

Sent Electronically
October 10, 2019

Cheryl Lovell
Assistant Director
Division of Developmental Disabilities Department of Economic Security
1789 W. Jefferson, 4th floor
Phoenix, AZ 85007

SUBJECT: Response to DDD Request for Extension of the HIPAA TCS Notice to Cure

Dear Ms. Lovell,

Arizona Health Care Cost Containment System (AHCCCS) has received and reviewed the Department of Economic Security/Division of Developmental Disabilities (DES/DDD) letter, dated September 27, 2019, requesting an extension until March 31, 2021 to come into compliance with Section D, Paragraph 40, Claims Payment/Health Information System, of the YH6-0014 contract between AHCCCS and DDD/DES. This submission was in response to the Compliance Action- Notice to Cure issued by AHCCCS on January 7, 2019.

The extension request to come into compliance, as outlined in the January 7, 2019 Compliance Action, by March 21, 2021 is approved with the following conditions:

- Provide AHCCCS with a summary of the comprehensive functional business requirements and criteria developed with the external consulting firm
- Provide in detail how the proposed solution addresses each of the items identified in the original Compliance Action, including the ability to:
 - Utilize the Healthcare Common Procedure Coding System (HCPCS) and Current Procedural Terminology (CPT) codes,
 - Accept standard CMS 1500 and UB 04 claim forms, and
 - Utilize the Medicaid National Correct Coding Initiative (NCCI) methodologies.
- Describe, in detail, how a claim will be processed from submission payment
- Provide clarification as to whether DES/DDD will continue to use its current coding system for authorization of services or will HCPCS and CPT codes be utilized
- Provide clarification of any impact the proposed changes will have on the current claims system utilized to process claims for the DDD/AIHP population

AHCCCS will schedule a meeting with DES/DDD to discuss items identified above; however, a response to these items shall also be submitted to AHCCCS in writing no later than **October 25, 2019**.

DES/DDD shall continue to provide weekly and monthly progress updates on the status of implementing the required changes, including measures taken to meet the submitted timeline.

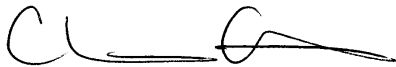
The weekly reports shall be submitted every Monday and the monthly submissions are due on the fifth day of every month to Scott Jewart at Scott.Jewart@azahcccs.gov with a copy submission to Michelle Holmes at Michelle.Holmes@azahcccs.gov.

AHCCCS will continue to monitor reporting for resolution of issues and compliance with contract requirements, and reserves the right to request additional information as determined necessary.

Additionally, DES/DDD is reminded of AHCCCS Contract and Policy submission requirements regarding material change to business operations, including system changes.

Should DES/DDD have any questions regarding this notice please contact Scott Jewart at (602) 417-4646 or Scott.Jewart@azahcccs.gov.

Sincerely,



Christina Quast,
Operation Administrator
AHCCCS Division of Health Care Management

cc: Zane Garcia Ramadan, DES/DDD
Laura Reith, DES/DDD
Patrick Hays, DES/DDD
Stephanie Erickson, DES/DDD
Lynn Lingwall, DES/DDD
Mathew Isiogu, AHCCCS
Jakenna Lebsock, AHCCCS
Michelle Holmes, AHCCCS
Scott Jewart, AHCCCS