



**Arizona Section 1115 Waiver
Amendment Request:
Former Foster Youth- Eligibility and Enrollment**



Former Foster Youth- Eligibility and Enrollment

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I. SUMMARY

The Arizona Health Care Cost Containment System (AHCCCS) is requesting an amendment to the 1115 Research and Demonstration Waiver, Project Number 11-W-00275/9, to seek authority to:

1. Waive the condition of eligibility in 42 CFR 435.608 requiring Medicaid beneficiaries to apply for other cash benefits for the Former Foster Youth (FFY) population.
2. Relieve individuals who meet the statutory definition at 1902(a)(10)(A)(i)(IX) of the obligation to provide information about potentially liable third parties at renewal as a condition of eligibility.
3. Extend eligibility for full Medicaid state plan benefits to FFY who are under age 26, who turned 18 on or before December 31, 2022, who were in foster care under the responsibility of another state or tribe on the date of attaining 18 years of age, were enrolled in Medicaid on the date of aging out of foster care, and are now applying for Medicaid in Arizona.

AHCCCS currently offers transitional medical care for children leaving foster care that are between the ages 18 to 26. AHCCCS refers to this group as the Young Adult Transitional Insurance (YATI) population. For those who qualify, there are no monthly premiums.

The goal of the Former Foster Youth- Eligibility and Enrollment amendment is to:

- Promote continuity of care and coverage,
- Move toward administrative simplification,
- Reduce health disparities for the target population, and
- Reduce unnecessary eligibility churn.

The first and second requests are in alignment with House Bill 2622 passed by Arizona's 55th Legislature. Subject to approval from CMS, the AHCCCS administration is required to annually renew the eligibility of an individual who was in the custody of the Arizona Department of Child Safety (DCS) when the individual reached 18 years of age without requiring additional information from the individual until the individual reaches 26 years of age, unless the individual notifies AHCCCS that the individual moved out of Arizona or has provided information indicating that the individual may qualify for a different eligibility category.

The third request is in response to Section 1002(a) of the SUPPORT Act which created a Former Foster Care Children (FFCC) Medicaid state plan eligibility group, providing coverage for individuals who were receiving Medicaid while in foster care under the responsibility of any state. However, the SUPPORT Act requirements apply exclusively to individuals who turn 18 on or after January 1, 2023. As a result, Arizona requests section 1115 demonstration authority to continue coverage for individuals who turned 18 years old on or before December 31, 2022, until a beneficiary reaches age 26.

The State requests that expenditures for service provision to the YATI population including the waiver from 42 CFR 435.608 as described above be regarded as expenditures under the State's Medicaid Title XIX State Plan.

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II. OVERVIEW

AHCCCS is seeking a five-year Medicaid Section 1115 Research and Demonstration Waiver that promotes continuity of care, administrative simplification, and reduces unnecessary eligibility churn. The demonstration is designed to provide quality healthcare and improve health outcomes through continuity of care for the Former Foster Youth Population, while reducing administrative burdens.

Foster youth and former foster youth have a higher risk of experiencing multiple chronic health conditions and health related social needs (HRSN), beyond what is associated with socioeconomic instability, including:

Increased prevalence of physical and behavioral health needs¹:

- Foster youth frequently experience adverse childhood experiences – such as abuse, neglect, domestic violence, and parental substance abuse – that increase the risk of serious health problems later in life, including:
 - Severe obesity, diabetes, heart disease, cancer, stroke, chronic obstructive pulmonary disease (COPD), and broken bones.
- Former Foster Youth are twice as likely to experience PTSD compared to Iraq combat veterans.
- Former Foster Youth are twice as likely to experience depression compared to the general population.
- Former Foster Youth are more likely to suffer from anxiety and attempt suicide.

Higher rates of homelessness²:

- Youths aging out of foster care are at high risk for becoming homeless during the transition to adulthood. One in five report being homeless between ages 17 and 19, and over one in four (29%) report being homeless from 19 to 21. Among American Indian young adults, the figure jumps to almost half (43%) for ages 19 to 21. Furthermore, homelessness becomes a huge contributing factor to returned mail and failure to comply with the procedural requirements for continued eligibility³.

Further, quality health care through easier to access Medicaid coverage is a critical driver of health and health outcomes for low income adults with chronic conditions⁴, and former foster youth show an even higher reliance on public insurance coverage options than the general population⁵:

¹ Sources:

<https://www.medicaid.gov/state-resource-center/mac-learning-collaboratives/downloads/foster-care-ensuring-coverage-continuity.pdf>

²<https://www.aecf.org/blog/child-welfare-and-foster-care-statistics>

Häggman-Laitila, A., Salohekkilä, P. & Karki, S. Young People's Preparedness for Adult Life and Coping After Foster Care: A Systematic Review of Perceptions and Experiences in the Transition Period. *Child Youth Care Forum* 48, 633–661 (2019). <https://doi.org/10.1007/s10566-019-09499-4>

³ <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5644395/>

⁴ Winkleman, T and V. Chang. 2018. "Medicaid Expansion, Mental Health, and Access to Care"

⁵ <https://www.communitycatalyst.org/resources/publications/document/Foster-Youth-final-1.pdf?1401306962;>
<https://www.ncbi.nlm.nih.gov/pubmed/26474668;>

<http://pediatrics.aappublications.org/content/pediatrics/134/6/1067.full.pdf>;<https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4617302>

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- Medicaid coverage rates among one cohort surveyed in 2014 and 2016 (after the creation of the former foster youth group):
 - 89% of 19-year-olds in foster care have Medicaid coverage, and
 - 69% of 19-year-olds no longer in foster care have Medicaid coverage.

Considering this population's higher reliance on public insurance options such as Medicaid, former foster youth experience known barriers to Medicaid coverage, including:⁶:

- Former foster youth can be a hard-to-reach population, the effects of which can be compounded by state systems/operations that do not ensure continuity of coverage for youth leaving foster care or facilitate streamlined re-enrollment.

III. WAIVER AMENDMENT PROPOSAL DETAILS

A. Proposed Cost Sharing Requirements under the Demonstration as Amended:

This demonstration does not change the Medicaid benefit package design; there is no new cost-sharing, copayments, or coinsurance for any benefit provided under the waiver. State Plan benefits will continue to be applied in accordance with the State Plan and all eligibility groups will continue to receive all State Plan benefits.

B. Proposed Changes to the Delivery System under the Demonstration as Amended:

The delivery system for persons impacted by this proposed 1115 Waiver amendment will not vary from AHCCCS' current program features as described in the current State Plan and demonstration.

C. Proposed Changes to Benefit Coverage under the Demonstration as Amended:

This demonstration does not change the Medicaid benefit package design; there are no new or fewer services, cost-sharing, copayments, or coinsurance for any benefit provided under the waiver. State Plan benefits will continue to be applied in accordance with the State Plan and all eligibility groups will continue to receive all State Plan benefits.

D. Proposed Changes to Eligibility Requirements.

For individuals determined to meet the Former Foster Youth criteria at Social Security Act Section 1902(a)(10)(A)(i)(IX), annually renew eligibility on an automatic basis without requiring additional information from the person until the person reaches twenty-six years of age, unless:

1. The person notifies the administration that they may qualify for a different eligibility category,
2. The Agency or its designee receives information from the person or a reliable electronic data match that the person is no longer an Arizona resident, or
3. The individual withdraws the enrollment voluntarily or is deceased.

Extend eligibility for full Medicaid state plan benefits to FFY who are under age 26, who turned 18 on or before December 31, 2022, who were in foster care under the responsibility of another state or tribe on the date of attaining 18 years of age, were enrolled in Medicaid on the date of aging out of foster care, and are now applying for Medicaid in Arizona.

⁶<https://www.medicaid.gov/state-resource-center/mac-learning-collaboratives/downloads/foster-care-ensuring-coverage-continuity.pdf>

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IV. WAIVER AND EXPENDITURE AUTHORITIES NECESSARY TO AUTHORIZE THE DEMONSTRATION

REQUESTED WAIVER & EXPENDITURE AUTHORITIES

Application for other benefits

(42 CFR 435.608)

To the extent necessary to relieve individuals who meet the statutory definition at 1902(a)(10)(A)(i)(IX) of the obligation to apply for other cash benefits at renewal as a condition of eligibility.

Cooperation to assist in pursuing third parties who may be liable to pay

(42 CFR 433.147)

To the extent necessary to relieve individuals who meet the statutory definition at 1902(a)(10)(A)(i)(IX) of the obligation to provide information about potentially liable third parties at renewal as a condition of eligibility.

Former foster care children

(42 CFR 435.150)

To waive the limitation on former foster care children eligibility established at 42 CFR 435.150, as a result of changes implemented under Section 1002(a) of the SUPPORT Act, which created a Former Foster Care Children (FFCC) Medicaid state plan eligibility group, providing coverage for individuals who were receiving Medicaid while in foster care under the responsibility of any state. The SUPPORT Act requirements apply exclusively to individuals who turn 18 on or after January 1, 2023. AHCCCS seeks to extend eligibility for full Medicaid state plan benefits to FFY who are under age 26, who turned 18 on or before December 31, 2022, who were in foster care under the responsibility of another state or tribe on the date of attaining 18 years of age, were enrolled in Medicaid on the date of aging out of foster care, and are now applying for Medicaid in Arizona.

Former foster care children

Expenditures for former foster care children who who are under age 26, who turned 18 on or before December 31, 2022, who were in foster care under the responsibility of another state or tribe on the date of attaining 18 years of age, were enrolled in Medicaid on the date of aging out of foster care, and are now applying for Medicaid in Arizona.

V. EVALUATION DESIGN

Arizona's 1115 Waiver Evaluation design for Project Number 11-W-00275/9, will be modified to incorporate the Former Foster Youth- Eligibility and Enrollment waiver amendment. The demonstration will test whether this demonstration, if approved, effectively promotes continuity of care, simplifies administrative burden, and reduces unnecessary churn of individuals' eligibility to access Medicaid covered services. In addition, the demonstration will be tested to assess the provision of quality health care and improvement in health outcomes through continuity of care to the Former Foster Youth Population.

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Objectives	Proposed Hypotheses	Potential Approaches
<p>The AHCCCS Former Foster Youth- Eligibility and Enrollment demonstration will promote continuity of care, simplify administrative burden and reduce unnecessary churn of individuals’ eligibility to access Medicaid Services</p>	<p>The AHCCCS Former Foster Youth- Eligibility and Enrollment demonstration will maintain or improve health outcomes for AHCCCS members.</p>	<p>Data will be drawn from a variety of sources including, but not limited to:</p> <ul style="list-style-type: none"> ● Member surveys, ● State eligibility and enrollment data, ● Claims/encounter data, ● Administrative program data (PMMIS), ● T-MSIS, ● National/regional benchmarks, and ● Key informant interviews and focus groups.
	<p>The AHCCCS Former Foster Youth- Eligibility and Enrollment demonstration will maintain or improve the management of chronic conditions for AHCCCS members.</p>	
	<p>The AHCCCS Former Foster Youth- Eligibility and Enrollment demonstration will maintain or improve access to care for AHCCCS members</p>	
	<p>The AHCCCS Former Foster Youth- Eligibility and Enrollment demonstration will maintain or increase utilization of primary care and preventative health services.</p>	
	<p>The AHCCCS Former Foster Youth- Eligibility and Enrollment demonstration will maintain or improve member satisfaction with care.</p>	
	<p>The AHCCCS Former Foster Youth- Eligibility and Enrollment demonstration will promote continuity of care for its members.</p>	
	<p>The AHCCCS Former Foster Youth- Eligibility and Enrollment demonstration will yield cost-effective care for AHCCCS members.</p>	

VI. PUBLIC NOTICE PROCESS

Pursuant to the terms and conditions that govern Arizona’s demonstration, Arizona must provide documentation of its compliance with Demonstration of Public Notice process (42 CFR 431.408), the tribal consultation requirements pursuant to Section 1902(a)(73) of the Act as amended by Section 5006(e) of the American Recovery and Reinvestment Act of 2009, and the tribal consultation requirements outlined in STC 13.

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Public Website

The demonstration amendment request was posted on the AHCCCS website for public comment on August 23, 2024, at <https://www.azahcccs.gov/YATIWaiverRequest>. The web page includes a summary of Arizona’s demonstration amendment request, the schedule (dates and times) of public forums across the state and this draft demonstration amendment proposal. In addition to the website posting, AHCCCS uses social media accounts and electronic mail to notify interested parties about Arizona’s demonstration amendment proposal.

Publication of Public Notice in the Arizona Administrative Register

On August 23, 2024, public notice of Arizona’s demonstration amendment request was published in the Arizona Administrative Register. The notice included a summary description of the demonstration request, locations, dates and times of the public hearings, instructions on how to submit comments, and a link to copies of the demonstration application for public review and comments.

Stakeholder Meetings

AHCCCS will present the details about Arizona’s Demonstration amendment proposal during a Tribal Consultation meeting and will conduct two virtual public forum meetings. In addition, the Demonstration amendment proposal will be presented at the State Medicaid Advisory Committee (SMAC) meeting on October 9, 2024. Details regarding the public forum meetings can be found below:

Public Forum Meeting	Meeting Dates & Times	Meeting Web Link & Call-in Information
Tribal Consultation	August 5, 2024 8:30 a.m. -4:30 p.m. AZ Time	Register in advance for this Webinar: https://ahcccs.zoom.us/meeting/register/tZYof--vpzooHdTgHTJtZujmN7qJVrVlFhib#/registration Or join by phone: US: +1 408 638 0968 or +1 669 444 9171 or +1 669 900 6833 or +1 719 359 4580 or +1 253 205 0468 or +1 253 215 8782 or +1 346 248 7799 or +1 507 473 4847 or +1 564 217 2000 or +1 646 876 9923 or +1 646 931 3860 or +1 689 278 1000 or +1 301 715 8592 or +1 305 224 1968 or

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		<p>+1 309 205 3325 or +1 312 626 6799 or +1 360 209 5623 or +1 386 347 5053 Meeting ID: 825 8679 1270 Passcode: 566816944</p>
Public Forum #1	August 29, 2024, noon -2:00 p.m. AZ Time	<p>Register in advance for this webinar: https://ahcccs.zoom.us/webinar/register/WN_xukk0BIsQAWN2HOWi6if6w</p> <p>Or join by phone: US: +1 669 900 6833 or +1 719 359 4580 or +1 253 205 0468 or +1 253 215 8782 or +1 346 248 7799 or +1 408 638 0968 or +1 669 444 9171 or +1 507 473 4847 or +1 564 217 2000 or +1 646 876 9923 or +1 646 931 3860 or +1 689 278 1000 or +1 301 715 8592 or +1 305 224 1968 or +1 309 205 3325 or +1 312 626 6799 or +1 360 209 5623 or +1 386 347 5053</p> <p>Webinar ID: 840 8614 0308 Passcode: 71095626</p>
Public Forum #2	September 12, 2024, 11:00 a.m. -1:00 p.m. AZ Time	<p>Register in advance for this webinar: https://ahcccs.zoom.us/webinar/register/WN_z805w5oARgSB5rtcoksS6g</p> <p>Or join by phone: US: +1 669 900 6833 or +1 719 359 4580 or +1 253 205 0468 or</p>

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		<p>+1 253 215 8782 or +1 346 248 7799 or +1 408 638 0968 or +1 669 444 9171 or +1 309 205 3325 or +1 312 626 6799 or +1 360 209 5623 or +1 386 347 5053 or +1 507 473 4847 or +1 564 217 2000 or +1 646 876 9923 or +1 646 931 3860 or +1 689 278 1000 or +1 301 715 8592 or +1 305 224 1968</p> <p>Webinar ID: 812 1753 9951 Passcode: 14841342</p>
<p>State Medicaid Advisory Committee (SMAC)</p>	<p>October 9, 2024, 1:00 p.m. -3:00 p.m. AZ Time</p>	<p>Register in advance for this webinar: https://ahcccs.zoom.us/webinar/register/WN_OGUlfdNOTzqpMUBYW6Psw? x zm rtaid=3Dyf Qlb_SHyiq1y33WOeg.1722466070904.f4f9aadb960b815f63c5a36507fa41d6& x zm rhtaid=197#/registration</p> <p>Or join by phone: US: +1 669 444 9171 or +1 669 900 6833 or +1 719 359 4580 or +1 253 205 0468 or +1 253 215 8782 or +1 346 248 7799 or +1 408 638 0968 or +1 305 224 1968 or +1 309 205 3325 or +1 312 626 6799 or +1 360 209 5623 or +1 386 347 5053 or +1 507 473 4847 or +1 564 217 2000 or +1 646 876 9923 or +1 646 931 3860 or +1 689 278 1000 or</p>

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		+1 301 715 8592 Webinar ID: 820 2219 9346 Passcode: 852162836
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Comments and questions about the proposed 1115 Waiver amendment request can also be submitted by email to: waiverpublicinput@azahcccs.gov or by mail to: AHCCCS, C/O OOD-Division of Public Policy and Strategic Planning ; 801 E. Jefferson Street, MD 4200, Phoenix, AZ 85034. All comments must be received by October 10, 2024. More information about the proposed 1115 Waiver amendment, including the proposed 1115 Waiver application and the full public notice and public input process, can be found on <https://www.azahcccs.gov/YATIWaiverRequest>.

VIII. BUDGET NEUTRALITY

This proposal will not have a material impact on the state’s budget neutrality model for demonstration number 11-W-00275/9 .