NOTICE OF PROPOSED 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:
   R9-22-1301 Amend
   R9-22-1303 Amend
   R9-22-1304 Amend

2. Citations to the agency’s statutory rulemaking authority to include the authorizing statute (general) and the implementing statute (specific):
   Authorizing statute: A.R.S. §§ 36-2904 and 36-2903.01
   Implementing statute: A.R.S. § 36-261

3. Citations to all related notices published in the Register as specified in R1-1-409(A) that pertain to the record of the proposed rule:
   Notice of Rulemaking Docket Opening: [to be filled in by SOS editor]

4. The agency’s contact person who can answer questions about the rulemaking:
   Name: Mariaelena Ugarte
   Address: AHCCCS
             Office of Administrative Legal Services
             701 E. Jefferson, Mail Drop 6200
             Phoenix, AZ  85034
   Telephone: (602) 417-4693
   Fax: (602) 253-9115
   E-mail: AHCCCSRules@azahcccs.gov
5. **An agency’s justification and reason why a rule should be made, amended, repealed or renumbered, to include an explanation about the rulemaking:**

The AHCCCS Administration is proposing to amend the current CRS rules to more precisely delineate those conditions which qualify for CRS medical eligibility as well as those conditions which do not qualify for CRS medical eligibility. It is expected that the rules will specify additional conditions that qualify for CRS medical eligibility due to the complexity of the medical condition and the need for active treatment by multiple medical specialists. Additionally, the proposed rules will clarify those medical conditions that do not qualify for CRS eligibility due to their acute nature. In those situations, members will have choice of available acute Contractors where the primary care physician can refer the member to a specialist to effectively manage the member’s condition whenever necessary.

6. **A reference to any study relevant to the rule that the agency reviewed and proposes either to rely on or not to 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 revising these regulations.

7. **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.

8. **The preliminary summary of the economic, small business, and consumer impact:**

The Administration anticipates no economic impact on the implementing agency, small businesses and consumers. The medical condition changes made will continue to be covered under the acute services rather than by CRS. Clarifying the CRS rules will reduce ambiguity and coverage disputes by members and providers, thus reducing the regulatory burden while achieving the objective of implementing a CRS Program for those conditions that benefit from specialized expertise. The public will also benefit from a
greater understanding of coverage responsibility of the CRS Program through the CRS Contractor and the coverage requirements provided by non CRS Contractors.

9. **The agency’s contact person who can answer questions about the economic, small business and consumer impact statement:**

   Name: Mariaelena Ugarte  
   Address: AHCCCS  
   Office of Administrative Legal Services  
   701 E. Jefferson, Mail Drop 6200  
   Phoenix, AZ  85034  
   Telephone: (602) 417-4693  
   Fax: (602) 253-9115  
   E-mail: AHCCCSRules@azahcccs.gov  
   Web site: www.azahcccs.gov

10. **The time, place, and nature of the proceedings to make, amend, repeal, or renumber the rule, or if no proceeding is scheduled, where, when, and how persons may request an oral proceeding on the proposed rule:**

    Proposed rule language will be available on the AHCCCS website www.azahcccs.gov the week of June 15, 2015. Please send written or email comments to the above address by the close of the comment period, 5:00 p.m., July 13, 2015.

    Date: July 13, 2015  
    Time: 10:00 a.m.  
    Location: AHCCCS  
    701 East Jefferson  
    Phoenix, AZ 85034  
    Nature: Public Hearing
11. 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 have been prescribed.

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:**
   Not applicable

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:**
   Not applicable

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.
12. A list of any incorporated by reference material as specified in A.R.S. § 41-1028 and
its location in the rules:
None

13. The full text of the rules follows:
ARTICLE 13. CHILDREN’S REHABILITATIVE SERVICES (CRS)

Section
R9-22-1301. Children’s Rehabilitative Services (CRS) related Definitions
R9-22-1303. Medical Eligibility
R9-22-1304. Referral and Disposition of CRS Medical Eligibility Determination
R9-22-1301. Children’s Rehabilitative Services (CRS) related Definitions

In addition to definitions contained in A.R.S. § 36-2901, the words and phrases in this Article have the following meanings unless the context explicitly requires another meaning:

“Active treatment” means there is a current need for treatment or evaluation for continuing treatment of the CRS qualifying condition(s) or it is anticipated that treatment or evaluation for continuing treatment of the CRS qualifying condition(s) will be needed within the next 18 months from the last date of service for treatment of any CRS qualifying condition.

“CRS application” means a submitted form with any additional documentation required by the Administration to determine whether an individual is medically eligible for CRS.

"Chronic" means expected to persist over an extended period of time.

"CRS condition" means any of the covered medical condition(s) in R9-22-1303.

"CRS provider" means a person who is authorized by employment or written agreement with the Administration to provide covered CRS medical services to a member or covered support services to a member or a member's family.

"Functionally limiting" means a restriction having a significant effect on an individual's ability to perform an activity of daily living as determined by a CRS provider.

"Medically eligible" means meeting the medical eligibility requirements of R9-22-1303.

"Redetermination" means a decision made by the Administration regarding whether a member continues to meet the requirements in R9-22-1302.

R9-22-1303. Medical Eligibility

The following lists identify those medical condition(s) that do qualify for the CRS program as well as those that do not qualify for the CRS program. The covered condition(s) list is all inclusive. The list of condition(s) not covered by CRS is not an all-inclusive list:

1. Cardiovascular System
   a. CRS condition(s) that qualify for CRS medical eligibility:
      i. Congenital heart defect other than small VSD, PDA, ASD,
      ii. Cardiomyopathy,
iii. Valvular disorder,
iv. Arrhythmia,
v. Conduction defect,
vi. Rheumatic heart disease,
vii. Renal vascular hypertension,
viii. Arteriovenous fistula, and
ix. Kawasaki disease with coronary artery aneurysm.

b. Condition(s) not medically eligible for CRS:
i. Essential hypertension,
ii. Premature atrial, nodal or ventricular contractions that are of no hemodynamic significance,
iii. Arteriovenous fistula that is not expected to cause cardiac failure or threaten loss of function and
iv. Benign heart murmur,
v. Peripheral pulmonary stenosis,
vi. Postural orthopedic tachycardia,
vii. Branch artery pulmonary stenosis, and

2. Endocrine system:
a. CRS condition(s) that qualify for CRS medical eligibility:
i. Hypothyroidism
ii. Hyperthyroidism,
iii. Adrenogenital syndrome,
iv. Addison's disease,
v. Hypoparathyroidism,
vi. Hyperparathyroidism,
vii. Diabetes insipidus,
viii-vi. Cystic fibrosis (including atypical cystic fibrosis), and
ix-viii. Panhypopituitarism.
b. Condition(s) not medically eligible for CRS:
   i. Diabetes mellitus,
   ii. Isolated growth hormone deficiency,
   iii. Hypopituitarism encountered in the acute treatment of a malignancy associated with a malignancy and requiring treatment of less than 90 days, and
   iv. Precocious puberty.

3. Genitourinary system medical condition(s):
   a. CRS condition(s) that qualify for CRS medical eligibility:
      i. Vesicoureteral reflux, with at least mild or moderate dilatation and tortuosity of the ureter and mild or moderate dilatation of renal pelvis; at a grade 3 or higher;
      ii. Ectopic ureter;
      iii. Ambiguous genitalia;
      iv. Ureteral stricture;
      v. Complex hypospadias;
      vi-vi. Hydronephrosis, that is not resolved with antibiotics;
      vii-vii. Deformity and dysfunction of the genitourinary system secondary to trauma 90 days or more after the acute phase of the trauma has passed occurred;
      viii-viii. Pyelonephritis when treatment with drugs or biologicals has failed to cure or ameliorate and surgical intervention is required;
      ix-viii. Multicystic dysplastic Dysplastic (includes polycystic and multicystic) kidneys;
      x. Nephritis associated with lupus erythematosus; and;
      xi. Bladder extrophy.
      xii. Hydrocele associated with a ventriculo-peritoneal shunt;

b. Condition(s) not medically eligible for CRS:
   i. Nephritis, infectious or noninfectious;
   ii. Nephrosis;
   iii. Undescended testicle;
   iv. Phimosis;
v. Hydrocele not associated with a ventriculo-peritoneal shunt;  
vi. Enuresis;  
vii. Meatal stenosis; and  
viii. Hypospadias involving isolated glandular or coronal aberrant location of the urethral meatus without curvature of the penis; and  
ix. Isolated hydronephrosis that is resolved with antibiotics.

4. Ear, nose, or throat medical condition(s):
   a. CRS condition(s) that qualify for CRS medical eligibility:
      i. Cholesteatoma;  
      ii. Chronic mastoiditis Mastoiditis that continues 90 days or more after the first diagnosis of the condition;  
      iii. Deformity and dysfunction of the ear, nose, or throat secondary to trauma, after the acute phase of 90 days or more after the trauma has passed occurred;  
      iv. Neurosensory hearing loss;  
      v. Congenital malformation;  
      vi. Significant conductive hearing loss due to an anomaly in one ear or both ears equal to or greater than a pure tone average of 30 decibels, that despite medical treatment, requires a hearing aid;  
      vii. Congenital/Craniofacial anomaly that requires treatment by more than one CRS provider that is functionally limiting; and  
      viii. Microtia that requires multiple surgical interventions;  
   b. Condition(s) not medically eligible for CRS
      i. Tonsillitis,  
      ii. Adenoiditis,  
      iii. Hypertrophic lingual frenum,  
      iv. Nasal polyp,  
      v. Cranial or temporal mandibular joint syndrome,  
      vi. Simple deviated nasal septum,  
      vii. Recurrent otitis media,  
      viii. Obstructive apnea,  
      ix. Acute perforation Perforation of the tympanic membrane,  
      x. Sinusitis,
xi. Isolated preauricular tag or pit, and  

xii. Uncontrolled salivation.

5. Musculoskeletal system medical condition(s):

a. CRS condition(s) that qualify for CRS medical eligibility:

i. Achondroplasia

ii. Hypochondroplasia

iii. Diastrophic dysplasia

iv. Chondrodysplasia

v. Chondroectodermal dysplasia

vi. Spondyloepiphyseal dysplasia

vii. Metaphyseal and epiphyseal dysplasia

viii. Larsen syndrome

ix. Fibrous dysplasia

x. Osteogenesis imperfecta

xi. Rickets

xii. Enchondromatosis

xiii. Juvenile rheumatoid arthritis

xiv-xiii. Seronegative spondyloarthropathy such as Reiters, psoriatic arthritis, and ankylosing spondylitis

xv. Orthopedic complications of hemophilia

xvi. Myopathy

xvii. Muscular dystrophy

xviii. Myoneural disorder

xix-xv. Arthrogryposis (multiple joint contractures)

xx-xvi. Spinal muscle atrophy

xxi. Polynuropathy

xxii-xvii. Chronic stage bone infection that continues 90 days or more after the initial diagnosis

xxiii-xviii. Chronic stage joint infection that continues 90 days or more after the initial diagnosis

xxiv-xix. Upper limb Limb amputation and malformation (excluding polydactyly without bone involvement)
xxxv-xxi. Syndactyly
xxxvi-xxi. Kyphosis (Scheurmann’s Kyphosis) 50 degrees or over
xxxvii-xxii. Scoliosis when 25 degrees or greater, or when there is a need for bracing or surgery
xxxviii-xxiii. Congenital spinal deformity
xxxix-xxiv. Congenital or developmental cervical spine abnormality
xxxx-xxv. Hip dysplasia
xxxi-xxvi. Slipped capital femoral epiphysis
xxxii-xxvii. Femoral anteversion and tibial torsion
xxxiii-xxviii. Legg-Calve-Perthes disease
xxxiv. Lower limb amputation, including prosthetic sequelae of cancer
xxxx-xxix. Metatarsus adductus
xxxxi-xxxx. Leg length discrepancy of five (5) centimeters or more
xxxxii. Metatarsus primus varus
xxxxiii. Dorsal bunions
xxxxiv-xxxxi. Collagen vascular disease, including but not limited to, ankylosing spondylitis, polymyositis, dermatomyositis, polyarteritis nodosa, psoriatic arthritis, scleroderma and lupus; but excluding rheumatoid arthritis and Ehlers Danlos
xxxx. Benign bone tumor
xxxxi. Deformity and dysfunction secondary to musculoskeletal trauma
xxxxii-xxxxii. Osgood Schlatter's disease that requires surgical intervention
xxxxiii. Complicated flat foot, such as rigid foot, unstable subtalar joint, or significant ealeaneus deformity; and
xxxxiv-xxxxiii. Club foot Clubfoot

b. Condition(s) not medically eligible for CRS
i. Ingrown toenail
ii. Back pain with no structural abnormality
iii. Ganglion cyst
iv. Flat foot other than complicated flat foot
v. Fracture
vi. Popliteal cyst
vii. Simple bunion Bunion
viii. Carpal tunnel syndrome
ix. Deformity and dysfunction secondary to trauma or injury, if:
   1. Three months have not passed since the trauma or injury; and
   2. Leg length discrepancy of less than five two centimeters at skeletal maturity,

xi. Kyphosis under 50 degrees,

xii. Trigger finger,

xiii. Rheumatoid arthritis, and

xiv. Ehlers Danlos

6. Gastrointestinal system medical condition(s):
   a. CRS condition(s) that qualify for CRS medical eligibility:
      i. Tracheoesophageal fistula
      ii. Anorectal atresia
      iii. Hirschsprung's disease
      iv. Diaphragmatic hernia
      v. Gastroesophageal reflux that has failed treatment with drugs or biologicals and requires surgery,
      vi-vi. Deformity and dysfunction of the gastrointestinal system secondary to trauma, after the acute phase of 90 days or more after the trauma has passed occurred,
      vii.vii. Biliary atresia,
      viii-viii. Congenital atresia, stenosis, fistula, or rotational abnormalities of the gastrointestinal tract
      ix-viii. Cleft lip
      x-ix. Cleft palate
      xi-x. Omphalocele and
      xii.xi. Gastroschisis
   b. Condition(s) not medically eligible for CRS
      i. Malabsorption syndrome, also known as short bowel syndrome,
ii. Crohn's disease,
iii. Hernia other than a diaphragmatic hernia,
iv. Ulcer disease,
v. Ulcerative colitis,
vi. Intestinal polyp,
vii. Pyloric stenosis, and
viii. Celiac disease;

7. Nervous system medical condition(s):
   a. CRS condition(s) that qualify for CRS medical eligibility:
      i. Uncontrolled seizure disorder, in which there have been more than two seizures
         with documented adequate blood levels of one or more medications,
      ii. Cerebral palsy,
      iii. Muscular dystrophy or other myopathy,
      iv. Myoneural disorder, including but not limited to, amyotrophic Lateral Sclerosis or
         ALS, myasthenia gravis, Eaton-Lambert syndrome, muscular dystrophy, troyer
         sclerosis, polymyositis, dermamyositis, progressive bulbar palsy, polio,
      v. Neuropathy, hereditary or idiopathic,
      vi. Central nervous system degenerative disease,
      vii. Central nervous system malformation or structural abnormality,
      viii. Hydrocephalus,
      ix. Craniosynostosis of a sagittal suture, a unilateral coronal suture, or multiple
         sutures in a child less than 18 months of age; requiring surgery,
      x. Myasthenia gravis, congenital or acquired;
      xi. Benign intracranial tumor,
      xii. Benign intraspinal tumor,
      xiii. Tourette's syndrome;
      xiv-xvii. Residual dysfunction after resolution of an acute phase that continues 90 days
               or more after a of vascular accident, inflammatory condition, or infection of the
               central nervous system,
      xvii-xvii. Myelomeningocele, also known as spina bifida,
      xvi-xvii. Neurofibromatosis,
xvii. Deformity and dysfunction secondary to trauma in an individual that continues 90 days or more after the incident;
xviii. Residual dysfunction after acute phase of near drowning, and that continues 90 days or more after near drowning, and
xix. Residual dysfunction after acute phase of spinal cord injury.

b. Condition(s) not medically eligible for CRS
   i. Headaches;
   ii. Central apnea secondary to prematurity;
   iii. Near sudden infant death syndrome;
   iv. Febrile seizures;
   v. Occipital plagiocephaly, either positional or secondary to lambdoidal synostosis Plagiocephaly, and
   vi. Trigonocephaly secondary to isolated metopic synostosis;
   vii. Spina bifida occulta;
   viii. Near drowning in the acute phase; and
   ix. Spinal cord injury in the acute phase;
   x. Chronic vegetative state;

8. Ophthalmology:
   a. CRS condition(s) that qualify for CRS medical eligibility:
      i. Cataracts;
      ii. Glaucoma;
      iii. Disorder of the optic nerve;
      iv. Non-malignant enucleation and post-enucleation reconstruction;
      v. Retinopathy of prematurity and
      vi. Disorder of the iris, ciliary bodies, retina, lens, or cornea.
   b. Condition(s) not medically eligible for CRS
      i. Simple refraction error,
      ii. Astigmatism,
iii. Strabismus, and
iv. Ptosis.

9. Respiratory system medical condition(s):
   a. CRS condition(s) that qualify for CRS medical eligibility:
      i. Anomaly of the larynx, trachea, or bronchi that requires surgery, and
      ii. Nonmalignant obstructive lesion of the larynx, trachea, or bronchi.
   b. Condition(s) not medically eligible for CRS:
      i. Respiratory distress syndrome,
      ii. Asthma,
      iii. Allergies,
      iv. Bronchopulmonary dysplasia,
      v. Emphysema,
      vi. Chronic obstructive pulmonary disease, and
      vii. Acute or chronic respiratory condition requiring venting for the neuromuscularly impaired.

10. Integumentary Dermatological system medical condition(s):
    a. CRS condition(s) that qualify for CRS medical eligibility:
       i. A craniofacial anomaly that is functionally limiting,
       ii. A burn scar that is functionally limiting,
       iii. A hemangioma that is functionally limiting that requires laser or surgery,
       iv. Malocclusion that is functionally limiting,
       v. Cystic hygroma, and
       v. Complicated nevi requiring multiple procedures.
    b. Condition(s) not medically eligible for CRS:
       i. A deformity that is not functionally limiting,
       ii. A burn other than a burn scar that is functionally limiting,
       iii. Simple nevi,
       iv. Skin tag,
       v. Port wine stain,
vi. Sebaceous cyst,

vii. Isolated malocclusion that is not functionally limiting,

viii. Pilonidal cyst,

ix. Ectodermal dysplasia, and

x. A craniofacial anomaly that is not functionally limiting.

11. Metabolic CRS condition(s) that qualify for CRS medical eligibility:
   i. Amino acid or organic acidopathy,
   ii. Inborn error of metabolism,
   iii. Storage disease,
   iv. Phenylketonuria,
   v. Homocystinuria,
   vi. Maple syrup urine disease, and
   vii. Biotinidase deficiency.

12. Hemoglobinopathies CRS condition(s) that qualify for CRS medical eligibility:
   a. Sickle cell anemia, and
   b. Thalassemia.

13. Additional Medical/behavioral condition(s) which are not medically eligible for CRS:
   a. Allergies,
   b. Anorexia nervosa or obesity,
   c. Autism,
   d. Cancer,
   e. Depression or other mental illness,
   f. Developmental delay,
   g. Dyslexia or other learning disabilities,
   h. Failure to thrive,
   i. Hyperactivity,
   j. Attention deficit disorder, and
   k. Immunodeficiency, such as AIDS and HIV, and
   l. Vegetative state.
R9-22-1304. Referral and Disposition of CRS Medical Eligibility Determination

A. To refer an individual for a CRS medical eligibility determination a person shall submit to the Administration the following information:
   1. CRS application,
   2. Documentation from a provider who evaluated the individual, stating the individual's diagnosis;
      Documentation from a specialist who diagnosed the individual, stating the individual's diagnosis,
   3. Diagnostic test results that support the individual's diagnosis, and
   4. Documentation of the individual's need for specialized treatment of the CRS condition through medical, surgical, or therapy modalities.

B. The Administration shall notify the CRS applicant, member or authorized representative of the outcome of the determination within 60 days of receipt of information required under subsection (A). The member may appeal the determination under Chapter 34.