

January 14, 2026

The Honorable David Livingston
Chairman, Joint Legislative Budget Committee
1700 W. Washington
Phoenix, AZ 85007

Dear Senator Livingston:

Pursuant to A.R.S. 36-3415, AHCCCS is required to report annually to the Joint Legislative Budget Committee on each fiscal year's Medicaid and non-Medicaid behavioral health expenditures, including behavioral health demographics that include client income, utilization and expenditures, medical necessity oversight practices, tracking of high-cost beneficiaries, mortality trends, placement trends, program integrity, and access to services.

Please note that Table V was revised on 1/14/2026 to correct an error found after the report was delivered on 1/8/2026.

If you have any questions regarding the attached report, please feel free to contact Damien Carpenter, Chief Legislative Liaison, at (602) 396-0767.

Sincerely,



Virginia Rountree
Director

cc: The Honorable David Farnsworth, Vice Chairman, Joint Legislative Budget Committee
Ben Henderson, Director, Governor's Office of Strategic Planning and Budgeting
Richard Stavneak, Director, Joint Legislative Budget Committee
Meaghan Kramer, Health Policy Advisor, Office of the Governor



A.R.S. § 36-3415(B)
Annual Serious Mental Illness (SMI)
Report

For the Period:
State Fiscal Year (SFY) 2024
(July 1, 2023 – June 30, 2024)

September 2025

Annual Serious Mental Illness Report SFY 2024

Background

Arizona Revised Statute § 36-3415(B) requires the following report for members with a Serious Mental Illness (SMI) designation:

Behavioral health expenditures; annual report

B. The administration shall report annually to the joint legislative budget committee and the chairpersons of the health and human services committees of the senate and the house of representatives, or their successor committees. The report shall be in a substantially comparable format as the fiscal year 2014-2015 annual report of the Department of Health Services submitted pursuant to this section and shall include the following information relating to individuals living with serious mental illness:

- 1. Annual mortality. The administration and the department of health services shall enter into a data sharing agreement for the purposes of vital records information necessary for the report under this subsection.*
- 2. Complaints received from individuals with serious mental illness or their representatives regarding access to services by geographic service area and eligibility category.*
- 3. Enrollment by geographic service area and eligibility category.*
- 4. Demographics by geographic service area and eligibility category, including:*
 - a. Age.*
 - b. Gender.*
 - c. Race.*
 - d. Student status.*
 - e. Employment status.*
 - f. Percentage incarcerated in the preceding year.*
 - g. Percentage who are homeless.*
 - h. Type of disability, if the individual is deaf, hard of hearing or deafblind.*
- 5. Per capita expenditures by geographic service area and eligibility category for the following:*
 - a. The number receiving services.*
 - b. Per capita expenditures.*
 - c. The number receiving services and per capita costs per service category.*
- 6. Per capita expenditures by service type and eligibility category for the following:*
 - a. Support services.*
 - b. Inpatient services.*
 - c. Pharmacy.*
 - d. Rehabilitation services.*
 - e. Treatment services.*
 - f. Medical services.*
 - g. Crisis intervention services.*
- 7. Average length of stay and readmission rates by eligibility category for the following settings:*

Annual Serious Mental Illness Report SFY 2024

- a. *Level I.*
 - b. *Level I subacute.*
 - c. *Behavioral health residential facilities.*
- 8. *Beginning with information from state fiscal year 2022-2023 and annually thereafter, for individuals living with serious mental illness, by geographic service area:*
 - a. *The number of individuals who are on a waitlist maintained by the administration or its contractors for a type of housing and the length of time that each individual was on the waitlist.*
 - b. *The criteria and process that the administration or its contractors use to assign an individual to the housing waitlist or to move an individual up or down on the housing waitlist in prioritizing housing placement.*

Annual Serious Mental Illness Report SFY 2024

Executive Summary

In accordance with Laws 2022, Second Regular Session, Chapter 305, the Arizona Health Care Cost Containment System (AHCCCS) completed a review of enrolled members with a Serious Mental Illness (SMI) designation, ages 18 years and older, who received behavioral health services during State Fiscal Year (SFY) 2024 (July 1, 2023 – June 30, 2024).

For the purposes of this report, the term ‘members’ refers to members with an SMI designation. Medicaid-funded members are referred to as Title XIX/XXI eligible (Title XIX) members and members whose services are funded through local, state, and federal grants funds are referred to as non-Title XIX (NTXIX) members. Non-Title XIX members are individuals who do not qualify for Medicaid under Title XIX, including uninsured and underinsured populations, but still qualify for certain healthcare services that are funded through state-only or non-Medicaid sources such as federal block grants. Although most behavioral health services covered through Title XIX funding are also covered through non-Title XIX funding, the range of services for those not eligible for Title XIX can be more restricted and are not an entitlement to its members. The design of healthcare delivery for members with an SMI designation has been strategically transitioned in the last decade to an integrated physical and behavioral healthcare model throughout the system (i.e., State government, health plans, and provider levels). On April 1, 2014, an integrated SMI contract was awarded in Central Arizona (Gila, Maricopa, and Pinal counties) followed by Northern Arizona (Apache, Coconino, Mohave, Navajo, and Yavapai counties) and Southern Arizona (Cochise, Graham, Greelee, La Paz, Pima, Santa Cruz, and Yuma counties) beginning October 1, 2015.

AHCCCS and the Arizona Department of Health Services/Division of Behavioral Health Services (DBHS) merged effective July 1, 2016, and AHCCCS assumed the responsibility of this legislative report. Thus, results in this report cannot be directly compared to reports published before the fiscal year 2014-2015¹ annual report of the Arizona Department of Health Services (ADHS).

¹ <https://archive.azahcccs.gov/archive/Resources/Reports/Behavioral%20Health/2015-smi-annual-report.pdf>

Annual Serious Mental Illness Report SFY 2024

Introduction to AHCCCS members with Serious Mental Illness

A serious mental illness (SMI) is a mental, behavioral, or emotional disorder that significantly impairs a person's ability to function in daily life, generally requiring long-term treatment and support. People living with a serious mental illness often have substantial functional limitations that interfere with major life activities like work, relationships, and self-care as a result of their symptoms. Examples of SMI diagnoses include schizophrenia, schizoaffective disorder, and bipolar disorder, but other conditions such as major depressive disorder, severe anxiety disorders (including post-traumatic stress disorder (PTSD)), and borderline personality disorder can also be considered serious mental illnesses. AHCCCS has a process by which individuals can receive an SMI designation, which is determined by both a qualifying diagnosis and functional impairment criteria, that provides coverage for the receipt of specific services targeted for individuals with SMI.

Enrollment By Geographic Service Area and Eligibility Category

There were 62,770 members with an SMI designation enrolled in AHCCCS in SFY 2024. Table I exhibits the total count of enrolled members with an SMI designation by Geographic Service Area (GSA) which represents a 0.3% decrease in total enrollment (32,963 members) from SFY 2023. The highest number of members with an SMI designation reside in the Central GSA and are Title XIX eligible.

Table I –SFY 2024 Eligibility by Geographic Service Area²

GSA	Eligibility		Number of Enrolled SMI Members	Percentage of Statewide SMI Members
	NTXIX	TXIX		
Central	8,946	30,517	39,462	62.9%
North	1,557	6,064	7,621	12.1%
South	3,013	12,674	15,687	25.0%
Statewide	13,516	49,255	62,770	100.0%

Member Demographics

Table II indicates the median age, sex, and race/ethnicity of members statewide with an SMI designation. Statewide, females were indicated with greater frequency than males and the median age for all members with an SMI designation was 47 years old. The table also illustrates that over half of members (50.53%) identified their race/ethnicity as White/Caucasian and approximately one-third of members declined to identify their race/ethnicity as found in the Unknown/Unspecified category.

² Total Enrollment represents the total number of members with an SMI Designation enrolled at any point in time during the period SFY 2024.

Annual Serious Mental Illness Report SFY 2024

Table II – SFY 2024 Demographics by Geographic Service Area

SMI Demographic		Central	North	South	Statewide
Total Members		39,462	7,621	15,687	62,770
Median Age		46	50	50	47
Sex	Female	52.0%	55.0%	53.8%	52.8%
	Male	48.0%	45.0%	46.2%	47.2%
Race/ Ethnicity	Asian Indian	0.18%	0.07%	0.10%	0.14%
	Other Asian	0.15%	0.07%	0.07%	0.12%
	Asian/Pacific Islander	0.31%	0.16%	0.24%	0.28%
	Asian Unknown	0.04%	0.00%	0.04%	0.04%
	Black	10.34%	1.47%	5.37%	8.02%
	Chinese	0.05%	0.03%	0.07%	0.05%
	Caucasian/White	47.91%	57.66%	53.67%	50.53%
	Filipino	0.15%	0.10%	0.10%	0.13%
	Guam/Chamorro	0.02%	0.01%	0.03%	0.02%
	Native Hawaiian	0.04%	0.08%	0.06%	0.05%
	Hispanic	2.27%	0.94%	4.44%	2.65%
	Japanese	0.05%	0.07%	0.04%	0.05%
	Korean	0.07%	0.05%	0.08%	0.07%
	American Indian	3.49%	9.64%	3.21%	4.17%
	Native Hawaiian or Other Pacific Islander Unknown	0.01%	0.00%	0.01%	0.01%
	Other Pacific Islander	0.07%	0.05%	0.06%	0.07%
	Other	0.15%	3.46%	2.31%	1.09%
	Samoan	0.01%	0.01%	0.00%	0.00%
	Unknown/Unspecified	34.61%	26.09%	30.06%	32.44%
	Vietnamese	0.10%	0.04%	0.03%	0.08%

Table III includes various outcomes and demographic data for enrolled AHCCCS members with an SMI designation. In SFY 2024, 6.3% of members living with an SMI designation were identified as being incarcerated, a slight 1.6% increase from 6.4% in SFY 2023. This representation is higher than the percentage of the total adult population experiencing incarceration which is less than 1%³. During the same period, 14.9% of members with an SMI designation experienced homelessness, up from 12.4% in SFY 2023. There were more members in the Central GSA (17.7%) compared to the Northern and Southern GSAs. The number of members with an SMI designation experiencing homelessness is consistent with Arizona’s total overall population experiencing homelessness. As presented in the 2024 State of Homelessness report submitted by the Department of Economic Security, Arizona’s overall population has demonstrated an increase in the number of residents who are experiencing homelessness. It was

³ Arizona population in 2023 was 7, 525,113 according to the State of Arizona Office of Economic Opportunity. Total incarceration rates for the State of Arizona in 2023 was 51,390 adults. (Mang, Leah, (May 2023). Prison Policy Initiative. *Includes tribal incarceration facilities, federal, state, and private prisons, and members incarcerated under Title 13 Court Ordered Treatment.

Annual Serious Mental Illness Report SFY 2024

reported that as of January 2024, it was estimated that 14,737 Arizona residents were experiencing homelessness, which is a 3.5% increase from the January 2023 estimate of 14,237⁴. The Housing and Health Opportunities (H2O) Demonstration, part of the State's 1115 Medicaid waiver that was launched in October 2024, integrates housing and health care to expand services and improve outcomes for members with an SMI designation experiencing homelessness⁵. Employment percentages across GSAs and eligibility were all within three percentage points of the trends demonstrated statewide. Additionally, employment status among SMI members increased from 14.6% in SFY 2023 to 19.3% in SFY 2024, showing a 32.2% increase. The percentage of members who are deaf, hard of hearing, blind, and deaf-blind were also similar across the GSAs.

Table III – SFY 2024 Demographics -Outcomes and Disability

Demographic	Central	North	South	Statewide
Homeless ⁶	17.7%	6.7%	11.8%	14.9%
Incarcerated ⁷	8.5%	4.3%	1.8%	6.3%
Employment Status (% Employed) ⁸	20.4%	19.1%	17.1%	19.3%
Deaf ⁹	1.1%	1.1%	1.0%	1.1%
Hard of Hearing ⁶	1.0%	1.23%	1.00%	1.0%
Blind ⁶	1.4%	1.5%	1.4%	1.4%
Deaf-Blind ⁶	0.003%	0.00%	0.00%	0.002%

Per Capita Expenditures

This report describes the provision of behavioral health related services to members with a SMI designation who were enrolled and served during the reporting period. The expenditures listed in this report are not intended to directly correlate to any other AHCCCS reports. Table IV exhibits the overall per capita spend by GSA for members served with Title XIX or non-Title XIX funding. The per capita rate in the Central GSA trended \$1,893 higher than the statewide per capita rate, which is to be expected given the cost of living and differences in costs associated with the Central GSA. Rates for the Northern (\$13,393) and Southern (\$16,134) GSAs were lower than the combined statewide (\$19,586) level. The annual state per capita health expenditure rate was \$3,957 for non-Title XIX members and \$22,376 for Title XIX members¹⁰. The variation between total per capita expenditure for Title XIX and non-Title XIX members may be attributed

⁴ <https://des.az.gov/sites/default/files/dl/2024-Annual-Report-on-Homelessness.pdf>

⁵ [AHCCCS Housing and Health Opportunities \(H2O\) Demonstration](#)

⁶Homeless is defined by pulling all International Classification of Diseases, Tenth Edition, Clinical Modification (ICD-10-CM) "Z" diagnosis codes for 'housing instability' or 'homeless' as an address in AHCCCS eligibility data system (HEAplus), including addresses for known shelters throughout the state. AHCCCS is pursuing data sharing agreements with the Continuums of Care to access client-level data to improve reporting.

⁷ Incarcerated status is determined based on eligibility category in Health-e-Arizona Plus (HEAplus).

⁸Employment data is based on HEAplus reporting.

⁹ Based on encounter diagnosis codes using guidance from the National Center on Deaf-Blindness.

¹⁰ Rate based on a total of all expenditures by enrollment type divided by total number of members served.

Annual Serious Mental Illness Report SFY 2024

to non-Title XIX members having alternative resources available such as private insurance or other income resources and because the availability of non-Title XIX funding is limited by the amount allocated by state appropriation and federal grant programs.

Table IV – SFY 2024 Per Capita Expenditures by Geographic Service Area and Eligibility¹¹

GSA	SMI Eligibility	Members Served	Expenditures	Per Capita
Central	Non-Title XIX	13,332	\$54,520,054	\$4,089
	Title XIX	33,736	\$828,190,857	\$24,549
	Central Total	41,097	\$882,710,912	\$21,479
North	Non-Title XIX	2,030	\$8,510,915	\$4,193
	Title XIX	5,960	\$90,733,127	\$15,224
	North Total	7,410	\$99,244,042	\$13,393
South	Non-Title XIX	3,723	\$12,016,597	\$3,228
	Title XIX	12,692	\$233,406,267	\$18,390
	South Total	15,212	\$245,422,864	\$16,134
Statewide	Non-Title XIX	18,964	\$75,047,567	\$3,957
	Title XIX	51,498	\$1,152,330,251	\$22,376
	Statewide Total	62,667	\$1,227,377,817	\$19,586

Table V separates health services by type and highlights that treatment services and pharmacy services are the costliest service categories for the combined non-Title XIX and Title XIX members with an SMI designation. Inpatient services (\$19,073) for Title XIX members have the highest per capita rate by eligibility and statewide. When comparing the number of members served, around 90% of members with an SMI designation received medical and support services during the fiscal year.

Table V – SFY 2024 Total and Per Capita Expenditures by Service Type and Eligibility Category¹²

Service Categories	SMI Eligibility	Members Served	Expenditures	Per Capita
Support Services	Non-Title XIX	17,683	\$17,488,415	\$989
	Title XIX	45,606	\$137,719,541	\$3,020
	Total	56,445	\$155,207,956	\$2,750
Inpatient Services	Non-Title XIX	419	\$4,214,903	\$10,059
	Title XIX	9,894	\$188,710,396	\$19,073
	Total	10,216	\$192,925,299	\$18,885
Pharmacy	Non-Title XIX	8,148	\$18,861,676	\$2,315

¹¹ The data in this table represent the number of members served, i.e., members who received a service in one or more of the service categories listed, therefore the totals are not equal to the number of members enrolled. Also, a member's eligibility may change during the course of receiving services, which means that each line represents a unique number of members.

¹² The data in this table represent the number of members served, i.e., members who received a service in one or more of the service categories listed, therefore the totals are not equal to the number of members enrolled. Also, a member's eligibility may change during the course of receiving services.

Annual Serious Mental Illness Report SFY 2024

	Title XIX	30,187	\$166,713,400	\$5,523
	Total	36,094	\$185,575,076	\$5,141
Rehabilitation Services	Non-Title XIX	7,649	\$9,216,199	\$1,205
	Title XIX	27,967	\$67,221,011	\$2,404
	Total	33,843	\$76,437,210	\$2,259
Treatment Services¹³	Non-Title XIX	3,502	\$4,998,464	\$1,427
	Title XIX	33,871	\$412,304,925	\$12,173
	Total	36,439	\$417,303,389	\$11,452
Medical Services	Non-Title XIX	14,191	\$13,773,715	\$971
	Title XIX	46,221	\$140,951,486	\$3,050
	Total	56,268	\$154,725,200	\$2,750
Crisis Intervention Services	Non-Title XIX	2,600	\$6,494,195	\$2,498
	Title XIX	11,611	\$38,709,493	\$3,334
	Total	13,773	\$45,203,687	\$3,282
Total	Statewide	62,667¹⁴	\$1,227,377,817	\$19,586

Average Length of Stay and Readmission

Individuals with an SMI designation often use hospital care, sub-acute care, crisis services, or behavioral health residential facility (BHRF) care. Table VI provides data on the average length of stay and readmission rates for Level 1 Hospital Care, Level 2 Sub-acute facility care, and Behavioral Health Residential Facilities. Understanding stay lengths and readmission rates for the treatment levels can be used to help analyze the needs of Arizona's population with an SMI designation and facilitate post-discharge planning.

Behavioral Health Residential Facility (BHRF) is a level of care that requires prior authorization and cannot be billed on the same day as other levels of care including level 1 (hospitals) and level 2 (subacute) that are considered inpatient levels of care and some intensive community-based services. If a member receiving BHRF services requires a higher level of care setting for a short time for stabilization due to increased symptomology, they are discharged from the BHRF and admitted to the necessary higher level of care. Once their symptoms have stabilized, they may return to the BHRF or to a different level of care best suited to meet their unique needs. BHRF ranked highest for average length of stay (days) for both Title XIX (67.5 days) and non-Title XIX members (48.7 days) with an SMI designation. BHRFs had the highest readmission rate within 30 days for the Title XIX population (25.3%) in this reporting period, however, compared to SFY 2023, non-TXIX BHRF readmit rates have decreased almost 30 percentage points (from 44.5% to 14.8%) statewide. AHCCCS is evaluating the potential contributing factors for the decrease in BHRF readmission rates and increase in BHRF discharge rates. Potential contributing factors include community providers/stakeholders reported changes in Arizona Department of Health Services

¹³ The Treatment Services category includes outpatient services, residential services and behavioral health services that did not fall in the other categories.

¹⁴ The statewide total will not equal the summation of the categories in the table due to the duplication of distinct members that receive multiple service types. The total here reflects the total number of unique members served.

Annual Serious Mental Illness Report SFY 2024

(ADHS) licensing expectations for members with an SMI designation and for those with co-occurring SMI qualifying and dementia-related diagnoses, change of the ACC-RBHAs regarding services provided by BHRF and evaluating members more closely for possible duplicative services. AHCCCS has initiated an internal Clinical Standards Workgroup to discuss these factors and formulate potential solutions to address any existing barriers to care.

Table VI – SFY 2024 Statewide Average Length of Stay and Readmission Rates,^{15 16}

Treatment Level	SMI Eligibility	Average Length of Stay (Days)	Readmit %
Level I	Non-Title XIX	13.7	16.2%
	Title XIX	8.7	22.3%
	Statewide	8.1	19.4%
Level I Sub-Acute	Non-Title XIX	6.2	7.4%
	Title XIX	6.4	22.3%
	Statewide	5.7	19.3%
Behavioral Health Residential Facility (BHRF)	Non-Title XIX	48.7	14.8%
	Title XIX	67.5	25.3%
	Statewide	66.9	25.0%

Housing Wait List

AHCCCS leverages non-Title XIX General Fund and SMI housing trust fund appropriations to support the AHCCCS Housing Program (AHP). In 2021 AHCCCS transitioned responsibilities of management and administration of the AHP and all AHCCCS permanent supportive housing subsidies to a single Housing Administrator, the Arizona Behavioral Health Corporation (ABC). Historically, the housing programs and responsibilities were included in the contracts for AHCCCS Complete Care Contractors with a Regional Behavioral Health Agreement (ACC-RBHA). Housing Administration responsibilities include, but are not limited to, the acceptance of referrals from all AHCCCS programs and maintenance of the housing waitlist, housing quality inspections, legal compliance, verification of eligibility documentation, member briefings, subsidy payments, renewals, and housing reporting. Review and award of SMI Housing Trust Fund monies for capital projects for members with an SMI designation have remained with AHCCCS, including oversight and distribution of housing funds to the TRBHAs. Appendix A includes the criteria and process that the administration uses regarding the housing waitlist.

Table VII includes the number of individuals and number of days each were on the waitlist maintained by ABC as required per Arizona Revised Statute § 36-3415. The total number of members with an SMI designation on the waitlist has increased by 1,550 members compared to the total number reported in SFY 2023. While just over 0.5% of the SMI member population remained on the waitlist for less than a

¹⁵ Readmission was counted for member when the service occurred between three and thirty days after discharge.

¹⁶ Non-Title XIX members with an SMI designation are only eligible to receive certain medically necessary mental health and/or substance use services.

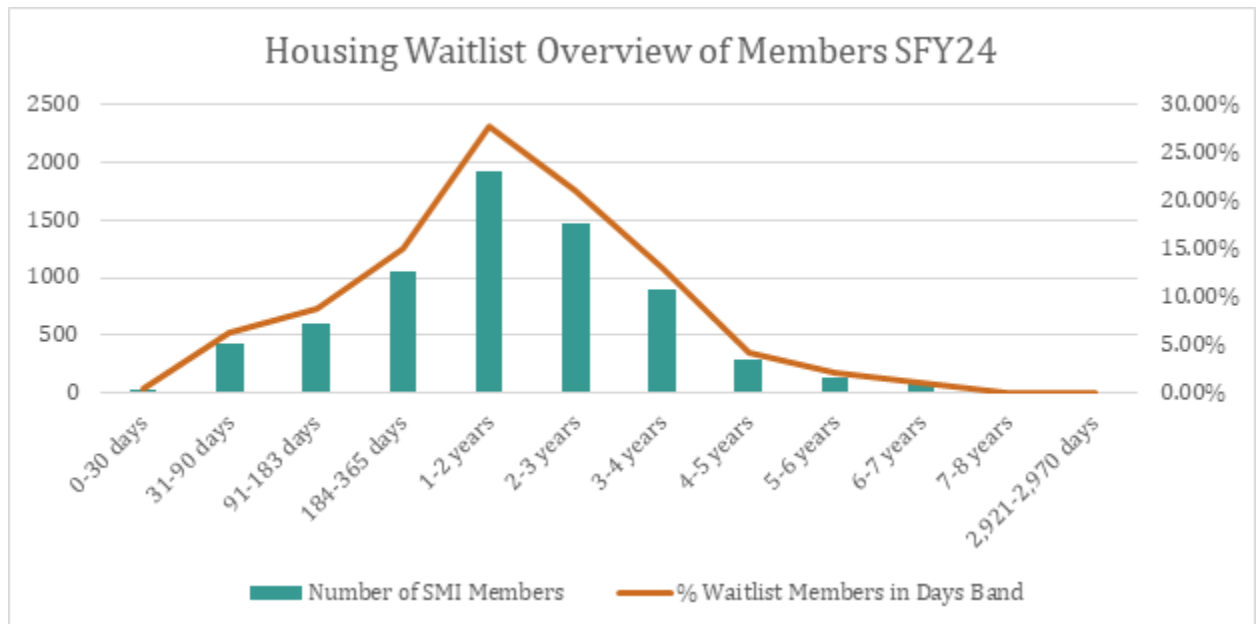
Annual Serious Mental Illness Report SFY 2024

month, 69.35% were on the waitlist for over a year, and 20.39% were on the waitlist for over 3 years. An overall increase in Arizonans experiencing homelessness combined with a lack of available housing likely contribute to this elevation.

Table VII – SFY 2024 Housing Waitlist Overview of Members

Days on Wait List	Number of SMI Members	% Waitlist Members in Days Band
0-30	37	0.53%
31-90	434	6.27%
91-183	605	8.74%
184-365	1,047	15.12%
366-730	1,925	27.80%
731-1,095	1,465	21.16%
1,096-1,460	903	13.04%
1,461-1,825	287	4.14%
1,826-2,190	141	2.04%
2,191-2,555	75	1.08%
2,556-2,920	4	0.06%
2,921-2,970	2	0.03%
Total	6,925	100%

Chart I – SFY 2024 Housing Waitlist Overview of Members



Access to Service Complaints

Access to service complaints is classified within one of six complaint sub-categories. The complaint sub-categories for the access to service category are:

Annual Serious Mental Illness Report SFY 2024

1. No Provider to Meet Needs – Concerns with difficulty in receiving a service occurred because of the lack of a provider to meet the specific needs of the member.
2. Appointment Availability – Concern that the appointment cannot be scheduled within established timeframes.
3. Office/Appointment Wait Time to be Seen – Concern that the wait time for a scheduled appointment exceeded the maximum allowed wait time (one hour).
4. Obtaining Prescriptions – Concern with the availability and timeliness of obtaining a prescription medication or the ability to obtain a preferred medication.
5. Prior Authorization Process – Concerns about prior authorization for services/medications or inability to access a service in a timely manner due to a lengthy prior authorization process.
6. Provider Accommodation/Office Accessibility – Concerns regarding the accommodations requested and provided pursuant to the Americans with Disabilities Act.

As represented in Table VIII, Obtaining Prescriptions was the most common sub-category of access to service complaints received from, or on behalf of, members statewide. This sub-category accounted for 45 of the total 88 statewide complaints, accounting for 51% of the complaints received during the year. Based upon further review, complaints in this subcategory were regarding prescription refills, disagreement with copayments, third party liability, prior authorization denials, disagreement with policy, disagreement with medical recommendations, and delivery delays. Overall analysis suggested distinct member issues and resolution paths without an identified systemic trend.

Table VIII – SFY 2024 Access to Service Complaints

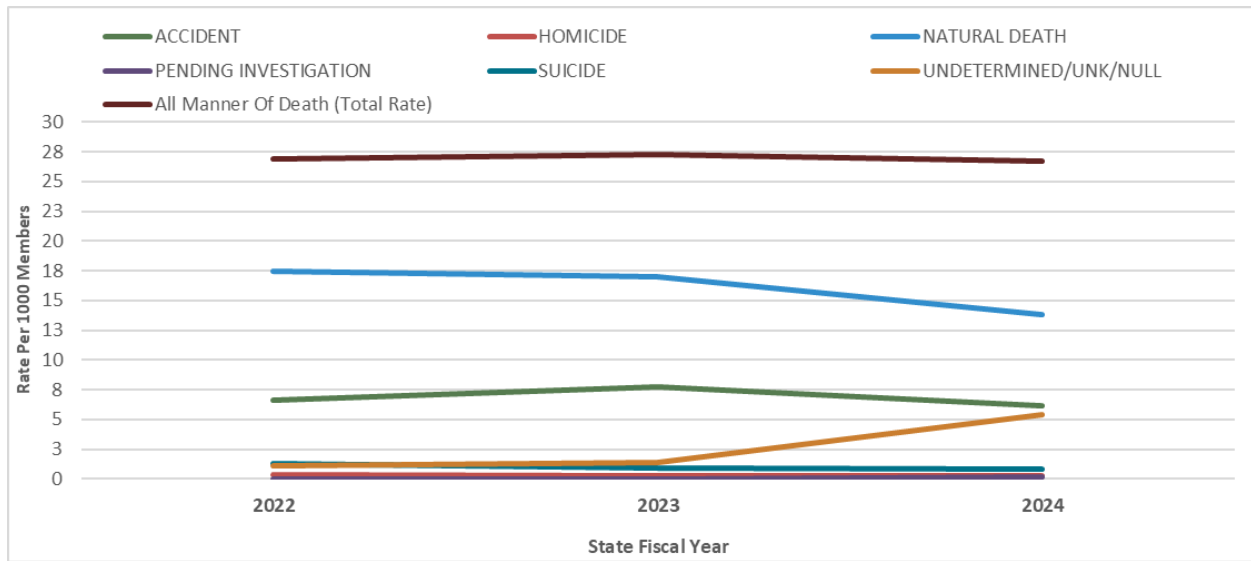
Access to Services Complaint Subcategories	Greater Arizona		Maricopa County		Statewide	
	TXIX	NTXIX	TXIX	NTXIX	TXIX	NTXIX
1. No Provider to Meet Needs	1	0	12	1	13	1
2. Appointment Availability	0	2	5	1	5	3
3. Office/Appointment Wait Time to Be Seen	0	0	2	0	2	0
4. Obtaining Prescriptions	35	0	7	3	42	3
5. Prior Authorization Process	13	0	2	0	15	0
6. Provider Accommodation/Office Accessibility	0	0	3	0	3	0
Other	0	0	1	0	1	0
Access To Services Total	49	2	32	5	81	7

Mortality Trends

AHCCCS and ADHS successfully entered a data sharing agreement by which ADHS shares vital records information necessary for calculating mortality trends for members determined SMI. Chart II demonstrates trends in annual mortality rates from SFY 2022 to SFY 2024 for AHCCCS members with an SMI designation. Overall statewide mortality rates remained consistent, with Natural Death occurring as the most frequent reported manner of death.

Annual Serious Mental Illness Report SFY 2024

Chart II - SFY 2021-2023 SMI Mortality Rate Per 1,000 - Manner of Death (MOD)¹⁷



Tables IX and X demonstrate the total statewide mortality rates for AHCCCS members with an SMI designation from SFY 2022 to SFY 2024. The total number of deaths for members with an SMI designation in SFY 2024 was 1,679 equating to a rate of 26.7 deaths per 1,000 members. Natural death was the most common manner of death with 866 deaths at a rate of about 14 deaths per 1,000 members and accounting for approximately 52% of all member deaths. This manner of death classification was the highest across eligibility categories and GSAs. Accident deaths accounted for the next highest manner of death (388 members) at a rate of 6.2 per 1,000 members.

Table IX - SFY 2021-2023 SMI Mortality Rate per 1,000 SMI Members - Manner of Death (MOD)

Mortality Rate per 1,000 SMI Members	State Fiscal Year		
	2022	2023	2024
Manner of Death			
Accident	6.6	7.7	6.2
Homicide	0.4	0.3	0.3
Natural Death	17.5	17.0	13.8
Pending Investigation	0.0	0.0	0.2
Suicide	1.3	0.9	0.9
Undetermined/UNK/Null	1.1	1.4	5.4
All Manner Of Death (Total Rate)	26.9	27.3	26.7
All Manner Of Death (Total)	1,769	1,718	1,679

Table IX - SFY 2022-2024 SMI Mortality - Manner of Death (MOD)

Manner of Death	State Fiscal Year		
	2022	2023	2024
Recipient Counts			

¹⁷ Data was tabulated using Cause of Death Data Sharing Agreement established with ADHS Bureau of Vital Records.

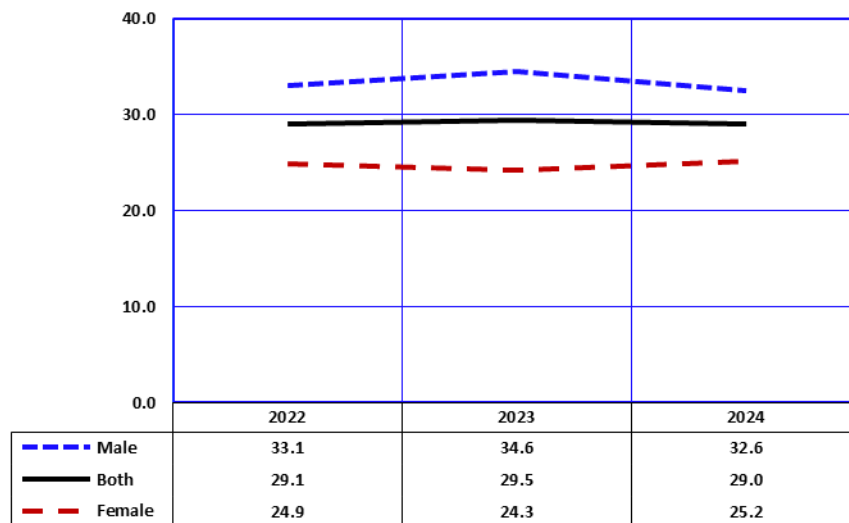
Annual Serious Mental Illness Report SFY 2024

Accident	434	486	388
Homicide	26	19	18
Natural Death	1,148	1,068	866
Pending Investigation	0	0	11
Suicide	86	57	54
Undetermined/UNK/Null	75	88	342
All Manner Of Death (Total)	1,769	1,718	1,679

AHCCCS has partnered with ADHS to create a statewide comparison on all adult Arizona resident deaths during this period to evaluate the mortality trend of members determined to be SMI compared to the general population.

The specific death rate for the AHCCCS SMI population among adult Arizona residents 18 years of age and older has remained close to the rate of 29.1 deaths per 100,000 people in 2022 to 29.0 deaths in 2024. When stratified by sex, there was a decrease for males and an increase for females over the reporting period, with a decrease in the rate for males at 34.6 per 100,000 adult males in 2023 to 32.6 per 100,000 adult males in 2024. Females increased from 24.3 per 100,000 adult females in 2023 to 25.2 per 100,000 adult females in 2024. The death rate in adult males remains higher than adult females.

Chart III – 2022-2024 ADHS Age-Adjusted Mortality Rates for SMI by Gender^{18,19}



The age-adjusted mortality rate for members designated as SMI delineated by gender follows a similar trajectory for both males and females. However, females have a lower mortality rate than their male

¹⁸ ADHS calculated the age-adjusted cause-specific death rate among the Arizona resident adult population 18 years of age and older for AHCCCS recipients determined to be seriously mentally ill (SMI) from 2022-2024. SMI deaths among the AHCCCS population were provided to ADHS by AHCCCS through a data sharing agreement. Age-adjustment was performed to eliminate the bias of age in the makeup of the populations being compared. Data is repulled for the years under review each year and may vary slightly from the rate reported in previous reports.

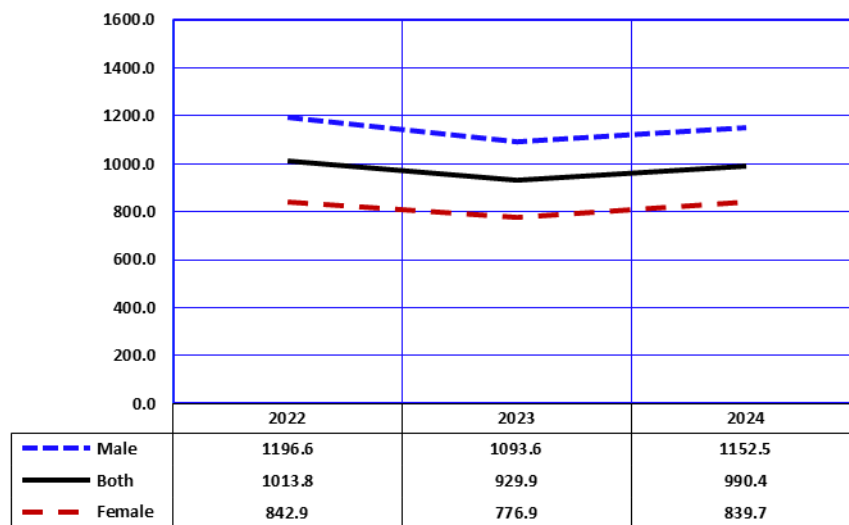
¹⁹ The numbers in the SMI Legislative report for SFY2022 and SFY2023 vary from the previous report. The data for the new report was queried again approximately 6 months later data changed due to reconciliation of behavioral health and enrollment updates in the system.

Annual Serious Mental Illness Report SFY 2024

counterparts for years 2022, 2023, and 2024. Men tend to have between seven and ten percent higher likelihood of death than their female counterparts with and SMI designation over the time period 2022 to 2024. The lowest mortality rate for men was recorded in 2024. The lowest mortality rate recorded for women were recorded in 2023, with the rate increasing for women in 2024. Females with SMI reflect a similar pattern as the general female population with regard to mortality rates. Males with SMI, however, have a distinctly different pattern than the general male population, where overall males have the same downward trend in mortality as females. Though males and females both have similar downward mortality in the general population, females continue to have a lower overall mortality rate than males in Arizona.

As shown in Chart IX below, the entire of population of males and females both decreased from 2022 to 2023 and increased from 2023 to 2024 over the last three years in Arizona. Females tended to have a lower overall mortality rate which with the lowest rate in 2023. Males also have a pattern consistent with both female and overall rates from 2022 to 2024 however overall, males have a higher mortality rate than their female counterparts.

Chart IX – 2021-2023 ADHS Age-Adjusted Mortality Rates for all adults (18+) by Gender



Conclusion

AHCCCS remains committed to strengthening its system of care for Arizonans living with SMI by ensuring access to timely, high-quality, and recovery-oriented services. Through continued oversight, data-driven decision making, and collaboration with managed care organizations, tribal entities, providers, and community stakeholders, AHCCCS strives to reduce disparities, improve coordination, and support whole-person health. While challenges persist in meeting the complex needs of this population, Arizona's integrated approach and on-going efforts demonstrate our dedication to building a responsive behavioral health system that promotes stability, resilience, and improvement outcomes for members experiencing SMI.

Appendix A - AHCCCS Housing Program Waitlist Procedures

The following are the criteria and process the administration or its contractors use to assign a member to the housing waitlist or to move a member up or down on the housing waitlist in prioritizing housing placement.

ARIZONA BEHAVIORAL HEALTH CORPORATION

POLICY AND PROCEDURE

Number: HP2023-02

Subject: AHCCCS Housing Program Waitlist Procedures

Effective Date: March 27, 2024

I. Policy:

The Arizona Behavioral Health Corporation (ABC) is the statewide administrator for the AHCCCS Housing Program (AHP) and maintains the waitlist for eligible AHCCCS members for the community living program/site-based housing, project based housing, and scattered site housing. This includes the following activities:

1. Acceptance and Prioritization of Applications
2. Semi-annual Waitlist Clean-up
3. Removal of Applicants from Waitlist

To ensure that ABC maintains a current and accurate housing waitlist and procedures are fair and consistent, ABC will follow the below procedures for each of the three activities.

II. Compliance Reference:

AHCCCS Permanent Supportive Housing Guidebook

III. Definitions:

Actual Homeless – An individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:

- a. Has a primary nighttime residence that is a public or private place not meant for human habitation, and
- b. Is living in a publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, and local government programs).

Applicant- an individual who, (1) meets AHP eligibility criteria and (2) has an AHP application submitted on their behalf by a behavioral health provider.

General Mental Health/Substance Use (GMHSU)- Behavioral health services provided to adult members

Annual Serious Mental Illness Report SFY 2024

aged 18 and older who have not been determined to have a Serious Mental Illness (SMI).

Health Plan- An organization contracted by AHCCCS responsible for the provision of comprehensive behavioral health services to all eligible individuals assigned by the administration and provision of comprehensive physical health services to eligible individuals.

Referring Agency- The behavioral health provider who submits an AHP application on behalf of the applicant.

Serious Mental Illness- A designation as specified in A.R.S. § 36-550 and determined in an individual 18 years of age or older.

Waitlist- a computerized list of applicants who are waiting to be matched with an AHCCCS Housing Program subsidy.

IV. Procedure:

Acceptance and Prioritization of Applications

AHCCCS registered Behavioral Health providers may submit an AHP application to ABC for an actively enrolled AHCCCS member who meets the following eligibility criteria:

1. Have an SMI designation or be determined Title XIX GMH/SU and be considered High Needs/High Cost (HNHC) by a qualified provider. Be a United States citizen or have eligible immigrant status.
2. Be a United States citizen or have eligible immigrant status.
3. Be at least 18 years of age at the time of referral.
4. Have an Identified Housing Need documented by the member's clinical provider.

Upon acceptance of the application, ABC staff will review for the following:

1. Verification that the referring agency is an AHCCCS registered behavioral health provider per the AHCCCS website.
2. Completeness of the application and release of information.
3. Adherence to eligibility requirements listed above.
4. Verification of active AHCCCS enrollment and behavioral health designation per the AHCCCS Online Portal.

Once this review is complete, ABC staff will notify the referring agency if the application has been accepted or declined. If the application has been declined, the email will include the reason for decline and allow re-submittal if applicable. ABC staff will offer assistance to referring agencies who have a declined application including technical assistance and a listing of other housing resources.

Once the application is placed on the waitlist it will be subject to the following prioritization schema:

1. Status of High-Cost High Need, as identified by the applicant's health plan.
2. Special care or coordination needs, as identified by the applicant's health plan.
3. Actual homeless status, as verified by a homeless verification letter, completed by the referring

Annual Serious Mental Illness Report SFY 2024

agency. The homeless verification letter must comply with the following requirements:

- a. Be submitted on the agency letter head
- b. Include:
 - i. Applicants full name
 - ii. Homeless start date and/or timeframe
 - iii. Where the member has been staying (This location must fit the definition of actual homelessness per the AHCCCS Housing Guidebook)
 - iv. Sign and dated
4. Completed VI-SPDAT, scoring as high acuity (singles 8+; families 9+) and submitted by the referring agency. Special Care or Coordination needs, as identified by the applicant's health plan.
5. Continuum of Care Coordination.
6. Time and date of application.

Semi-Annual Waitlist Clean-up

ABC staff will conduct a semi-annual waitlist cleanup to ensure that the number of applicants on the waitlist is an accurate reflection of the need for housing among AHCCCS members. This semi-annual clean-up includes sending encrypted emails to referring agencies with the list of their members who are active on the AHP waitlist. The email will ask referring agencies to confirm that the member is still in need of housing and request updated case manager contact information. If the member is no longer in need of housing, ABC staff will ask for the reason and remove the member from the waitlist.

Acceptance and/or Removal of Applicants from Waitlist

When a vacancy is available in the AHP housing program the next highest priority member on the waitlist will be chosen using the following procedure:

1. The waitlist report is pulled bi-weekly for new referrals.
2. It is filtered per vacancy by region/county, only for rural site-based placement
3. It is filtered per vacancy by program type (Scattered site, Site Based/Community Living/Sponsor based, Project-based voucher)
 - a. If there are further program needs, i.e., service supports and/or shared housing, the list will be further filtered by these requests.
4. The list is automatically ranked based on the prioritization schema.
5. The top twenty applicants will receive an email offer for intake and, if missing, request for identification documents. The highest prioritized member with submitted IDs will be scheduled for briefing.
6. ABC staff will contact the referring agency for the next applicant on the waitlist to collect identification documents and verify that the member is still in need of housing and interested in the available vacancy. Once the referring agency responds with the needed information, a referral will be sent to HOM and intake/briefing will be scheduled.

Weekly staffing of top twenty applicants (highest prioritized) per geographic service area. The staffing's goal is to ensure the highest prioritized applicants are referred as quickly as possible and management is

Annual Serious Mental Illness Report SFY 2024

available to troubleshoot encountered barriers and provide solutions.

If the referring agency is unable to contact the member or does not respond to ABC staff within the allotted time, ABC staff will attempt to contact on three separate occasions before removing the member from the waitlist. Each outreach attempt is documented by an ABC staff member in HDS.

1. On the first attempt, the referring agency and the agency's housing point of contact is notified. The recipient has four business days to respond.
2. On the second attempt, the referring agency, housing point of contact, and clinic leadership are notified. The recipient has four business days to respond.
3. On the third attempt, the referring agency and housing point of contact, clinic leadership, and member's health plan is notified. The recipient has four business days to respond.

If, at any point, the health plan responds that the member has transitioned to a new behavioral health home, ABC will reach out to the new contact and will repeat this procedure from the first attempt.

Removal of Applicants from Waitlist

ABC staff will remove applicants from the waitlist for the following reasons:

1. AHP Acceptance- The member has accepted intake into the AHP housing subsidy program.
2. Already housed- The member has accepted housing assistance through another program or has been housed independently or with family.
3. Relocation- Applicant moved out of the state of Arizona.
4. Declined housing- the applicant was contacted for intake to AHP housing subsidy, and the applicant declined assistance.
5. Deceased- the referring agency or the AHCCCS online portal, verifies a date of death for the applicant.
6. No longer enrolled- no longer enrolled with AHCCCS.
7. Incarcerated- incarcerated with no release date.
8. No response- no response from member or referring agency after three attempts.

Quality Control Procedure

ABC staff perform the following steps to ensure accuracy of data entry and proper selection of applicants from the waitlist per this policy.

1. Staff are required to complete the AHP Quality Control Waitlist Application checklist for every accepted application (See attached form).
2. Monthly Data Control
 - a. Five percent spot check of AHP Quality Control Waitlist Application for accepted applications
 - b. Five percent spot check of removed applicants
 - c. Pull applicant report and check for missing and/or errors in data
 - d. Outreach attempts are monitored by supervisor for the top twenty applicants in HDS.