, or psychiatric nurse practitioner designated by the T/RBHA or ADHS/DBHS Designee must make a final determination as to whether the person meets the eligibility requirements for SMI status based on:

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- (1) A face-to-face assessment or reviewing a face-to-face assessment by a qualified assessor (see [Policy 405, Credentialing and Recredentialing](#)); and
  - (2) A review of current and historical information, if any, obtained orally or in writing by the assessor from collateral sources, and/or present or previous treating clinicians.
- iii. The following must occur if the designated reviewing psychiatrist, psychologist, or psychiatric nurse practitioner has not conducted a face-to-face assessment and has a disagreement with the qualified assessor and/or the treating Behavioral Health Professional that cannot be resolved by oral or written communication):
- (1) Disagreement regarding diagnosis:
    - (a) Determination that the person does not meet eligibility requirements for SMI status must be based on a face to face diagnostic evaluation conducted by a designated psychiatrist, psychologist, or nurse practitioner. The resolution of (specific reasons for) the disagreement shall be documented in the person's comprehensive clinical record.
  - (2) Disagreement regarding functional impairment:
    - (a) Determination that the person does not meet eligibility requirements must be based upon a face-to-face functional evaluation conducted by a designated psychiatrist, psychologist, or nurse practitioner. The psychiatrist, psychologist, or nurse practitioner shall document the specific reason(s) for the disagreement in the person's comprehensive clinical record.
- iv. If there is sufficient information to determine SMI eligibility, the person shall be provided written notice of the SMI eligibility determination within three (3) business days of the initial meeting with the qualified assessor in accordance with the next section of this policy.
- e. Issues preventing timely completion of SMI eligibility determination
- i. The time to initiate or complete the SMI eligibility determination may be extended no more than 20 days if the person agrees to the extension and:
    - (1) There is substantial difficulty in scheduling a meeting at which all necessary participants can attend;
    - (2) The person fails to keep an appointment for assessment, evaluation or any other necessary meeting (see [Policy 104, Outreach, Engagement, Re-Engagement and Closure](#));
    - (3) The person is capable of, but temporarily refuses to cooperate in the preparation of the completion of an assessment or evaluation;
    - (4) The person or the person's guardian and/or designated representative requests an extension of time;
    - (5) Additional documentation has been requested, but has not yet been received; or
    - (6) There is insufficient functional or diagnostic information<sup>1</sup> to determine SMI eligibility within the required time periods.

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<sup>1</sup> Insufficient diagnostic information shall be understood to mean that the information available to the reviewer is suggestive of two or more equally likely working diagnoses, only one of which qualifies as

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- ii. . The T/RBHA or ADHS/DBHS designee must:
    - (1) Document the reasons for the delay in the person's eligibility determination record when there is an administrative or other emergency that will delay the determination of SMI status; and
    - (2) Not use the delay as a waiting period before determining SMI status or as a reason for determining that the person does not meet the criteria for SMI eligibility (because the determination was not made within the time standards).
  - iii. In situations in which the extension is due to insufficient information:
    - (1) The T/RBHA must indicate in policies and procedures made available to the provider who makes this designation for the T/RBHA. This designee shall request and obtain the additional documentation needed (e.g., current and/or past medical records) and/or perform or obtain any necessary psychiatric or psychological evaluations;
    - (2) The designated reviewing psychiatrist, psychologist, or nurse practitioner must communicate with the person's current treating clinician, if any, prior to the determination of SMI, if there is insufficient information to determine the person's level of functioning; and
    - (3) SMI eligibility must be determined within three (3) days of obtaining sufficient information, but no later than the end date of the extension.
  - iv. If the person refuses to grant an extension, SMI eligibility must be determined based on the available information. If SMI eligibility is denied, the person will be notified of his/her appeal rights and the option to reapply (see the next section of this policy).
  - v. If the evaluation or information cannot be obtained within the required time period because of the need for a period of observation or abstinence from substance use in order to establish a qualifying mental health diagnosis, , the person shall be notified that the determination may, with the agreement of the person, be extended for up to 90 (calendar) days.<sup>2</sup>
- f. Notification of SMI eligibility determination
- i. If the eligibility determination results in approval of SMI status, the SMI status must be reported to the person in writing, including notice of his/her right to appeal the decision (see [Policy 1804, Notice and Appeal Requirements \(SMI and Non-SMI/Non-Title XIX/XXI\)](#)).
  - ii. If the eligibility determination results in a denial of SMI status, the T/RBHA designee shall include in the notice above:
    - (1) The reason for denial of SMI eligibility (see [Policy Form 106.1, SMI Determination](#));

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SMI, and an additional piece of existing historical information or a face-to-face psychiatric evaluation is likely to support one diagnosis more than the other(s).

<sup>2</sup> This extension may be considered a technical re-application to ensure compliance with the intent of Rule. However, the person does not need to actually reapply. Alternatively, the determination process may be suspended and a new application initiated upon receipt of necessary information.

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- (2) The right to appeal (see [Policy 1801, Title XIX and Title XXI Notice and Appeal Requirements](#) , and [Policy 1804, Notice and Appeal Requirements \(SMI and Non-SMI/Non-Title XIX/XXI\)](#)).
  - (3) The statement that Title XIX/XXI eligible persons will continue to receive needed Title XIX/XXI covered services. In such cases, the person's behavioral health category assignment must be assigned based on criteria in [Policy 1601, Enrollment, Disenrollment and Other Data Submission](#).
- g. Re-enrollment or Transfer
- (1) If the person's status is SMI at disenrollment, at the end of an episode of care, or upon transfer from another T/RBHA, the person's status shall continue as SMI upon re-enrollment, opening of a new episode of care, or transfer.
- h. Review of SMI eligibility
- i. The T/RBHA must indicate in policies and procedures made available to the provider who makes this designation for the T/RBHA. A review of SMI eligibility made by the T/RBHA or ADHS/DBHS designee for individuals currently enrolled as a person with a SMI may be initiated by a T/RBHA or their contracted behavioral health providers:
    - (1) As part of an instituted, periodic review of all persons determined to have a SMI;
    - (2) When there has been a clinical assessment that supports that the person no longer meets the functional and/or diagnostic criteria; or
    - (3) As requested by an individual currently enrolled as a person with a SMI, or their legally authorized representative.
  - ii. A review of the determination may not be requested by the T/RBHA or their contracted behavioral health providers within six (6) months from the date an individual has been determined SMI eligible.
  - iii. If, as a result of a review, the person is determined to no longer meet the diagnosis and functional requirements for SMI status, the T/RBHA must ensure that:
    - (1) Services are continued depending on Title XIX/XXI eligibility, T/RBHA service priorities and any other requirements as described in [Policy 201, Covered Services, 901, Inter RBHA Coordination of Care](#) and [110, Special Populations](#).
    - (2) Written notice of the determination made on review with the right to appeal is provided to the affected person with an effective date of thirty (30) days after the date the written notice is issued.
- i. SMI Eligibility Determination Verification
- i. When a T/RBHA or its contracted providers are required to verify SMI Eligibility for individuals who have previously been determined SMI, but cannot locate the member's original SMI determination documentation, or when the SMI determination is outdated (more than 10 years old as required by AHCCCS for eligibility/enrollment for benefits), [Policy Form 106.2, SMI Eligibility Determination Verification](#) must be completed.
    - (1) The form does not replace Policy Form 106.1, SMI Determination, but enables the T/RBHA and providers to "verify" a member's current SMI eligibility.

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- ii. The form must be completed by a licensed psychiatrist, psychologist, or nurse practitioner, then submitted to the T/RBHA for approval. The T/RBHA is responsible for monitoring and validating the forms.
- iii. The T/RBHA must keep copies of the validated [Policy Form 106.2, SMI Determination Verification](#) in the member's medical record.

**4. REFERENCES:**

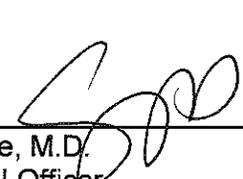
[42 CFR 435.911](#)  
[A.R.S.36-107](#)  
[A.R.S. Title 36, Chapter 5](#)  
[9 A.A.C. 21](#)  
[AHCCCS/ADHS Contract](#)  
[ADHS/RBHA Contracts](#)  
[ADHS/TRBHA IGAs](#)  
[Policy 104, Outreach, Engagement, Re-Engagement and Closure](#)  
[Policy 105, Assessment and Service Planning](#)  
[Policy 113, Special Assistance for Persons Determined to have Serious Mental Illness](#)  
[Policy 201, Covered Services](#)  
[Policy 405, Credentialing and Recredentialing](#)  
[Policy 1401, Confidentiality](#)  
[Policy 1601, Enrollment, Disenrollment, and Other Data Submission](#)  
[Policy 1801, Title XIX and Title XXI Notice and Appeal Requirements](#)  
[Policy 1802, Member Complaints](#)  
[Policy 1803, Conduct of Investigations for Persons with Serious Mental Illness](#)  
[Policy 1804, Notice and Appeal Requirements \(SMI and Non-SMI/Non-Title XIX/XXI\)](#)  
[DBHS Guidance Document Co-occurring Psychiatric and Substance Disorders](#)

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5. APPROVED BY:

  
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Division of Behavioral Health Services  
1/16/15  
Date

  
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Steven Dingle, M.D.  
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Division of Behavioral Health Services  
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Date