

**NOTICE OF FINAL RULEMAKING**

**TITLE 9. HEALTH SERVICES**

**CHAPTER 22. ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM**

**ADMINISTRATION**

**PREAMBLE**

**1. Article, Part, or Section Affected (as applicable) Rulemaking Action:**

Article 3	New Article
R9-22-301	Reserved
R9-22-302	Reserved
R9-22-303	New Section
R9-22-502	Amend
R9-22-703	Amend
R9-22-1407	Amend
R9-22-1501	Amend
R9-22-1910	New Section
R9-22-2007	Amend

**2. Citations to the agency's statutory rulemaking authority to include both the authorizing statute (general) and the implementing statute (specific):**

Authorizing statute: A.R.S. § 36-2903.01

Implementing statute: A.R.S. § 36-2903(A)

**3. The effective date of the rule:**

The agency selected an effective date of 60 days from the date of filing with the Secretary of State as specified in A.R.S. § 41-1032(A), but no later than December 31, 2013.

**4. Citations to all related notices published in the Register to include the Register as specified in R1-1-409(A) that pertain to the record of the final rulemaking package:**

Notice of Rulemaking Docket Opening: 19 A.A.R. 1455, May 31, 2013

Notice of Proposed Rulemaking: 19 A.A.R. 1409, May 31, 2013

**5. The agency's contact person who can answer questions about the rulemaking:**

Name: Mariaelena Ugarte  
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**6. An agency's justification and reason why a rule should be made, amended, repealed or renumbered, to include an explanation about the rulemaking:**

42 CFR 435.914 requires the Administration to provide Prior Quarter (PQ) eligibility. PQ eligibility is when a person who applies for AHCCCS may also qualify in any one of the three previous months prior to application. A.R.S. § 36-2903 (A) provides reimbursement responsibility for care provided during an eligibility period. Currently, the Administration is waived from providing PQ eligibility. The waiver does not require the Administration to provide eligibility in any of the three previous months prior to application, and this waiver expires December 31, 2013. Therefore, the Administration will begin to process eligibility for the PQ period effective January 1, 2014.

**7. A reference to any study relevant to the rule that the agency reviewed and either relied on or did not rely on in its evaluation of or justification for the rule, where the public may obtain or review each study, all data underlying each study, and any analysis of each study and other supporting material:**

A study was not referenced or relied upon when implementing PQ eligibility.

**8. A showing of good cause why the rulemaking is necessary to promote a statewide interest if the rulemaking will diminish a previous grant of authority of a political subdivision of this state:**

Not applicable.

**9. A summary of the economic, small business, and consumer impact:**

The Administration anticipates a potential moderate economic impact on the implementing agency, small businesses and consumers. The extended eligibility period associated with PQ is estimated to result in payment of approximately \$13.5 million for covered services provided during PQ in calendar year 2014. Approximately 500,000 members are anticipated to qualify for PQ given legislative approval of the Governors Medicaid Restoration Plan. AHCCCS estimates a substantial reduction in payments associated with PQ eligibility during SFY 2014 attributable to increased AHCCCS enrollment and less churn in eligibility.

**10. A description of any changes between the proposed rulemaking, to include supplemental notices, and the final rulemaking:**

No significant changes were made between the proposed rulemaking and the final rulemaking. Technical and grammatical changes have been made.

**11. An agency's summary of the public or stakeholder comments made about the rulemaking and the agency response to the comments:**

The following comment was received as of the close of the comment period of July 1, 2013.

On June 6, 2013, received the following written comment from Alexa Lawrence, Elder Law Benefits Processor with JacksonWhite Elder Law Attorneys.

If prior quarter is initiated in January 2014, would ALTCS pay for long term care services three months prior to the application month (such as in a nursing home) OR will it only cover acute care services three months prior to the application month?

Will it be mandatory for the applicant to provide financial information for the three months prior to the application month OR can they opt out of prior quarter coverage?

Administration's response:

It is not mandatory to apply for prior quarter eligibility. The first available month for PQ eligibility would be no earlier than January 2014 for eligibility applications initiated Feb. 2014. The applicant must be both financially and medically eligible in each of the prior

quarter months in order to be approved for ALTCS in those months. Both nursing facility services and acute care services could potentially be covered depending upon what information/services are provided.

**12. All agencies shall list other matters prescribed by statute applicable to the specific agency or to any specific rule or class of rules. Additionally, an agency subject to Council review under A.R.S. §§ 41-1052 and 41-1055 shall respond to the following questions:**

No other matters are applicable.

**a. Whether the rule requires a permit, whether a general permit is used and if not, the reasons why a general permit is not used:**

The rule does not require a permit.

**b. Whether a federal law is applicable to the subject of the rule, whether the rule is more stringent than federal law and if so, citation to the statutory authority to exceed the requirements of federal law:**

The rule is not more stringent than federal law.

**c. Whether a person submitted an analysis to the agency that compares the rule's impact of the competitiveness of business in this state to the impact on business in other states:**

No analysis was submitted.

**13. A list of any incorporated by reference material as specified in A.R.S. § 41-1028 and its location in the rule:**

None

**14. Whether the rule was previously made, amended or repealed as an emergency rule. If so, cite the notice published in the Register as specified in R1-1-409(A). Also, the agency shall state where the text was changed between the emergency and the final rulemaking packages:**

Not applicable.

**15. The full text of the rules follows:**

**NOTICE OF FINAL RULEMAKING**  
**TITLE 9. HEALTH SERVICES**  
**CHAPTER 22. ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM**  
**ADMINISTRATION**

**ARTICLE 3. ~~REPEALED~~ GENERAL ELIGIBILITY REQUIREMENTS**

Section

R9-22-301. ~~Repealed~~ Reserved

R9-22-302. ~~Repealed~~ Reserved

R9-22-303. ~~Repealed~~ Prior Quarter Eligibility

**ARTICLE 5. GENERAL PROVISIONS AND STANDARDS**

Section

R9-22-502. Pre-existing Conditions

**ARTICLE 7. STANDARDS FOR PAYMENTS**

Section

R9-22-703. Payments by the Administration

**ARTICLE 14. AHCCCS MEDICAL COVERAGE FOR FAMILIES AND INDIVIDUALS**

Section

R9-22-1407. Deceased Applicants

**ARTICLE 15. AHCCCS MEDICAL COVERAGE FOR PEOPLE WHO ARE AGED,  
BLIND, OR DISABLED**

Section

R9-22-1501. General Information

**ARTICLE 19. FREEDOM TO WORK**

Section

R9-22-1910. ~~Repealed~~ Prior Quarter Eligibility

**ARTICLE 20. BREAST AND CERVICAL CANCER TREATMENT PROGRAM**

Section

R9-22-2007. Effective and End Date of Eligibility

**ARTICLE 3. REPEALED GENERAL ELIGIBILITY REQUIREMENTS**

**R9-22-301. Repealed Reserved**

**R9-22-302. Repealed Reserved**

**R9-22-303. Repealed Prior Quarter Eligibility**

**A.** Prior Quarter eligibility shall be effective no earlier than January 1, 2014. An applicant may be eligible during any of the three months prior to application if the applicant:

1. Received one or more covered services described in 9 AAC 22, Article 2 and Article 12, and 9 AAC 28, Article 2 during the month ; and
2. Would have qualified for Medicaid at the time services were received if the person had applied regardless of whether the person is alive when the application is made.

**B.** The Prior Quarter requirements do not apply to:

1. Qualified Medicare Beneficiaries
2. KidsCare

## ARTICLE 5. GENERAL PROVISIONS AND STANDARDS

### **R9-22-502. Pre-existing Conditions**

- A. ~~Except as otherwise provided in Article 2 of this Chapter, a contractor shall be responsible for providing the full scope of covered services to each member from the effective date of eligibility until the termination of enrollment or transfer of the member to another contractor.~~  
A contractor shall not impose a pre-existing condition exclusion with respect to covered services.
- B. No change

## ARTICLE 7. STANDARDS FOR PAYMENTS

### **R9-22-703. Payments by the Administration**

**A.** No change

**B.** No change

1. No change

a. No change

b. No change

c. No change

2. No change

a. No change

b. No change

3. No change

a. No change

b. No change

4. No change

**C.** No change

1. No change

2. No change

a. No change

b. No change

c. No change

3. No change

4. No change

5. No change

**D.** No change

1. No change

a. No change

b. No change

- c. No change
- 2. No change
- 3. No change

**E.** No change

- 1. No change
- 2. No change
  - a. No change
  - b. No change
  - c. No change
  - d. No change
  - e. No change
  - f. No change
  - g. No change
  - h. No change
  - i. No change
  - j. No change
  - k. No change
  - l. No change
  - m. No change
  - n. No change
  - o. No change
- 3. No change
  - a. No change
  - b. No change
  - c. No change
  - d. No change
  - e. No change
  - f. No change
  - g. No change
  - h. No change

- i. No change
- j. No change
- k. No change
- 4. No change
  - a. No change
  - b. No change
  - c. No change
  - d. No change
- 5. No change

**F.** No change

- 1. No change
- 2. No change
- 3. No change
- 4. No change

**G.** No change

**H.** Prior quarter reimbursement. A provider shall:

- 1. Bill the Administration for services provided during a prior quarter eligibility period upon verification of eligibility or upon notification from a member of AHCCCS eligibility.
- 2. Reimburse a member when payment has been received from the Administration for covered services during a prior quarter eligibility period. All funds paid by the member shall be reimbursed.
- 3. Accept payment received by the Administration as payment in full.

## **ARTICLE 14. AHCCCS MEDICAL COVERAGE FOR FAMILIES AND INDIVIDUALS**

### **R9-22-1407. Deceased Applicants**

A. No change

B. The Administration or Administration's designee shall complete an eligibility determination on an application filed on behalf of a deceased applicant, ~~if the application is filed in the same month as the applicant's death.~~

**ARTICLE 15. AHCCCS MEDICAL COVERAGE FOR PEOPLE WHO ARE AGED,  
BLIND, OR DISABLED**

**R9-22-1501. General Information**

**A.** No change

1. No change
2. No change

**B.** No change

**C.** No change

**D.** No change

1. No change
2. No change
3. No change
4. No change
5. No change
6. No change
7. No change

**E.** No change

1. No change
2. No change
  - a. No change
  - b. No change
  - c. No change
3. No change
  - a. No change
  - b. No change

**F.** Eligibility effective date. Eligibility is effective on the first day of the month that all eligibility requirements are met, ~~but no earlier than the month of application.~~ including the period described under R9-22-303.

**G.** No change

1. No change

2. No change

a. No change

b. No change

c. No change

d. No change

e. No change

f. No change

3. No change

a. No change

b. No change

c. No change

d. No change

e. No change

f. No change

**H.** No change

1. No change

a. No change

b. No change

c. No change

d. No change

e. No change

f. No change

g. No change

h. No change

2. No change

- a. No change
- b. No change
- c. No change
- d. No change
- 3. No change
  - a. No change
  - b. No change
  - c. No change
  - d. No change
  - e. No change
- 4. No change
- 5. No change
- 6. No change

**I.** No change

**J.** No change

- 1. No change
- 2. No change
- 3. No change

**K.** No change

- 1. No change
  - a. No change
  - b. No change
  - c. No change
  - d. No change
  - e. No change
  - f. No change
  - g. No change
- 2. No change
- 3. No change

- a. No change
  - i. No change
  - ii. No change
- b. No change
- c. No change
- d. No change
- e. No change
- f. No change

**L.** No change

- 1. No change
- 2. No change
- 3. No change

**M.** No change

## ARTICLE 19. FREEDOM TO WORK

### **R9-22-1910. ~~Repealed~~ Prior Quarter Eligibility**

A person may be made eligible during a prior quarter period when applying for the Freedom to Work program, as described under Article 3.

## ARTICLE 20. BREAST AND CERVICAL CANCER TREATMENT PROGRAM

### **R9-22-2007. Effective and End Date of Eligibility**

- A. Eligibility is effective on the first day of the month that all eligibility requirements are met, including the period described under R9-22-303.

The effective date of eligibility is the later of:

1. ~~The first day of the month in which a application is made; or~~
2. ~~The first day of the first month the woman meets all the eligibility requirements in this Article.~~

B. No change

1. No change
2. No change
3. No change