



NOTICES OF PUBLIC INFORMATION

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NOTICE OF PUBLIC INFORMATION

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM - ADMINISTRATION

1115 RESEARCH AND DEMONSTRATION WAIVER RENEWAL REQUEST

[M20-41]

1. Name of the Agency:

Arizona Health Care Cost Containment System Administration (AHCCCS)

2. The public information:

AHCCCS 1115 Research and Demonstration Waiver Renewal Request

Pursuant to 42 C.F.R 431.408, the Arizona Health Care Cost Containment System (AHCCCS), Arizona’s Medicaid Agency, gives notice of its intent to file an application with Centers for Medicare and Medicaid Services (CMS) to request a five year renewal of Arizona’s 1115 Research and Demonstration Waiver. Arizona’s existing Demonstration Waiver is currently approved through September 30, 2021, and the application is seeking a renewal period from October 1, 2021 through September 30, 2026.

Arizona attributes its continuing innovation and success during the past decades to its operation as a Demonstration Project under Section 1115 of the Social Security Act. Renewed every five years, Arizona’s Demonstration Projects include exemptions from particular provisions of the Social Security Act and also include expenditure authority permitting federal financial participation for State expenditures that would not otherwise qualify for federal participation. Moreover, Demonstration Projects, including Arizona’s, must establish budget neutrality where Medicaid costs to the federal government are not expected to exceed costs to the federal government in the absence of the Demonstration. CMS approval of Arizona’s Demonstration renewal application will continue the successes of Arizona’s unique Medicaid Program and statewide managed care model, extending authority for Arizona to implement programs including, but not limited to:

- Mandatory managed care
• Home and community-based services for people in the long term care program (ALTCS)
• Administrative simplifications that reduce inefficiencies in eligibility
• Integrated health plans for AHCCCS members
• Payments to providers participating in the Targeted Investments Program
• AHCCCS Works
• Waiver of Prior Quarter Coverage for specific populations

In addition to renewing current waiver and expenditure authorities, AHCCCS is seeking new authority to implement the following changes to the Demonstration:

- Authority to permit verbal consent in lieu of written signature for up to 30 days for care and treatment documentation for ALTCS members when identity is reliably established and documented in the member’s record.
• Authority to reimburse traditional healing services provided in, at, or as part of services offered by facilities and clinics operated by the Indian Health Service (IHS), a Tribe or Tribal organization, or an Urban Indian health program (I/T/U).
• Authority to reimburse IHS and Tribal 638 facilities for the cost of adult dental services that are eligible for 100% federal financial participation (FFP), that exceed the \$1,000 emergency dental limit for adult members eligible under Arizona’s State Plan and the \$1,000 dental limit for individuals age 21 or older enrolled in the ALTCS program.

I. Proposed Delivery System under the Demonstration

Under this renewal proposal, Arizona will continue to operate its successful managed care program. In Arizona, Medicaid managed care was adopted across all populations and service areas, including long-term care services and supports, behavioral health services, and dual eligible members. Non-qualified aliens whose benefits are limited to treatment of emergency conditions under section 1903(v) of the Social Security Act are not enrolled in the managed care delivery system. Also, American Indians and Alaskan Natives are not required to enroll in the managed care delivery system although individuals may opt to participate.

In general, populations participating in the managed care program have a choice of managed care entities within each geographic service area designated by the State. Some individuals designated to have a serious mental illness are restricted to a single managed care entity in each geographic service area. Beneficiaries in the ALTCS program serving individuals with developmental disabilities are restricted to one state-wide managed care entity for long term care services and supports, but offered the choice of two managed care plans for physical and behavioral health services. Beneficiaries in the ALTCS program serving individuals who are elderly or have physical disabilities are offered a choice of managed care entity in Maricopa, Pinal, Gila and Pima counties but are



limited to one managed care entity in the remaining eleven counties of the state. Foster children are restricted to a single managed care entity.

In addition, AHCCCS proposes renewing the Targeted Investments Program from 2021 through 2026. Building on the successes and lessons learned from the current waiver, Arizona's Targeted Investments program will continue to drive the transformation of Arizona's delivery system toward an integrated whole person health delivery system.

II. Proposed Eligibility Requirements under the Demonstration

Under this renewal proposal all current AHCCCS eligibility groups will continue to be covered. Arizona's Demonstration also authorizes several expenditure authorities that streamline the eligibility processes, making the process more efficient. Arizona is seeking to renew those authorities. With the exception of those waivers, the eligibility requirements for most members enrolled in the managed care delivery system are set forth in Arizona's State Plan. Eligibility requirements for Long Term Care Services and Supports (including Home and Community Based Services) will remain unchanged from Arizona's Demonstration: individuals must be at risk of needing care at the nursing facility or ICF-IID level and must have income at or below 300% of the Federal Benefit Rate.

In addition to those administrative simplification authorities, Arizona's Demonstration authorizes AHCCCS to limit retroactive coverage to the first day of the month of application for all Medicaid members, except for pregnant women, women who are 60 days or less postpartum, and children under 19 years of age. Pregnant women, women who are 60 days or less postpartum, and children under the age of 19 are eligible for Medicaid coverage for up to three months prior to the month in which their application was submitted.

Arizona's current Demonstration also authorizes the AHCCCS Works program. The AHCCCS Works program requires able-bodied AHCCCS members between the ages of 19 and 49 who do not qualify for an exemption to meet the following activities or combination of activities for at least 80 hours per month: be employed, actively seeking employment, attending school (less than full time), participating in other employment readiness activities (i.e. job skills training, life skills training, and health education), and/or engaging in community service. Failure to report at least 80 hours of qualifying community engagement activity for any month after the orientation period will result in the suspension of the member's AHCCCS coverage for two months, unless the member requests (1) a good cause exemption for failing to comply with the requirements; or (2) appeals the suspension. A member whose eligibility is suspended for failing to comply with the community engagement requirements will have his or her eligibility automatically reinstated at the expiration of the two month suspension period as long as he or she meets all other AHCCCS eligibility criteria. Under this waiver renewal, AHCCCS is seeking to maintain its current authority to implement the AHCCCS Works program.

III. Proposed Benefit Coverage under the Demonstration

Under this proposal all current benefits will continue to be covered. All acute care members have access to the same benefit package regardless of the managed care plan selected for enrollment. Similarly, all ALTCS members have access to the same benefit package across all managed care plans.

Through this renewal application, AHCCCS seeks to continue its existing expenditure authorities regarding certain services not covered (or not coverable) under the State Plan. This includes \$1,000 in dental services for ALTCS members and certain home and community based services: respite care, habilitation services, home delivered meals, home modifications, and personal care services and similar services provided under the Spouse as Paid Caregiver program.

Under this renewal request, AHCCCS is seeking new authority to reimburse traditional healing services provided in, at, or as part of services offered by facilities and clinics operated by the IHS, a Tribe or Tribal organization, or an I/T/U. The purpose of this request is to provide culturally appropriate options for AHCCCS members who elect to maintain and sustain health and wellness through traditional healing modalities made available at, in, or as part of services offered by a facility and clinics that provide or arrange for such services.

To enhance service delivery for ALTCS members, AHCCCS is requesting new waiver authority to allow for verbal consent in lieu of written signature for up to 30 days for care and treatment documentation for ALTCS members when identity can be reliably established and documented in the member's record.

Also, in an effort to reduce health care disparities in the AI/AN population, AHCCCS is seeking new authority to provide dental benefits in excess of the currently established emergency dental benefit which is limited to \$1,000 per year under the Arizona State Plan for AHCCCS AI/AN members receiving services provided in, at, or as part of services offered by facilities and clinics operated by the IHS, a Tribe or Tribal organization, or an I/T/U.

IV. Proposed Cost Sharing Requirements under the Demonstration

AHCCCS did not implement the AHCCCS CARE program during the current waiver period, and does not intend to include this program under this waiver renewal request. Cost sharing requirements for persons impacted by Arizona's Demonstration are defined in the Arizona State Plan.

V. Estimate Proposed Annual Enrollment & In Annual Aggregate Expenditure

	Historical Data (Current Waiver Period)				
	FFY 2017	FFY 2018	FFY 2019	FFY 2020	FFY 2021
Total Enrollment	1,801,373	1,749,011	1,738,480	1,850,973	1,934,089
Total Expenditure (in billions)	\$11.7	\$12.3	\$13.0	\$14.2	\$16.6

Discontinued Expenditure Authority:

	Expenditure for Current Waiver Period				
	FFY 2017	FFY 2018	FFY 2019	FFY 2020	FFY 2021
Phoenix Children's Hospital Safety Net Care Pool	95,000,000	22,500,000	-	-	-

Note: The current Demonstration includes expenditure authority for uncompensated care payments under the Safety Net Care Pool (SNCP) to Phoenix Children’s Hospital. This authority to make SNCP payments to Phoenix Children’s Hospital expired on December 31, 2017.

	Demonstration Renewal Period				
	FFY 2022	FFY 2023	FFY 2024	FFY 2025	FFY 2026
Total Projected Enrollment	1,976,833	2,016,370	2,056,697	2,097,831	2,139,788
Total Projected Expenditure (in billions)	\$18.5	\$19.4	\$20.3	\$21.2	\$22.2

New Expenditure Authorities:

	Demonstration Renewal Period Projected Expenditure for New Authorities				
	FFY 2022	FFY 2023	FFY 2024	FFY 2025	FFY 2026
Targeted Investments 2.0	18,500,000	36,000,000	48,000,000	36,000,000	21,500,000
Traditional Healing	21,723,600	21,723,600	21,723,600	21,723,600	21,723,600
HB 2244 American Indian Adult Dental	74,200	97,500	103,300	114,800	121,100

Note: The budget neutrality and funding assumptions will continue to change throughout the course of the waiver negotiations and as new budget data becomes available. The estimated enrollment and expenditures for 2021 through 2026 reflect the proposed changes to the Demonstration. AHCCCS did not implement the AHCCCS CARE program during the current waiver period, and does not intend to include this program under this waiver renewal request. Therefore, the AHCCCS CARE program has not resulted in any changes in expenditure or enrollment for Arizona’s Demonstration. Lastly, AHCCCS anticipates no changes in expenditure or enrollment for Arizona’s waiver request to permit verbal consent in lieu of written signature for up to 30 days for care and treatment documentation for ALTCS members.

VI. Hypothesis and Evaluation Parameters of the Demonstration

AHCCCS will test the following objectives and hypotheses under the proposed Demonstration.

Objectives	Proposed Hypotheses	Potential Approaches
AHCCCS Complete Care (ACC)		



Objectives	Proposed Hypotheses	Potential Approaches
<p>The ACC Demonstration will provide quality healthcare to members, ensuring access to care for members, maintaining or improving member satisfaction with care, and continuing to operate as a cost-effective managed care delivery model within the predicted budgetary expectations.</p>	<p>Health plans will encourage and/or facilitate care coordination among primary care practitioners (PCPs) and behavioral health practitioners.</p>	<p>Data will be drawn from a variety of sources including:</p> <ul style="list-style-type: none"> ● Member survey ● State eligibility and enrollment data ● Claims/encounter data ● Administrative program data (PMMIS) ● T-MSIS ● National/regional benchmarks ● Key informant interviews & focus groups
	<p>Access to care will be maintained and enhanced as a result of the integration of behavioral and physical care.</p>	
	<p>Quality of care will be maintained or enhanced as a result of the integration of behavioral and physical care.</p>	
	<p>Member self-assessed health outcomes will be maintained or improved as a result of the integration of behavioral and physical care.</p>	
	<p>Member satisfaction with the health care received will be maintained or will increase as a result of the integration of behavioral and physical care.</p>	
	<p>The ACC program will provide cost-effective care.</p>	
<p>Arizona Long Term Care System (ALTCS)</p>		
<p>The ALTCS Demonstration will provide quality healthcare to members, ensuring access to care for members, maintaining or improving member satisfaction with care, and will continue to operate as a cost-effective managed care delivery model within the predicted budgetary expectations.</p>	<p>ALTCS health plans will encourage and/or facilitate care coordination among PCPs and behavioral health practitioners.</p>	<p>Data will be drawn from a variety of sources including:</p> <ul style="list-style-type: none"> ● Member survey ● State eligibility and enrollment data ● Claims/encounter data ● Administrative program data (PMMIS) ● T-MSIS ● National/regional benchmarks ● Key informant interviews & focus groups
	<p>Access to care will be maintained or expanded over the waiver Demonstration.</p>	
	<p>Quality of care will be maintained or enhanced over the waiver Demonstration.</p>	
	<p>Health outcomes for members enrolled in ALTCS will be maintained or improved during the Demonstration.</p>	
	<p>Quality of life for members will be maintained or enhanced over the waiver Demonstration.</p>	
	<p>ALTCS will provide cost-effective care.</p>	
<p>Verbal Consent In Lieu Of Written Signature For Person Centered Service Plans For ALTCS Members</p>		



Objectives	Proposed Hypotheses	Potential Approaches
<p>Obtaining verbal consent in lieu of written signature (for up to 30 days for LTSS services) for all care and treatment documentation when identity can be reliably established will ensure continued access to care for ALTCS members and maintain or improve member satisfaction with care.</p>	<p>Access to care will be maintained or increased during the Demonstration.</p>	<p>Data will be drawn from a variety of sources including:</p> <ul style="list-style-type: none"> ● Member survey ● State eligibility and enrollment data ● Claims/encounter data ● Administrative program data (PMMIS) ● T-MSIS ● National/regional benchmarks ● Key informant interviews & focus groups
	<p>Implementation of verbal consent in lieu of written signature will yield improved member satisfaction.</p>	
Comprehensive Medical and Dental Program (CMDP)		
<p>The CMDP Demonstration will provide quality healthcare to members, ensuring access to care for members, maintaining or improving member satisfaction with care, and will continue to operate as a cost-effective managed care delivery model within the predicted budgetary expectations.</p>	<p>CMDP will encourage and/or facilitate care coordination among PCPs and behavioral health practitioners.</p>	<p>Data will be drawn from a variety of sources including:</p> <ul style="list-style-type: none"> ● Member survey ● State eligibility and enrollment data ● Claims/encounter data ● Administrative program data (PMMIS) ● T-MSIS ● National/regional benchmarks ● Key informant interviews & focus groups
	<p>Access to care will be maintained or increased during the Demonstration.</p>	
	<p>Quality of care for members enrolled in CMDP will be maintained or enhanced during the Demonstration.</p>	
	<p>Health outcomes for members enrolled in CMDP will be maintained or improved during the Demonstration.</p>	
	<p>Member satisfaction with the health care received will be maintained or will increase during the Demonstration.</p>	
	<p>CMDP will provide cost-effective care.</p>	
Regional Behavioral Health Authorities (RBHA)		



Objectives	Proposed Hypotheses	Potential Approaches
<p>The RBHA demonstration will provide quality healthcare to members, ensuring access to care for members, maintaining or improving member satisfaction with care, and will continue to operate as a cost-effective managed care delivery model within the predicted budgetary expectations.</p>	<p>RBHAs will encourage and/or facilitate care coordination among PCPs and behavioral health practitioners.</p>	<p>Data will be drawn from a variety of sources including:</p> <ul style="list-style-type: none"> ● Member survey ● State eligibility and enrollment data ● Claims/encounter data ● Administrative program data (PMMIS) ● T-MSIS ● National/regional benchmarks ● Key informant interviews & focus groups
	<p>Access to care for members with an SMI enrolled in a RBHA will be maintained or increased during the Demonstration.</p>	
	<p>Quality of care for members with an SMI enrolled in a RBHA will be maintained or enhanced during the Demonstration.</p>	
	<p>Health outcomes for members with an SMI enrolled in a RBHA will be maintained or improved during the Demonstration.</p>	
	<p>Member satisfaction in RBHA health plans will be maintained or improved over the waiver Demonstration.</p>	
	<p>RBHAs will provide cost-effective care for members with an SMI.</p>	
<p>Targeted Investments Program</p>		



Objectives	Proposed Hypotheses	Potential Approaches
<p>The Targeted Investments Demonstration will continue to reduce fragmentation that occurs between acute care and behavioral health care, increase efficiencies in service delivery for members with behavioral health needs, and improve health outcomes for the affected populations.</p>	<p>The TI program will improve physical and behavioral health care integration for children.</p>	<p>Data will be drawn from a variety of sources including:</p> <ul style="list-style-type: none"> ● Member survey ● State eligibility and enrollment data ● Claims/encounter data ● Administrative program data (PMMIS) ● T-MSIS ● National/regional benchmarks ● Key informant interviews & focus groups
	<p>The TI program will improve physical and behavioral health care integration for adults.</p>	
	<p>The TI program will improve care coordination for AHCCCS-enrolled adults released from criminal justice facilities.</p>	
	<p>The TI program will provide cost-effective care.</p>	
	<p>Providers will increase the level of care integration over the course of the Demonstration.</p>	
	<p>Providers will conduct care coordination activities.</p>	
	<p>Providers will identify members' social service needs and successfully connect them to community based organizations that can address those needs.</p>	
<p>Supplemental Payments to IHS and 638 Providers</p>		
<p>Ensure the viability of the IHS and 638 systems for the provision of care and maintain or improve access to care to American Indians.</p>	<p>Implementing uncompensated care payments to IHS and 638 facilities will allow staffing levels to be maintained or increased.</p>	<p>Data will be drawn from a variety of sources including:</p> <ul style="list-style-type: none"> ● Member survey ● State eligibility and enrollment data ● Claims/encounter data ● Administrative program data (PMMIS) ● T-MSIS ● National/regional benchmarks ● Key informant interviews & focus groups
	<p>Uncompensated care payments to IHS and 638 facilities will increase capacity to provide care and services resulting in AHCCCS IHS members receiving health care services.</p>	
<p>Tribal Dental Benefit (HB 2244)</p>		



Objectives	Proposed Hypotheses	Potential Approaches
<p>AHCCCS members receiving services in IHS and 638 facilities will have improved access to dental services while maintaining or improving member outcomes/ experience.</p>	<p>The rate of dental visits will be maintained or improved in IHS and 638 facilities for AHCCCS members.</p>	<p>Data will be drawn from a variety of sources including:</p> <ul style="list-style-type: none"> ● Member survey ● State eligibility and enrollment data ● Claims/encounter data ● Administrative program data (PMMIS) ● T-MSIS ● National/regional benchmarks ● Key informant interviews & focus groups
	<p>Health outcomes of members will be maintained or improved.</p>	
	<p>Oral health disparities will be reduced for American Indian and Alaska Native members.</p>	
<p>Traditional Healing Services</p>		
<p>Traditional healing will ensure access to care for American Indian members while maintaining or improving member satisfaction with care.</p>	<p>Implementation of traditional healing services will yield improved member satisfaction.</p>	<p>Data will be drawn from a variety of sources including:</p> <ul style="list-style-type: none"> ● Member survey ● State eligibility and enrollment data ● Claims/encounter data ● Administrative program data (PMMIS) ● T-MSIS ● National/regional benchmarks ● Key informant interviews & focus groups
	<p>Traditional healing services will improve the health outcomes of members.</p>	
	<p>Availability of traditional healing services in allopathic primary care settings will increase the utilization of primary care services.</p>	
<p>AHCCCS Works</p>		



Objectives	Proposed Hypotheses	Potential Approaches
<p>The AHCCCS Works program will increase employment, employment opportunities, and activities to enhance employability, increase financial independence, and improve health outcomes of AHCCCS members.</p>	<p>The AHCCCS Works program will increase the rate of “able bodied adults” that are employed.</p>	<p>Data will be drawn from a variety of sources including:</p> <ul style="list-style-type: none"> ● Member survey ● State eligibility and enrollment data ● Claims/encounter data ● Administrative program data (PMMIS) ● T-MSIS ● National/regional benchmarks ● Key informant interviews & focus groups
	<p>The AHCCCS Works program will increase the rate of “able bodied adults” that are actively seeking employment.</p>	
	<p>The AHCCCS Works program will increase the rate of “able bodied adults” that are engaged in training or educational activities.</p>	
	<p>Current and former AHCCCS members subject to the community engagement requirement will have better health outcomes than members not subject to the requirement.</p>	
	<p>The AHCCCS Works program will increase the average household income of “able bodied adults” that are employed.</p>	
<p>Waiver of Prior Quarter Coverage</p>		
<p>The waiver of Prior Quarter Coverage will encourage members to obtain and continuously maintain/retain health coverage.</p>	<p>The implementation of the proposal will not adversely affect access to care.</p>	<p>Data will be drawn from a variety of sources including:</p> <ul style="list-style-type: none"> ● Member survey ● State eligibility and enrollment data ● Claims/encounter data ● Administrative program data (PMMIS) ● T-MSIS ● National/regional benchmarks ● Key informant interviews & focus groups
	<p>The implementation of the proposal will not reduce member satisfaction.</p>	
	<p>Members subject to waiver of Prior Quarter Coverage will not have adverse health outcomes.</p>	



VII. Waiver and Expenditure Authorities

The following table summarizes the current waiver provisions and whether AHCCCS is requesting to continue these provisions in this waiver renewal request.

Waiver/ CNOM	Title	Summarized Description	Status Under Extension
Waiver Authorities			
1.	Proper and Efficient Administration Section 1902(a)(4) (42 CFR 438.52, 438.56)	Permits AHCCCS to limit choice of managed care plans to a single managed care organization for individuals enrolled in the ALTCS, CMDP and RBHA programs (as detailed above). This authority also allows AHCCCS to restrict member disenrollment based on 42 CFR 438.56(d)(2)(v), which provides for disenrollment for causes including but not limited to, poor quality of care, lack of access to services covered under the contract, or lack of access to providers experienced in dealing with the enrollee's health care needs.	Continue
2.	Eligibility Based on Institutional Status Section 1902(a)(10)(A) (ii)(V) (42 CFR 435.217 and 435.236)	Allows AHCCCS to exclude hospitalized individuals and others in medical institutions for more than 30 days from automatically becoming eligible for long term care services if they do not meet the level of care standard for long term care. AHCCCS would otherwise be required to provide long term care services to acute care individuals with income up to 300% who may not be at risk of institutionalization but are in the hospital for more than 30 days.	Continue
3.	Amount, Duration, Scope of Services Section 1902(a)(10)(B) (42 CFR 440.240 and 440.230)	Permits the State to offer different/additional services based on different care arrangements for members receiving Spousal Caregiver Services. This authority also permits the State to offer coverage through MCOs that provide additional or different benefits to enrollees, than those otherwise available for other eligible individuals.	Continue
4.	Disproportionate Share Hospital (DSH) Payments Section 1902(a)(13) insofar as it incorporates section 1923	Allowed AHCCCS to operate Disproportionate Share Hospital (DSH) program under the waiver instead of the State Plan. On October 1, 2017, AHCCCS transferred the DSH program to the Medicaid State Plan. Therefore, this authority is no longer needed.	Discontinue
5.	Estate Recovery Section 1902(a)(18) (42 CFR 433.36)	Relieves AHCCCS from creating an estate recovery program for acute care enrollees age 55 and older who receive long term care services.	Continue
6.	Freedom of Choice Section 1902(a)(23)(A) (42 CFR 431.51)	Permits AHCCCS to operate a statewide mandatory managed care system. AHCCCS members are able to choose from at least two physicians within their health care plan. Other protections are in place to assure quality and continuity of care through policy, contract and standards. Additionally, this authority enables AHCCCS to impose a limitation on providers on charges associated with non-covered activities.	Continue



Waiver/ CNOM	Title	Summarized Description	Status Under Extension
7.	Drug Utilization Review Section 1902(a) (54) insofar as it incorporates section 1927(g) (42 CFR 456.700 through 456.725 and 438.3(s) (4) and (5))	Relieves the State from the requirements of section 1927(g) of the Act pertaining to drug use review.	Continue
8.	Premiums Section 1902(a)(14) insofar as it incorporates Sections 1916 and 1916A	Allows AHCCCS to impose monthly premiums for adult members enrolled in AHCCCS CARE. The State does not intend to include the AHCCCS CARE program under this waiver renewal request; therefore this authority is no longer required.	Discontinue
9.	Comparability Section 1902(a)(17)	Enables AHCCCS to vary the premiums and cost-sharing for members enrolled in the AHCCCS CARE program. The State does not intend to include the AHCCCS CARE program under this waiver renewal request; therefore this authority is no longer required.	Discontinue
10.	Provision of Medical Assistance 1902(a)(8) and (a)(10)	Allows AHCCCS to suspend eligibility for, and not make medical assistance available to, members subject to the AHCCCS Works community engagement requirements who fail to comply with those requirements.	Continue
11.	Eligibility Section 1902(a)(10)	Allows the AHCCCS to impose the AHCCCS Works community engagement and associated reporting requirements as a condition of eligibility.	Continue
12.	Retroactive Eligibility Section 1902(a)(10) and (a)(34)	Permits the State to limit retroactive coverage to the month of application for AHCCCS members, except for a pregnant woman (including during the 60-day period beginning on the last day of the pregnancy), an infant under age 1, or a child under age 19.	Continue
Expenditure Authorities			
Expenditures Related to Administrative Simplification and Delivery Systems			
1.	MCO Requirements (Companion to Waiver #1)	Allows MCOs who do not meet requirements of 1932(a)(3) (freedom of choice of MCOs) to operate one MCO for individuals enrolled in ALTCS, CMDP, and RBHA.	Continue
2.	MCO Requirements (Companion to Waiver #1)	Allows AHCCCS to automatically re-enroll a member into the same health plan as was previously enrolled if the member lost eligibility within 90 days. AHCCCS would otherwise only have two months to re-enroll a member into the same health plan pursuant to 42 CFR 438.56(g).	Continue
3.	MCO Requirements	Permits AHCCCS to contract with managed care entities that do not provide for payment for Indian health care providers as specified in section 1932(h) of the Act, when such services are not included within the scope of the managed care contract. In addition, this authority permits AHCCCS to make direct payments to IHS or Tribal 638 providers, which are offset from the managed care capitation rate.	Continue
4.	Outpatient Drugs (Companion to Waiver #7)	Permits AHCCCS to claim federal financial participation for outpatient drugs which are not otherwise allowable under section 1903(i)(10) of the Act that have not undergone a drug utilization review.	Continue



Waiver/ CNOM	Title	Summarized Description	Status Under Extension
5.	Direct Payments to Critical Access Hospitals	Permits direct payments to Critical Access Hospitals (CAH) for services provided to AHCCCS enrollees in the Acute Care and ALTCS managed care programs that are not consistent with the requirements of 42 CFR 438.60.	Continue
6.	Fee-For-Service Upper Payment Limit	Permits AHCCCS to claim federal financial participation for items and services provided to AHCCCS fee-for-service member that exceed the amounts allowable under section 1902(a)(30)(A) of the Act and the upper payment limitation and actual cost requirements of 42 CFR 447.250 through 447.280 (regarding payments for inpatient hospital and long-term care facility services), 447.300 through 447.321 (regarding payment methods for other institutional and non-institutional services) and 447.512 through 447.518(b) regarding payment for drugs) so long as those expenditures are in accordance with Special Term and Condition (STC) 91 entitled "Applicability of Fee-for-Service Upper Payment Limit."	Continue
7.	Disproportionate Share Hospital (Companion to Waiver #4)	Permits expenditures for inpatient hospital services that take into account the situation of hospitals with a disproportionate share of low-income patients but are not allowable under sections 1902(a)(13)(A) and 1923 of the Act, but are in accordance with the provisions for disproportionate share hospital (DSH) payments that are described in the STCs. On October 1, 2017, AHCCCS transferred the DSH program to the Medicaid State Plan. Therefore, this authority is no longer needed.	Discontinue
8.	HCBS Alternative Residential Settings	Permits expenditures for HCBS through ALTCS for those over 18 who reside in Alternative Residential Settings classified as residential Behavioral Health facilities. The primary focus of a licensed Behavioral Health Residential Facility (BHRF) is to provide clinical interventions with minimal personal care support, to treat a behavioral health issue(s) while promoting resident independence to transition into their own housing. Arizona's HCBS Rules Assessment concluded that BHRFs are clinical, treatment-based settings and transitional in nature, and therefore cannot be considered a HCBS. Therefore, BHRFs will be re-classified as an acute care behavioral health setting. However, BHRFs will continue to be available in the array of covered behavioral health benefits for ALTCS members.	Modification
Expenditures Related to Expansion of Existing Eligibility Groups based on Eligibility Simplification			
9a.	ALTCS Income Disregard	Permits AHCCCS to claim federal financial participation for medical assistance furnished to ALTCS enrollees who are eligible only as a result of the disregard from eligibility of income currently excluded under section 1612(b) of the Act, and medical assistance that would not be allowable for some of those enrollees but for the disregard of such income from post-eligibility calculations.	Continue



Waiver/ CNOM	Title	Summarized Description	Status Under Extension
9b.	300% of Federal Benefit Rate	Permits AHCCCS to claim federal financial participation for medical assistance furnished to ALTCS enrollees who are financially eligible with income equal to or less than 300 percent of the Federal Benefit Rate and who are eligible for ALTCS based on the functional, medical, nursing, and social needs of the individual.	Continue
9c.	Children/ Spouses in Separation	Permits AHCCCS to claim federal financial participation for medical assistance furnished to some dependent children or spouses who qualify for ALTCS based on a disregard of income and resources of legally responsible relatives or spouses during the month of separation from those relatives or spouses.	Continue
9d.	QMB, SLMB, QI-1, SSI MAO, ISM income disregard	Permits AHCCCS to claim federal financial participation for medical assistance furnished to individuals who are eligible as Qualified Medicare Beneficiary (QMB), Special Low Income Beneficiary (SLMB), Qualified Individuals-1(QI-1), or Supplemental Security Income Medical Assistance Only (SSI MAO) beneficiaries based only on a disregard of in-kind support and maintenance (ISM).	Continue
9e.	SSI-MAO	Permits AHCCCS to claim federal financial participation for medical assistance furnished to individuals who are eligible based only on an alternate budget calculation for ALTCS and SSI-MAO income eligibility determinations when spousal impoverishment requirements of section 1924 of the Act do not apply or when the applicant/recipient is living with a minor dependent child.	Continue
9f.	Disregard of Interest	Permits AHCCCS to claim federal financial participation for medical assistance furnished to individuals who are eligible only based on the disregard of interest and dividend from resources, and are in the following eligibility groups: i. The Pickle Amendment Group under 42 CFR 435.135; ii. The Disabled Adult Child under section 1634(c) of the Act; iii. Disabled Children under section 1902(a)(10)(A)(i)(II) of the Act; and iv. The Disabled Widow/Widower group under section 1634(d) of the Act.	Continue
9g.	Disregard of Interest	Permits AHCCCS to claim federal financial participation for medical assistance furnished to ALTCS enrollees under the eligibility group described in section 1902(a)(10)(A)(ii)(V) of the Act that exceeds the amount that would be allowable except for a disregard of interest and dividend from the post eligibility calculations.	Continue
9h.	Disregard of Excess Resources	Permits AHCCCS to claim federal financial participation for medical assistance provided to individuals who would be eligible but for excess resources under the “Pickle Amendment,” section 503 of Public Law 94-566; section 1634(c) of the Act (disabled adult children); or section 1634(b) of the Act (disabled widows and widowers).	Continue
9i.	Disregard of Quarterly Income Totaling Less than \$20	Permits AHCCCS to claim federal financial participation for medical assistance that would not be allowable but for the disregard of quarterly income totaling less than \$20 from the post-eligibility determination.	Continue



Waiver/ CNOM	Title	Summarized Description	Status Under Extension
10.	SSI Eligibility	Allows AHCCCS to extend eligibility past the timeframes specific in 42 CFR §435.1003 for demonstration participants who lose SSI eligibility for a period of up to 2-months from the SSI termination effective date.	Continue
11.	Medicare Part B Premiums	Permits AHCCCS to pay for Medicare Part B premiums on behalf of individuals enrolled in ALTCS with income up to 300 percent of the FBR who are also eligible for Medicare, but do not qualify as a QMB, SLMB or QI; are eligible for Medicaid under a mandatory or optional Title XIX coverage group for the aged, blind, or disabled (SSI-MAO); are eligible for continued coverage under 42 CFR 435.1003; or are in the guaranteed enrollment period described in 42 CFR 435.212 and the State was paying their Part B premium before eligibility terminated.	Continue
12.	ALTCS PAS	Allows AHCCCS to extend ALTCS eligibility to individuals under the age of 65 who meet the applicable financial criteria but are not disabled, but who are found to be at risk of needing nursing facility services based on medical illness or intellectual disability on the preadmission screening instrument.	Continue
13.	Home and Community Based Services	Permits AHCCCS to claim federal financial participation for expenditures associated with the provision of HCBS to individuals enrolled in ALTCS with income levels up to 300 percent of the SSI income level, as well as individuals enrolled in the ALTCS Transitional program.	Continue
Other Expenditure Authorities Related to Arizona’s Demonstration			
14.	HCBS Spouses as Paid Caregivers	Permits AHCCCS to claim federal financial participation for expenditures associated with the provision of paid caregiver services provided by spouses for eligible ALTCS members.	Continue
15.	ALTCS Adult Dental Benefit	Allows expenditures to provide certain dental services up to a cost of \$1,000 per person annually to individuals age 21 or older enrolled in the Arizona Long Term Care System.	Continue
16.	Safety Net Care Pool (SNCP)	Permits Safety Net Care Pool (SNCP) payments to Phoenix Children’s Hospital reflecting uncompensated care costs incurred by Phoenix Children’s Hospital, on or before December 31, 2017, for medical services that are within the scope of the definition of “medical assistance” under 1905(a) of the Act, that are provided to Medicaid eligible or uninsured individuals and that exceed the amounts paid to the hospital pursuant to section 1923 of the Act. This authority to make SNCP payments to Phoenix Children’s Hospital expired on December 31, 2017.	Discontinue
17.	Hospital Presumptive Eligibility for Pregnant Women	Allows expenditures for all state plan and Demonstration covered services for pregnant women during their hospital presumptive eligibility (HPE) period.	Continue
18.	I.H.S./638 Uncompensated Care	Permits payments to participating IHS and tribal 638 facilities for categories of care that were previously covered under the State Medicaid plan, furnished in or by such facilities.	Continue
19.	Targeted Investments Program	Allows expenditures to pay incentive payments to providers participating in the Targeted Investments Program as described in Arizona’s Demonstration.	Continue



Waiver/ CNOM	Title	Summarized Description	Status Under Extension
20.	Targeted Investments Program	Grants expenditure authority to AHCCCS to claim federal financial participation for expenditures made for certain designated state health programs (DSHP), not to exceed amounts specified in Arizona’s Demonstration, for the Targeted Investments Program.	Continue

The table below summarizes the new authorities AHCCCS is seeking under this waiver renewal proposal.

Proposed Demonstration	Waiver Authority Requested	Brief Description
Verbal Consent In Lieu Of Written Signature For Person Centered Service Plans For ALTCS Members	Section 1915(c) of the Social Security Act and 42 CFR 441.301(c)(2)(ix)	To the extent necessary to enable the State to waive requirements under home and community based service programs that require person-centered service plans to receive written consent from members and be signed by members and all providers responsible for its implementation and allow for verbal consent in lieu of written signature for up to 30 days for all care and treatment documentation when identity can be reliably established and documented in member’s record.
Traditional Healing Services	Section 1902(a)(B) of the Social Security Act and 42 CFR 440.240 (comparability)	To the extent necessary to enable the State to reimburse for traditional healing services for American Indian and Native Alaska members provided in, at, or as a part of services offered by facilities and clinics operated by the Indian Health Service, a Tribe or Tribal organization, or an Urban Indian health program.
Traditional Healing Services	Expenditure authority for services not covered under section 1905 of the Social Security Act	To the extent necessary to enable the State to claim FFP for the cost of traditional healing services provided in, at, or as a part of services offered by facilities and clinics operated by the Indian Health Service, a Tribe or Tribal organization, or an Urban Indian health program and receive 100 percent FFP.
Tribal Dental Benefit (HB 2244)	Section 1902(a)(B) of the Social Security Act and 42 CFR 440.240 (comparability)	To the extent necessary to enable the State to reimburse for dental services for American Indian and Native Alaska members provided in, at, or as a part of services offered by facilities and clinics operated by the Indian Health Service or a Tribe or Tribal organization.
Tribal Dental Benefit (HB 2244)	Expenditure authority for services not covered under section 1905 of the Social Security Act	To the extent necessary to enable the State to claim FFP to cover the cost of adult dental services that are eligible for 100% FFP, that are in excess of the \$1,000 emergency dental limit for adult members in Arizona’s State Plan and \$1,000 dental limit for individuals age 21 or older enrolled in the ALTCS program.

VIII. Public Comment Submission Process

All public hearings (also called community forums) where the public can provide comments and questions about the proposed waiver renewal request will be held electronically to promote social distancing and to mitigate the spread of COVID-19. The meetings will have online video streaming and telephonic conference capabilities to ensure statewide accessibility and will be held during the following times:

Community Forum Meeting #1

Date: October 14, 2020

Time: 1:30-3:30pm AZ time

Zoom Conference Link:

<https://ahcccs.zoom.us/j/95104437350?pwd=VEoyczlBcFJzeDd1dnYlQ1BQbW1sZz09>

Passcode: AHCCCS1#



Call-in Information: Dial (for higher quality, dial a number based on your current location): US: +1 408 638 0968 or +1 669 900 6833 or +1 253 215 8782 or +1 346 248 7799 or +1 312 626 6799 or +1 646 876 9923 or +1 301 715 8592 or 877 853 5257 (Toll Free) or 888 475 4499 (Toll Free)
Webinar ID: 951 0443 7350

Community Forum Meeting #2

Date: October 16, 2020

Time: 1:30-3:30pm AZ time

Zoom Conference Link:

<https://ahcccs.zoom.us/j/93579026861?pwd=QThoVkVqN1NXbXNsbmo1ShhZVkJVUUT09>

Passcode: AHCCCS2#

Call-in Information: Dial (for higher quality, dial a number based on your current location):

US: +1 253 215 8782 or +1 346 248 7799 or +1 408 638 0968 or +1 669 900 6833 or +1 646 876 9923 or +1 301 715 8592 or +1 312 626 6799 or 877 853 5257 (Toll Free) or 888 475 4499 (Toll Free)

Webinar ID: 930 8928 9712

Community Forum Meeting #3

Date: November 13, 2020

Time: 1:30-3:30 AZ time

Zoom Conference Link:

<https://ahcccs.zoom.us/j/93579026861?pwd=QThoVkVqN1NXbXNsbmo1ShhZVkJVUUT09>

Passcode: AHCCCS3#

Call-in Information: Dial (for higher quality, dial a number based on your current location):

US: +1 669 900 6833 or +1 253 215 8782 or +1 346 248 7799 or +1 408 638 0968 or +1 312 626 6799 or +1 646 876 9923 or +1 301 715 8592 or 888 475 4499 (Toll Free) or 877 853 5257 (Toll Free)

Webinar ID: 935 7902 6861

Arizona State Medicaid Advisory Committee (SMAC)

Date: October 21, 2020

Time: 1-3 pm AZ time

Zoom Conference Link:

<https://ahcccs.zoom.us/j/96486245677?pwd=YmQ2cFFmMUdsWmIvVmVvZEVKOVZ6Zz09>

Passcode: 4F?0\$2u@

Call-in Information: Dial (for higher quality, dial a number based on your current location):

US: +1 669 900 6833 or +1 253 215 8782 or +1 346 248 7799 or +1 408 638 0968 or +1 646 876 9923 or +1 301 715 8592 or +1 312 626 6799 or 888 475 4499 (Toll Free) or 877 853 5257 (Toll Free)

Webinar ID: 964 8624 5677

Special Tribal Consultation

Date: October 19, 2020

Time: 1-3 pm AZ time

Zoom Conference Link:

Registration: https://ahcccs.zoom.us/webinar/register/WN_7PPY1gJ9QxqkdO5BL1U5cw

Call-in Information: To connect via phone only: 1-877-853-5257 OR 1-888-475-4499 (US Toll-free)

Webinar ID: 923 6300 7953

Comments and questions about the proposed Demonstration application can also be submitted by e-mail to: waiverpublicinput@azahcccs.gov or by mail to: AHCCCS c/o Office of Intergovernmental Relations; 801 E. Jefferson Street, MD 4200, Phoenix, AZ 85034. All comments must be received by **November 30, 2020**. More information about the proposed waiver renewal, including the proposed waiver application and the full public notice and public input process, can be found on www.azahcccs.gov/WaiverRenewal