



**Arizona's Section 1115 Waiver Demonstration
Quarterly Report
April 1, 2024 - June 30, 2024**

August 2024



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I. Introduction

Title

Arizona Health Care Cost Containment System - AHCCCS
A Statewide Approach to Cost Effective Health Care Financing
Section 1115 Quarterly Report
Demonstration Year: 41
Federal Fiscal Quarter: 3rd (April 1, 2024 - June 30, 2024)

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Date Submitted to CMS

August 29, 2024

Purpose

As written in Special Terms and Conditions (STCs), paragraph 85, the Arizona Health Care Cost Containment System (AHCCCS) submits quarterly progress reports to the Centers for Medicare and Medicaid Services (CMS). Quarterly reports inform CMS of significant demonstration activity from the time of approval through completion of the demonstration.

II. Waiver Update

Waiver Renewal

On October 14, 2022, AHCCCS received approval for its five-year renewal of Arizona's demonstration project under Section 1115 of the Social Security Act. This renewal is effective through September 30, 2027. The current demonstration exempts Arizona from particular provisions of the Social Security Act and also includes expenditure authority permitting federal financial participation (FFP) 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 in the absence of the demonstration.

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The current 1115 Waiver approval continues the long-standing authorities and programs that have made Arizona's Medicaid program innovative, effective, and efficient, including integrated managed care for AHCCCS populations through AHCCCS Complete Care (ACC); the Arizona Long Term Care System (ALTCs); the Department of Child Safety Comprehensive Health Plan (DCS/CHP) for children in foster care; and AHCCCS Complete Care, Regional Behavioral Health Agreements (ACC-RBHAs) which provide integrated care for individuals living with a Serious Mental Illness (SMI) designation; payments to providers participating in the Targeted Investments (TI) Program, and Waiver of Prior Quarter Coverage for specific populations.

In addition to renewing these historic programs, this 1115 Waiver includes approval for transformative projects intended to advance member health outcomes including:

- Authority to enhance and expand housing services and interventions for AHCCCS members who are experiencing homelessness or at risk of becoming homeless through the Housing and Health Opportunities (H2O) program with a target implementation date of October 1, 2024,
- Authority to direct managed care organizations to make specific incentive payments to providers that meet the criteria for receiving these payments with the goal of improving health equity for target populations by addressing health-related social needs (HRSN) through the TI 2.0 Program, and
- Authority to reimburse Indian Health Services (IHS) and Tribal 638 facilities to cover the cost of adult dental services for American Indian/Alaskan Native (AI/AN) beneficiaries that are eligible for 100 percent FFP, that are in excess of the \$1,000 emergency dental limit for adult members in Arizona's State Plan, and that are in excess of the \$1,000 dental limit for individuals aged 21 or older enrolled in AHCCCS.

In its approval notice, CMS recognized the State's interest in reimbursing for traditional healing services offered by tribal nations and continues to work with Arizona on this request. Arizona is in the process of negotiating this request and anticipates an approval in the coming months. Additionally, CMS noted its willingness to further explore reimbursement for pre-release services for individuals in federal, state, local, and tribal correctional facilities.

More details on Arizona's section 1115 Waiver renewal approval (2022-2027), along with the proposal, approval letter, Special Terms and Conditions, and supplemental documentation can be found on the [AHCCCS Section 1115 Demonstration Waiver \(2022-2027\)](#) web page.

On June 6, 2023, CMS approved Arizona's application for continuous coverage for individuals determined ineligible for the Children's Health Insurance Program (CHIP) due to change of circumstances. This amendment will allow Arizona to align their policies for young adults in Medicaid and CHIP; thereby, prevent gaps in coverage during the COVID-19 Public Health Emergency (PHE) unwinding and redetermination period. Arizona is working with its independent evaluator, HSAG, to put together a final evaluation report of this flexibility, due in March 2025.

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New Waiver Program Implementation Updates

Housing and Health Opportunities (H2O)

In accordance with the STCs, AHCCCS submitted the following H2O related deliverables to CMS in the third quarter of FFY 2024:

- Revised versions of the New Initiatives Implementation Plan and Protocol for Assessment of Beneficiary Eligibility and Needs, and Provider Qualifications for H2O services, and Implementation Plan was submitted to CMS on April 10, 2024,
- Received CMS approval of the New Initiatives Implementation Plan on May 9, 2024,
- Revised H2O Evaluation Design was submitted to CMS on May 28, 2024, incorporating CMS' recommendations.
- Continued workgroup meetings with internal AHCCCS subject matter experts to to develop items related to the 1115 waiver and support the implementation of the H2O Program such as establishing rates and payment methodologies, determining HRSN grievance and appeal processes, establishing internal and external communication strategies, developing housing related billing guidance,
- Actively participated in the Housing Accelerator program, continued participation in regular TA sessions with other states with HRSN waivers and receive TA from SMEs, including an in person convening in DC where AHCCCS staff discussed implementation strategies with federal partners,
- Developed an internal team of SMEs to score proposals for the H2O-Program Administrator, selected a vendor and provided notification of the selection on June 28, 2024,
- Held community stakeholder sessions to inform shelter providers of the proposed rate for the Enhanced Shelter intervention, receiving feedback to inform the rate methodology,
- Strategized with CMS about accessing H2O Infrastructure funds prior to receiving approval on H2O Protocol; subsequently received CMS approval to access and began the recruiting process for key H2O Administrative personnel,
- Finalized the procurement process to select an H2O Program Administrator and awarded the contract on June 28, 2024,
- Received CMS approval of the Protocol for Infrastructure Planning for H2O Services on July, 11 2024, and
- Received CMS approval of the Protocol for Assessment of Beneficiary Eligibility and Needs, and Provider Qualifications for H2O services on August 2, 2024.

On October 1, 2024, AHCCCS plans to begin implementation with the most acute member populations, inclusive of members who are experiencing homelessness, are living with an SMI designation, and are living with an active chronic health condition or are currently in a correctional facility with a release date scheduled within 90 days, or released from a correctional facility within the last 90 days.

Targeted Investments (TI) 2.0

A summary of the implementation activities AHCCCS conducted for the renewal program (TI 2.0) in Quarter 3 include:

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- Submitted request to CMS to consider substitute measure for TI 1.0 Year 6 STC measures,
- Submitted TI 2.0 Waiver Evaluation Design plan to CMS, received feedback from CMS, and began revising the document as recommended,
- Resumed Office Hours encouraging all participants and partners to ask questions as needed,
- Completed Milestone-Specific Information Session webinars to provide additional guidance and answer questions specific to the milestone,
- Updated AHCCCS policy to prepare for TI 2.0 Year 3,
- Continued drafting requirements for the Year 2 application portal,
- Enhanced Salesforce and trained the ASU and AHCCCS Team,
- Formed a workgroup to begin coordinating ADCRR Reach-In for TIP Justice participants in Maricopa County,
- Finalized Milestone Documents, including annual weighting to determine the amount of payment associated with each milestone and Document Validation criteria that specifies requirement elements each policy/procedure must contain to satisfy the milestone,
- Began coordination with participants to identify staff working at TI clinics- a prerequisite to launching dashboards,
- Finalized interest in 27 provider organizations to pursue NCQA HE accreditation, initiated with kickoff meeting, and drafted the contract with NCQA,
- ASU began Targeted Investments Program Quality Improvement Collaborative (TIPQIC) activities, including: holding the first virtual quality improvement collaborative with TI participants and stakeholders initiating online projects, and creating support documents for participants,
- Coordinated with several stakeholders and subject matter experts, such as: Postpartum Support International for the postpartum BH screening milestones, the Behavioral Health and Wellness Program and ADHS for the tobacco cessation milestones, health plans and ACOs for the use of G and Z codes, health plans cultural competency coalition for CLAS standards milestones, NCQA related to HE accreditation and the Health Equity milestones, and the Contexture and the CommunityCares teams for the HIE requirement and CLRS milestones, and
- Engaged stakeholders and participants in the community, including: in-person tour of a new Valleywise clinic that will support their TI 2.0 Justice clinic, in-person tour of Community43 as an exemplar of culturally sensitive services when engaging and treating members released from hospital psychiatric wards, and leading a panel regarding Health Equity at the State of Reform Conference.

Indian Health Service (IHS)/638 Tribal Dental Services

Effective October 14, 2022, the \$1,000 emergency dental services limit for American Indian or Alaska Native (AI/AN) members over 21 years of age, and the \$1,000 limit for AI/AN ALTCS members receiving services for medically necessary diagnostic, therapeutic, and preventative dental services at IHS/638 facilities are eliminated. This flexibility applies to medically necessary diagnostic, therapeutic, and preventative dental services for beneficiaries who are AI/AN as long as the services are received at participating IHS facilities and/or Tribal 638 facilities.

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The \$1,000 limit on emergency services and the \$1,000 dental limit for ALTCS beneficiaries age 21 or older still applies when performed outside of the IHS/638 Tribal facilities.

Parents as Paid Caregivers (PPCG)

The COVID-19 PHE necessitated new innovations and service delivery models to ensure members continued to receive services if a family decided not to allow Direct Care Workers (DCWs) into their homes or if DCWs decided not to continue working in the home setting to mitigate the risk of exposure. As a result, AHCCCS submitted and received approval for a temporary COVID-19 Appendix K PHE flexibility to allow parents to be reimbursed for the provision of the “extraordinary care” that was required of them throughout the course of the pandemic. The agency received an extension of this flexibility for six months after the end of the PHE on March 22, 2023, extending the program until November 11, 2023, under the same Appendix K authority.

On September 27, 2023, AHCCCS submitted the PPCG proposal seeking to ensure the continuation of allowing for parents to be reimbursed for the provision of this “extraordinary” attendant care including habilitation services to their minor children past the current expiration date of November 11, 2023, through a section 1115 demonstration amendment. This proposal was informed by a robust public input process that engaged 1,765 stakeholders, generated 849 pieces of written and verbal input during the forums and other community events, and obtained 739 pieces of written input through the Waiver public input email.

AHCCCS received approval from CMS on the PPCG demonstration on February 16, 2024. Approval of the PPCG program will allow AHCCCS to continue to reimburse legally responsible parents of minor children for providing direct care to their minor children, helping to mitigate the direct care worker shortage and improve access to timely, effective care in the home and community. The amendment also establishes a Family Support service as part of the Home and Community Based Services (HCBS) benefit package. The Family Support service aims to support primary caregivers, including parents, and improve access to timely, effective care in the home and community.

During the reporting period, AHCCCS began implementation planning including the formation and initial meetings of a multi-stakeholder workgroup composed of family members, providers, MCOs and AHCCCS personnel. The workgroup initiated discussions and deliberations on the development of tools necessary to support operationalization of the Waiver requirements including incorporating an extraordinary care test to the service assessment and considerations for the selection of the service model. The workgroup has leveraged state research and examples of other similar implementations.

KidsCare Expansion

On February 16, 2024, AHCCCS received approval from CMS on the KidsCare Expansion Section 1115 demonstration Amendment Proposal to raise the CHIP, KidsCare in Arizona, eligibility thresholds from 200% of the FPL to 225% FPL with the flexibility for KidsCare coverage to go up to and include 300 percent of the FPL, subject to approval by the state legislature. The KidsCare Expansion demonstration is in alignment with Arizona Senate Bill (SB) 1726. The expanded income limit was implemented effective 3/1/2024. Since KidsCare eligibility is prospective, the earliest effective date of eligibility for the

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expansion was 4/1/2024. The number of kids eligible under the expanded income limit is reported monthly in the AHCCCS Population Highlights report found on the [population reports page](#).

New Demonstration Waiver Amendment Proposals

Former Foster Youth Annual Automatic Renewal

On March 28, 2023, AHCCCS submitted the Former Foster Youth Annual Automatic Renewal demonstration Waiver proposal in alignment with House Bill 2622 passed by Arizona's 55th Legislature. This proposal seeks authority to waive the condition of eligibility in 42 CFR 435.608 requiring Medicaid beneficiaries to apply for other cash benefits for the Former Foster Youth population. 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. This proposal promotes continuity of care, administrative simplification, and reduces unnecessary eligibility churn. Negotiations on the approval of this proposal are underway between AHCCCS and CMS.

AHCCCS is continuing to work on an amendment to this existing waiver application where we intend 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. AHCCCS will present the details about the amendment proposal during a hybrid Tribal Consultation meeting and will conduct two virtual public forum meetings. In addition, the amendment proposal will be presented at the State Medicaid Advisory Committee (SMAC) meeting. The public comment period will begin on August 23, 2024 -October 10, 2024. Details regarding the public forum meetings can be found on the [Former Foster Youth Annual Automatic Renewal](#) waiver web page. If approved, the amendment will run concurrently with AHCCCS' requested renewal period through September 30, 2027.

III. Operational and Policy Updates

Legislative Update

The 56th Arizona Legislature, Second Regular Session, adjourned Sine Die on June 16, 2024. The General Effective Date (GED) is September 13, 2024. The Arizona Legislature passed a number of bills in the 2024 legislative session that impacted the agency, including:

HB 2764 ("long-term care; enforcement; memory care") contains a number of provisions including, but not limited to: the establishment of additional enforcement, licensure and penalty authorities to the Arizona Department of Health Services (ADHS) for oversight of health care institutions/facilities; relating to Adult Protective Services (APS), provides additional oversight and penalty provisions related to abuse and neglect of vulnerable adults; and establishes rules for a licensure subclass for assisted living facilities that provide memory care services.

HB 2520 ("community health centers; graduate education") contingent on the approval of the Centers for Medicare and Medicaid Services (CMS), directs AHCCCS to distribute monies appropriated for

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primary care graduate medical education (GME) services to qualifying community health centers and rural health clinics for direct and indirect costs.

SB 1250 (“AHCCCS; claims”) updates Arizona Statute to comply with new federal requirements relating to state laws pertaining to Medicaid Third Party Liability.

HB 2897/ HB 2903 (Budget Bills)

- Continues state funding for AHCCCS’ multi-year Medicaid Enterprise System (MES) Modernization, to come into compliance with federal interoperability regulations.
- Provides ongoing funding for 101 AHCCCS Full Time Employees (FTEs) to reduce Fraud, Waste, and Abuse.
- Provides 1 million dollars in one time State funding for AHCCCS to distribute to entities that provide case management for persons with serious mental illness (SMI).

The next legislative session will begin in mid-January of 2025.

State Plan Update

During the reporting period, the following SPAs were filed and/or approved:

Table 1

SPA #	Description	Filed	Approved	Eff. Date
13-0016 DSH Budget	Updates the Disproportionate Share Hospital (DSH) Budget in the State Plan.	9/28/23	5/24/24	10/1/23
24-0001 January Nursing Facility Rates	Updates the state plan January Nursing Facility Rates.	3/22/24	4/2/24	1/1/24
24-0002 Physician Administered Drugs	Updates the state plan Physician Administered Drug (PAD) Rates.	3/21/24	N/A	1/1/24
24-0003 CHIP Vaccine Coverage	Attests to the State's coverage of age-appropriate vaccines and their administration without cost sharing.	3/25/24	5/13/24	1/1/24
24-0004 Medicaid Children's Continuous Eligibility	Attests to the State's compliance with federal requirements to provide 12 months of continuous eligibility for children in Medicaid and CHIP.	3/27/24	4/30/24	1/1/24
24-0005 Supplemental Payment SPA	This SPA allows the state to issue an American Rescue Plan (ARP) supplemental payment to select providers, effective May 1, 2024.	6/26/24	N/A	5/1/24

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IV. Evaluation Activities

Waiver Evaluation Update

CMS has approved the Evaluation Design for the legacy Section 1115 Waiver Demonstration Projects. AHCCCS is in the process of seeking approval for the H2O Evaluation Design which contains evaluation components specific to the new H2O Program. A separate 1115 Waiver Evaluation Design was also created for the TI Program 2.0 and was submitted to CMS in February 2024 and is currently under CMS review. Additionally, development for the Evaluation Design plans for the two newly approved Waiver initiatives (i.e., Parents as Paid Caregivers Program and the expansion of KidsCare eligibility) are underway and will be submitted to CMS in August for review.

V. Consumer Issues

Table 2 summarizes advocacy issues received by the Office of Client Advocacy (OCA) for the quarter April 1, 2024 – June 30, 2024. The originators of the issues are identified in Table 3.

Table 2

Advocacy Issues ¹	April	May	June	Total
Billing Issues	0	0	0	0
<ul style="list-style-type: none"> ● Member Reimbursements ● Unpaid bills 				
Cost Sharing	0	0	0	0
<ul style="list-style-type: none"> ● Co-pays ● Share of cost (ALTCS) ● Premiums (KidsCare, Medicare) 				
Covered Services	0	0	0	0
ALTCS	3	3	0	6
<ul style="list-style-type: none"> ● Resources ● Income ● Medical 				
Department of Economic Security (DES)	33	27	25	85
<ul style="list-style-type: none"> ● Income ● Incorrect determination ● Improper referrals 				
KidsCare	0	0	0	0

¹ Categories of good customer service, bad customer service, documentation, policy, and process are captured under the category it may relate to.

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Advocacy Issues ¹	April	May	June	Total
<ul style="list-style-type: none"> ● Income ● Incorrect determination 				
SSI/Medical Assistance Only <ul style="list-style-type: none"> ● Income ● Not categorically linked 	2	0	1	3
Information <ul style="list-style-type: none"> ● Status of application ● Eligibility criteria ● Community resources ● Notification (did not receive or didn't understand) 	26	10	25	61
Medicare <ul style="list-style-type: none"> ● Medicare coverage ● Medicare Savings Program ● Medicare Part D 	1	0	3	4
Prescriptions <ul style="list-style-type: none"> ● Prescription coverage ● Prescription denial 	0	0	1	1
Fraud-Referred to Office of Inspector General (OIG)	0	0	0	0
Quality of Care-Referred to Division of Health Care Management (DHCM) <ul style="list-style-type: none"> ● Health Plans/Providers (Caregiver issues, Lack of providers) ● Services (Equipment, Nursing Homes, Optical and Surgical) 	1	0	0	1
Total	66	40	55	161

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Table 3

Issue Originator ²	April	May	June	Total
Applicant, Member, or Representative	3	3	1	7
CMS	0	1	2	3
Governor's Office	2	8	6	16
Ombudsmen/Advocates/Other Agencies	59	26	43	128
Senate & House	2	2	3	7
Total	66	40	55	161

VI. Performance Metrics

Enrollment Information

Table 4 contains a summary of the number of unduplicated enrollees for April 1, 2024, through June 30, 2024, by population categories. The table also includes the number of voluntarily and involuntarily disenrolled members during this period.

Table 4

Population Groups	Number of Enrollees	Number Voluntarily Disenrolled	Number Involuntarily Disenrolled
Acute AFDC/SOBRA	1,201,441	3,726	47,862
Acute SSI	215,644	258	5,267
Prop 204 Restoration	543,299	2,005	34,548
Adult Expansion	135,969	398	11,798
LTC DD	41,679	64	175
LTC EPD	29,155	39	1,632
Non-Waiver	151,326	220	6,705
Total	2,318,513	6,710	107,987

² This data was compiled from the OCA logs from the OCA Client Advocate and the Member Liaison.

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Table 5 is a snapshot of the number of current enrollees (as of July 1, 2024) by funding categories, as requested by CMS.

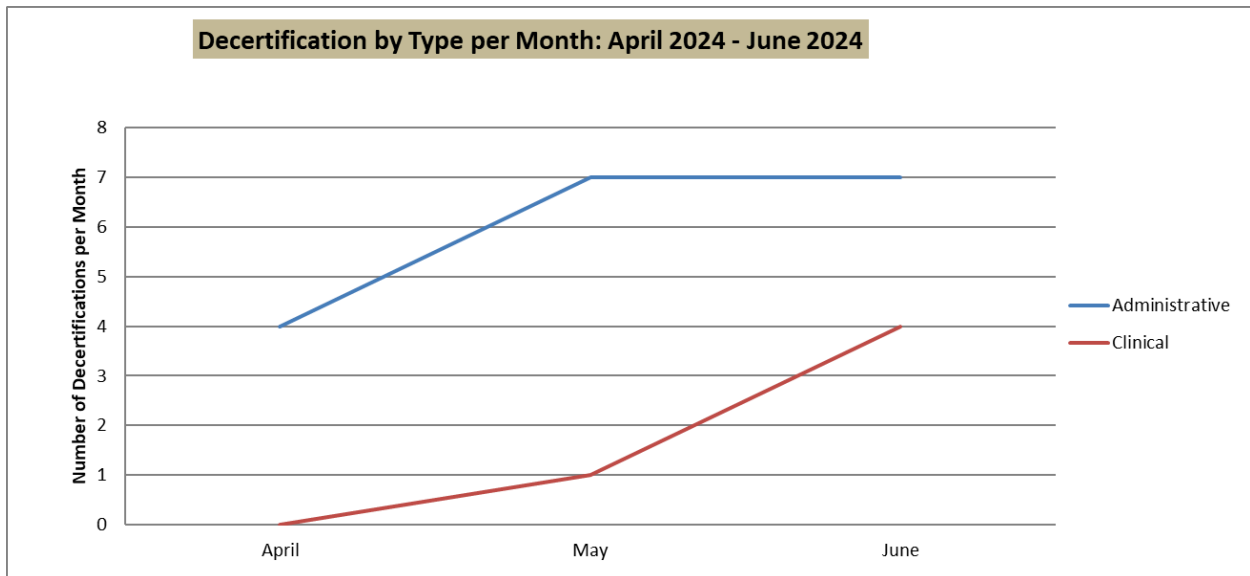
Table 5

State Reported Enrollment in the Demonstration (as requested)	Current Enrollees as of 7/1/24
Title XIX funded State Plan	1,410,419
Title XXI funded State Plan	64,449
Title XIX funded Expansion	582,025
<ul style="list-style-type: none"> ● Prop 204 Restoration (0-100% FPL) 	506,852
<ul style="list-style-type: none"> ● Adult Expansion (100% - 133% FPL) 	75,173

Individuals with SMI Opt-Out for Cause Report

Between April 2024 - June 2024, the number of requests made by a member with an SMI designation to Opt Out of the integrated RBHA for the delivery of physical health care services and receive these services from an ACC plan were zero.

Fig. 1: Decertification by Type per Month: Opt Outs by Month: April 2024 - June 2024 - The decertifications pertain to a determination that an SMI member no longer meets the clinical criteria for eligibility as a person with SMI, or they have requested a review under the administrative process based upon no longer receiving behavioral health services for a period of 6 or more months, and the individual is seeking to have the SMI behavioral health category changed to reflect general mental health.



VII. Quality Assurance and Monitoring Activities

Introduction

This report describes AHCCCS’ quality assurance and monitoring activities that occurred during the quarter, as required in Special Terms and Conditions of the Arizona Section 1115 Waiver. This report highlights activities related to delivery system initiatives, innovations, and improvements as well as Managed Care Organization (MCO) monitoring and compliance. The main report headers are indicated in blue with related sub-headers in maroon. The sections under the maroon sub-headers contain quarterly-specific updates. AHCCCS’ Division of Health Care Services (DHCS) [formerly Division of Health Care Management] and Division of Behavioural Health and Housing (DBHH) [formerly DGI-Division of Grants and Innovation] including Operations, Compliance, Quality Management (QM), Quality Improvement (QI), Medical Management (MM), Maternal, Child Health/Early and Periodic Screening, Diagnostic and Treatment (MCH/EPSTD), and Integrated System of Care (ISOC) oversee the reported activities.

Managed Care Programs

AHCCCS maintains overall objectives for its Managed Care Demonstration programs, AHCCCS Complete Care (ACC), ACC plans with Regional Behavioral Health Agreements (ACC-RBHAs), Arizona Long Term Care System (ALTCS) for the Elderly and/or Physically Disabled (EPD) and Developmentally Disabled (DD), and the Comprehensive Health Plan for children in the foster care system (CHP). These objectives include maintaining and improving care coordination among primary care and behavioral health providers; maintaining and enhancing access to care and quality of care; improving health outcomes and member satisfaction as well as quality of life for members; and continuing to operate as a cost-effective managed care delivery model. AHCCCS has engaged in a multi-year effort to reduce delivery system fragmentation at all levels through the transformational initiative of integrating physical and behavioral health services under the same MCO to enhance care management and quality of care across the entire continuum of care. AHCCCS’ objectives are further supported by evidence of integration’s benefits (including whole-person care, increased care coordination, simplifying a complex health care system for members and providers, and resulting in improved health outcomes). AHCCCS is continually reviewing opportunities to improve the effectiveness and efficiency of Arizona’s health care delivery system, as well as the methods utilized to promote optimal health for members.

AHCCCS currently holds contracts with MCOs as outlined in the table below.

Table 6

MANAGED CARE ORGANIZATION (MCO)	LINE OF BUSINESS	GEOGRAPHICAL SERVICE AREA (GSA)		
		CENTRAL <i>MARICOPA, GILA, PINAL EXCLUDING ZIP CODES 85542, 85192, AND 85550</i>	NORTH <i>MOHAVE, COCONINO, APACHE, NAVAJO, YAVAPAI</i>	SOUTH <i>COCHISE, GRAHAM, GREENLEE, LA PAZ, SANTA CRUZ, YUMA INCLUDING ZIP CODES 85542, 85192, AND 85550</i>
Arizona Complete Health-Complete Care Plan	ACC &	X*		X

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MANAGED CARE ORGANIZATION (MCO)	LINE OF BUSINESS	GEOGRAPHICAL SERVICE AREA (GSA)		
		CENTRAL <i>MARICOPA, GILA, PINAL EXCLUDING ZIP CODES 85542, 85192, AND 85550</i>	NORTH <i>MOHAVE, COCONINO, APACHE, NAVAJO, YAVAPAI</i>	SOUTH <i>COCHISE, GRAHAM, GREENLEE, LA PAZ, SANTA CRUZ, YUMA INCLUDING ZIP CODES 85542, 85192, AND 85550</i>
	ACC-RBHA			
Care1st Health Plan	ACC & ACC-RBHA		X	
Mercy Care	ACC & ACC-RBHA	X		
Banner University Family Care	ACC	X		X
Health Choice Arizona	ACC	X	X	
Molina Healthcare	ACC	X		
UnitedHealthcare Community Plan	ACC	X		
Banner University Family Care	ALTCS-EPD	X		X
Mercy Care	ALTCS-EPD	X		PIMA COUNTY ONLY
UnitedHealthcare Community Plan	ALTCS-EPD	X	X	
Department of Economic Security/Division of Developmental Disabilities	ALTCS/DDD	X	X	X
Department of Child Safety, Comprehensive Health Plan	DCS/CHP	X	X	X

**Arizona Complete Health-Complete Care Plan is only responsible for ACC contract requirements in this GSA.*

Delivery System Initiatives, Innovations, and Improvements

AHCCCS is committed to the development of a thoughtful, data-informed delivery system that incorporates CMS priorities and AHCCCS' business needs to promote optimal health outcomes for all members. Throughout AHCCCS, various teams undertake extensive efforts to promote delivery system innovation and improvement for internal and external processes.

Initiatives

Abuse and Neglect Prevention Task Force

AHCCCS has maintained its involvement with two abuse and neglect prevention workgroups. During the third quarter, activity began to wind down for the Training and Prevention workgroup due to the finalizing of the majority of the prevention-oriented materials. The Trauma Informed Approach Collaborative Council (TIACC) workgroup is finalizing the survey it has been developing and anticipates sending the final survey draft to organizations and community members in August. AHCCCS will continue involvement with the Training and Prevention and TIACC workgroups through the rest of the third and fourth quarters of this fiscal year. Because these workgroups continued their activity at the

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community-level beyond the original task force requirements under Arizona's previous governor, AHCCCS continued its supportive role. By the end of the fourth quarter, both workgroups should be at a point whereby their initial activities are complete and AHCCCS involvement and support will no longer be needed.

American Rescue Plan (ARP) Act

In January 2022, CMS granted approval of Arizona's ARP Act of 2021 (Pub. L. 117-2) HCBS Spending Plan. This allowed the Agency to begin implementing activities outlined in the Spending Plan and to qualify for a temporary 10 percentage point increase to the federal medical assistance percentage (FMAP) for certain HCBS Medicaid expenditures, provided such funds are expended during the approved timeframe. AHCCCS had initially decided to continue HCBS Spending Plan activities until all enhanced FMAP savings are expended or until September 30, 2024, whichever is earlier. However, AHCCCS is now seeking to continue HCBS Spending Plan activities until March 30, 2025. AHCCCS anticipates that all of the activities in the HCBS Spending Plan will be complete by September 30, 2024, with the exception of the Parents as Paid Caregivers initiative.

Arizona has identified two critical priorities in its Spending Plan: (1) Strengthening and Enhancing Arizona's HCBS System of Care; and (2) Advancing Technology to Support Greater Independence and Community Connection. Each activity identified in the State's Spending Plan supports these priorities, resulting in member-centric strategies that will serve as a roadmap for the State's use of these dollars. Further, the State's Spending Plan activities are designed to support transformational change of the delivery system, leading to enhancements in care delivery to individuals who are accessing general mental health and substance use disorder (SUD) services. Arizona has identified four key populations at the center of the efforts outlined in this spending plan, specifically seniors, individuals living with disabilities, individuals living with an SMI designation, and children with behavioral health needs.

AHCCCS has worked to implement and operationalize activities since the approval of the ARP HCBS Spending Plan.

The following highlight major activities that AHCCCS has implemented as of June 30, 2024:

1. Release of One-Time Payments to Support the HCBS Workforce

AHCCCS obtained expenditure authority from the Arizona Legislature; upon approval, the Agency immediately released one-time directed payments to providers for the purposes of strengthening their workforce and enhancing HCBS. Based on stakeholder feedback, these funds provided immediate support for HCBS Direct Care Workers (DCWs) to ensure effective and efficient service delivery. AHCCCS dispersed directed payments for 2022 and 2023. Eligible providers receiving directed payments in 2023 had until the end of February 2024 to expend funds. AHCCCS has identified and dispersed Contract Year (CY) 2024 directed payment to eligible providers. Payments were dispersed to the MCOs by April 30, 2024, and to eligible providers by May 31, 2024. FFS payments were dispersed to eligible providers by mid-June 2024. AHCCCS has finalized processes that will support the conduct of audits of providers in receipt of directed payments and began audits of eligible providers who received payment in CY 2022.

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2. Implementation of Activities to Strengthen and Enhance the Workforce

AHCCCS is partnering with Arizona's community colleges on two initiatives that are intended to improve the capability and commitment of the HCBS health care workforce. The first partnership; the Career, Education and Training (CET) initiative offers scholarships and tuition assistance for students in over 40 eligible healthcare degree and certificate programs throughout Arizona as well as an in-service training curriculum development component for the LTSS and Behavioral Health workforces. To coordinate the activities of all of the participating community college districts, AHCCCS has contracted with Maricopa County Community College District (MCCCD), who has partnered with five other community college districts in the state, to assist with disbursement of scholarship and tuition assistance funds as well as to lend their curriculum development and instructional design expertise to the development of the previously mentioned in-service training programs. The second partnership, referred to as the Behavioral Health Program Expansion initiative, is the result of legislation (HB2691) that required AHCCCS to partner with MCCCD and Northern Pioneer Community College in Navajo County (NPC) to bolster participation in behavioral health academic education and training programs.

The Community Colleges began distributing funds starting September 2023 for students enrolled in eligible programs. The CET scholarship program will terminate on September 30, 2024, at the end of the contract period with MCCCD. If the legislature chooses; the HB2691 Behavioral Health Program Expansion Initiative can be extended until December 31, 2025. There are work requirements for students participating in the CET and the HB2691 scholarship and tuition assistance programs. The CET scholarship and tuition assistance program requires students to attest that they intend to serve as HCBS providers upon completing their education. HB2691 requires students participating in the Behavioral Health Expansion Project to commit to working for a minimum of two years or the length of their financially supported AHCCCS Scholarship, whichever is longer.

As of June 2024, AHCCCS, via MCCCD, awarded over four million dollars of scholarship and tuition assistance across 1,738 recipients for the CET program and over \$1.5 million dollars across 524 recipients for the HB 2691 program.

AHCCCS is working on several initiatives related to workforce development. This includes implementation of a Differential Adjustment Payment (DAP) to providers for the development of a workforce plan. In addition, AHCCCS has been working with a third-party contractor to assess potential data sources for the development of a workforce database. AHCCCS has conducted a preliminary review of the available data and will be working on developing a Power BI dashboard of key workforce metrics.

AHCCCS has partnered or is in the process of partnering with several contractors to provide training and curriculum development support. These partners include Arizona State University (ASU), the University of New Hampshire's National Center of START Services, and the Association for Talent Development (ATD). AHCCCS anticipates these activities to be completed by September 2024 and will continue to provide oversight support to these partners.

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3. Support of Partnerships with Sister Agencies

AHCCCS has partnered with the Arizona Department of Economic Security (DES) for several ARP HCBS Spending Plan initiatives. These activities include enhancements to the Disability Benefits website, creation of a central employment repository, and support for the abuse and neglect awareness campaign. AHCCCS will continue to work with DES to ensure that activities are implemented in line with the goals and objectives of the ARP Spending Plan.

AHCCCS has partnered with the Department of Economic Security, Division of Developmental Disabilities (DES/DDD) for several key initiatives outlined in the Spending Plan. This includes development of training modules, such as positive behavior support and dual diagnosis support for DES/DDD providers. AHCCCS will continue to provide oversight support to DES/DDD as they work to implement these initiatives.

4. Modification and Review of Systems

AHCCCS partnered with NTT to do a review of the State's Client Assessment and Tracking System and Quality Improvement System. NTT conducted a review and has offered recommendations for next steps. AHCCCS has begun to consider integration of their recommendations in their system. As a result, at this time, work on these initiatives is complete.

AHCCCS has formally partnered with Pipeline AZ to develop a Caregiver Career Development Pathway (Pathway) program. Pathway is designed to encourage individuals to begin a career as a DCW and guide them down their ideal career path through site tours, training, financial resources, etc. AHCCCS is continuing to work with Pipeline AZ to ensure that the Pathway program becomes a pivotal resource in expanding the HCBS workforce. AHCCCS has also set aside DAP funds to provide incentives to providers to participate in Pipeline AZ.

Additionally, AHCCCS is beginning the development of a standalone portal for the PreAdmission Screening and Resident Review (PASRR) program. AHCCCS has partnered with a vendor to develop and integrate the portal into existing AHCCCS systems. AHCCCS will continue to monitor progress as all activities are expected to be complete by September 30, 2024.

5. Implementation of ARP HCBS Initiatives Includes in the Spending Plan

AHCCCS partnered with ADvancing States to assist with timely implementation of Spending Plan initiatives. ADvancing States provided technical assistance and subject matter expertise to support diligent and thoughtful implementation of AHCCCS' Spending Plan in a manner that aligns with existing program goals and that supports long-term innovative growth for the State's HCBS populations. AHCCCS received final recommendations from ADvancing States in June 2023.

AHCCCS has completed provider rate surveys for the HCBS, behavioral health, and developmentally disabled providers.

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AHCCCS has partnered with Public Consulting Group (PCG) to administer ARP Program Awards. These awards allow providers to make key program and infrastructure investments. AHCCCS has granted 61 awards totaling approximately \$17M in August 2023. AHCCCS is working with PCG to continually monitor Program Award activities and is in the process of developing an auditing plan to ensure that ARP Program Awards were used appropriately.

AHCCCS has partnered with several vendors to support initiatives included in the Spending Plan. These activities include development of HCBS Settings Rules training, development of Case Manager training, implementation of an environmental scan to assess existing behavioral health services, continued research on remote technology options for the State's consideration, and review of a member's experience receiving HCBS services across various agencies in the State. These activities are ongoing and will continue until September 30, 2024.

Finally, AHCCCS has partnered with a vendor to conduct standalone assessments of current system activities. This includes a review of remote technology options for the HCBS population, a review of workforce data based on a survey conducted by AHCCCS MCOs, a multi-agency review of HCBS member services across the State, and an evaluation to determine and identify opportunities to implement Program of All-Inclusive Care for the Elderly (PACE) in Arizona. These assessments are ongoing and will continue until September 30, 2024.

Behavioral Health Clinical Chart Audits

As stated in previous quarterly reports, the Behavioral Health Clinical Chart Audit (BHCCA) was designed to measure member outcomes by way of the MCOs using a randomized sampling of member charts. The audits comprise four primary categories of behavioral health requirements identified by federal and state regulations. These required categories are delineated within four BHCCA sections covering (1) Assessment, (2) Service Planning activities, (3) General Clinical Chart (GCC) activities including, but not limited to child and family or adult team planning activities, documentation related to referrals, collaborative activities and clinical notes from other providers, safety planning, impact of service planning plus other clinical documentation required to meet member needs, and (4) Cultural Competency (CC).

The scores within the table below are calculated automatically when the MCOs run data reports from the audit information that they have added to the BHCCA Portal. Their reports are submitted to AHCCCS annually in January, as required under the Contract. General results from the CY2023 BHCCA for each MCO and their corresponding line of business are summarized below. All scores represent the degree to which chart documentation meets the expected criteria for combined elements within the audit section categories. A score of less than 85% is considered unsatisfactory and MCOs have the option of providing technical assistance or issuing corrective action with the provider, depending on the severity of the deficiency and corresponding audit scores.

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Table 7

MCO	NUMBER OF CHARTS REVIEWED	ASSESSMENT AVERAGE SCORE ALL PROVIDERS (22 ITEMS)	SERVICE PLAN AVERAGE SCORE ALL PROVIDERS (9 ITEMS)	GENERAL CLINICAL CHART AVERAGE SCORE ALL PROVIDERS (16 ITEMS)	CULTURAL COMPETENCY AVERAGE SCORE ALL PROVIDERS (3 ITEMS)	AUDIT SCORE AVERAGE SCORE ALL PROVIDERS
Average scores are the average section scores for all providers audited. Any score shown with an asterisk (*) indicates a score that is below the acceptable threshold score of 85%.						
Arizona Complete Health Complete Care Plan ACC	256	94%	92%	*83%	97%	91%
Az Complete Health Complete Care Plan ACC-RBHA	63	96%	94%	89%	96%	94%
Banner University Family Care ACC	407	87%	94%	*83%	93%	88%
Banner University Family Care ALTCS-EPD	9	*71%	93%	87%	*55%	*79%
Care1st Health Plan ACC	217	94%	93%	87%	*83%	91%
Care1st Health Plan ACC-RBHA	29	95%	90%	90%	94%	93%
Department of Child Safety, Comprehensive Health Plan DCS/CHP	94	92%	89%	*82%	91%	89%
Department of Economic Security/Division of Developmental Disabilities ALTCS/DDD-Mercy Care (subcontractor)	92	95%	87%	*82%	92%	89%
Department of Economic Security/Division of Developmental Disabilities ALTCS/DDD-United (subcontractor)	138	96%	95%	95%	100%	96%
Mercy Care ACC	300	93%	91%	90%	99%	92%
Mercy Care ACC-RBHA	136	94%	96%	85%	99%	91%
Mercy Care ALTCS-EPD	17	88%	93%	*84%	92%	89%
Molina Health Care ACC	190	94%	94%	*81%	95%	91%
UnitedHealthcare Community Plan ACC	302	96%	96%	97%	100%	97%
United Healthcare Community Plan ALTCS-EPD	6	90%	92%	89%	100%	91%

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The scores less than the 85% threshold fell under two primary audit categories: GCC and CC. An analysis was completed of individual MCO provider data to identify which GCC elements had low threshold scores that contributed to the overall thresholds below 85%. As identified within the table above, 16 elements comprised the GCC section. When examined across the cohort of individual providers included in the audit, there were 11 elements that did not meet threshold criteria. Some of the lower scoring GCC elements related to identification of general member needs and rights to service delivery (e.g., documentation reflecting members were made aware of options to choose providers, ability to use natural community supports, and access to peer and family support services). Other lower scoring elements related to more specific needs based on member categories (e.g., adults with SMI and children requiring high needs case management). A third area of GCC elements that related to some of the lower average scores included those elements for evidence of safety planning and service planning activities related to youth transitioning to adulthood.

The CC section includes requirements that evaluate documented evidence that service providers assess the need for qualified translation services for both oral and written communication and service delivery. A third measure of CC requires documentation reflecting inclusion of the member's cultural customs, values, and beliefs as part of service planning and treatment. The two MCOs that scored below the 85% threshold did not meet that threshold for any of the three elements that comprise this section. It is important to acknowledge that this year's report and associated results reflect the use of the newly implemented BHCCA Portal, as well as additional standards that were not assessed in prior audit years. These changes may be partially related to the lower scores in some areas.

Additionally, AHCCCS has begun to address requested BHCCA Portal changes based on MCO feedback. The BHCCA Portal currently contains reports that automatically compile the data based on preset parameters (e.g., adult versus child, gender, provider type). However, with incorporation of the changes requested by the MCOs, the BHCCA Portal will allow enhanced capability for the MCOs to conduct optional data analysis to identify any additional trends they wish to report. These updated BHCCA Portal capabilities will be ready for use beginning October 1, 2024. Furthermore, AHCCCS is evaluating current requirements and standards to identify potential changes and opportunities for improvement in measuring member outcomes.

Behavioral Health Residential (BHRF) Settings

Arizona's BHRFs are a level of care for individuals requiring twenty-four hours a day/seven days a week supervision and monitoring while they stabilize and prepare to transition back into the community with treatment and support. While in a BHRF level of care, individuals receive all services identified on their Individualized Service Plans (ISP) and Treatment Plans in the BHRF.

As reported in the second quarter, AHCCCS was in the process of significantly revising to the existing BHRF policy, AMPM Policy 320-V, including BHRF expectations and specifications for BHRF level of care. This quarter, these revisions posted for Public Comment. After thorough review and discussion of the multiple Public Comments related to this Policy, AHCCCS has paused publication and immediately started to make additional revisions to promote best practice expectations for BHRF providers. The ongoing review and revision of the BHRF Policy will allow AHCCCS to engage in better oversight and monitoring of BHRF providers and evaluate the monitoring and oversight expectations placed on MCOs. AHCCCS'

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contracts with MCOs require the MCO to regularly audit and oversee the BHRF providers with which they contract to provide BHRF level of care. The focus of these continued revisions includes:

1. Development of minimum standards for discharge planning (i.e., outpatient care coordination, medication management, support services, housing, transportation, and safety planning).
2. Training requirements to cover naloxone administration, recognition of signs and symptoms of opioid overdose, and the need to ensure medical and physical examination requirements are met.
3. Language enhancements to identify the importance of engagement with family, community, and natural supports.

The BHRF Policy is anticipated to be published with an effective date of October 1, 2024.

In conjunction with MCOs, AHCCCS has engaged in regular technical assistance meetings and support for BHRF providers over the course of this quarter to ensure effective and appropriate services are provided to AHCCCS members. AHCCCS continues to evaluate opportunities for enhanced services within BHRF settings. Examples of engagement to improve and enhance BHRF services include ongoing collaboration with community partners, legislators, and MCOs to ensure sufficient BHRF network capacity for all members. Last quarter, AHCCCS reported that the focus has shifted to development of BHRF settings that offer higher levels of security and protection; these efforts continue through data collection and analysis to support enhancing availability and development of a robust secured BHRF level of care. As necessary, AHCCCS has engaged with MCOs and members to address and resolve concerns that arise regarding service delivery or network accessibility that does not meet standards of existing BHRF policy, Contract requirements, and/or licensure standards under Arizona Administrative Code (AAC), Title 9, Chapter 10, Article 7, Behavioral Health Residential Facilities.

Child Adolescent Level of Care Service Intensity Utilization System (CALOCUS) and Early Childhood Service Intensity Instrument (ECSII) Tools

The CALOCUS is a standardized assessment tool that provides determination of the appropriate intensity of services needed by a child or adolescent and their family, and guides provision of ongoing service planning and treatment outcome monitoring in all clinical and community-based settings. During the third quarter, AHCCCS CALOCUS FAQs were updated to provide direct information that all children receiving behavioral health services are to have a CALOCUS conducted. Additionally, the Workforce Development (WFD) Alliance shared the updated CALOCUS FAQs with providers and communicated that the live Deerfield CALOCUS training would be canceled until a web-based, asynchronous training is completed. CALOCUS FAQs were also updated to reflect this information. Based on the temporary nature of the live training suspensions during the month of June 2024, the impact of the suspensions is expected to be minimal.

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AHCCCS continues to receive updates from Deerfield regarding its expected completion date of an online provider training module for CALOCUS; this is expected by the end of Summer 2024.

The ECSII training contract, which allowed for grant-funded training to be completed by community members, providers and or MCO staff, ended on March 15, 2024. As reported during previous quarterly reports, the ECSII is a standardized, empirically based tool used to identify the needs of infants and toddlers. This tool utilizes evaluation of the strengths and needs of children and their caregivers, to develop supports necessary to promote healthy early childhood development. Due to contract finalization, there was minimal activity for the ECSII during the third quarter. This consisted of contract wind-down reporting from the American Academy of Child and Adolescent Psychiatry (AACAP). Final reporting indicated 404 individuals completed the ECSII training and course test with a passing score of 75%.

Child and Family Team Practice

AHCCCS has continued its efforts to improve Child and Family Team (CFT) practice in quarter three. Following statewide implementation of a two day in-person CFT facilitator training, AHCCCS' Workforce Development Alliance and the AHCCCS ISOC team have partnered with community colleges and Career and Technical Education (CTE) programs to include the required training in degree and certification programs offered at their institutions. The AHCCCS Workforce Development Alliance created a workgroup that improved CFT training materials based on lessons learned in the first year of conducting the statewide CFT facilitator training. New training materials were made available to CFT champions on June 27, 2024 for the CFT Facilitator and Supervisor training.

AHCCCS also continues to work with the National Wraparound Implementation Center (NWIC) to implement high fidelity Wraparound for youth members that qualify for high needs case management and, therefore, more frequent CFT meetings. Wraparound is a nationally recognized evidence-based practice that AHCCCS plans to implement to increase the quality of CFT practice for members with the greatest needs and are most at-risk of out of home placement. AHCCCS is also working to implement a preventative coordination of care model called FOCUS, which will provide additional support and earlier intervention for children and families with moderate needs to reduce their risk for out of home placement. Adding these two additional evidence-based care coordination models will create a system that targets the intensity of care coordination based on the needs of the child and family while creating professional development opportunities for care coordination staff. AHCCCS is collaborating with MCOs to identify how the CALOCUS can best be used to assess for the most appropriate level of care coordination for each member. Throughout quarter three, AHCCCS has worked with NWIC to schedule training and build training tracks within the learning management system used by AHCCCS' Workforce Development Alliance, to allow our MCOs to monitor providers trained in these models. Training in these models is scheduled to begin in quarter four and AHCCCS is disseminating information regarding the upcoming training to providers. In quarter three, NWIC provided a written report to AHCCCS including system recommendations and completed readiness tools for the implementation of Wraparound and Focus models. AHCCCS and NWIC have also partnered in conducting fidelity audits of providers contracted to provide high needs case management to inform the implementation of Wraparound. NWIC

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provided a data dashboard for the results of these fidelity audits and this data will be used to inform implementation planning of the Wraparound model. AHCCCS and NWIC collaborated to host provider listening sessions specifically for those providers that participated in the fidelity audits and information was gathered regarding current system successes and challenges. AHCCCS's work with NWIC also includes designing intentional care pathways that improve the experience of children and families entering behavioral health services and ensure equitable access to care. NWIC is providing information on how these models can be monitored for fidelity and how Arizona can achieve sustainability of these models.

Clinical and Operational Significant Policy Changes

In quarter three, AHCCCS completed the following significant policy changes:

1. ACOM Policy 409 - Contractor Office of Individual and Family Affairs is a new policy outlining MCO requirements to establish and maintain a distinct Office of Individual and Family Affairs (OIFA) department and outlines the responsibilities of the MCO, OIFA Administrator, and the OIFA Alliance.
2. ACOM Policy 321 - Payment Reform E-Prescribing, was reserved as E-prescribing (ERx) is now the standard for 99% of prescribing clinicians. AHCCCS will also remove the ERx Differential Adjusted Payment incentive for Contract Year Ending (CYE) 2025.
3. AMPM Policy 581 - Working with The Birth Through Five Population, is a new policy that incorporates pertinent information from the former AMPM Behavioral Health Practice Tools 210 and 211. This policy outlines requirements for the MCO to ensure their subcontracted network of providers utilize the best practices outlined in this policy in meeting the unique needs of children age birth through five.
4. AMPM Policy 582 - Support and Rehabilitation Services for Children, Youth, And Young Adults, is a new policy that incorporates pertinent information from the former AMPM Behavioral Health Practice Tool 230. This Policy establishes expectations for implementation of Support and Rehabilitation Services as they are utilized in the Children's System of Care.
5. AMPM Policy 583 - Family Involvement in The Children's Behavioral Health System, is a new policy that incorporates pertinent information from the former AMPM Behavioral Health Practice Tool 240. This policy outlines requirements for the MCO to ensure the System of Care has a culture that promotes meaningful family involvement at all levels.
6. AMPM Policy 584 - Youth Involvement in The Children's Behavioral Health System, is a new policy that incorporates pertinent information from the former AMPM Behavioral Health Practice Tool 250. This policy is intended to provide guidance for youth involvement in the children's behavioral health system.
7. AMPM Policy 585 - The Unique Needs of Children, Youth, And Families Involved with Department of Child Safety (DCS), is a new policy that incorporates pertinent information from

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the former AMPM Behavioral Health Practice Tool 260. This Policy is intended to provide an understanding of the unique needs of children involved with the Department of Child Safety (DCS) and to provide guidance to Child and Family Teams (CFTs) responding to those needs by outlining the clinical considerations for serving children involved with DCS, their families, and other caregivers.

8. AMPM Policy 586 - Children's Out of Home Services, is a new policy that incorporates pertinent information from the former AMPM Behavioral Health Practice Tool 270. This policy operationalizes the use of Child and Family Team (CFT) Practice to ensure that treatment interventions for children and youth receiving out of home services are consistent with the Arizona Vision and the 12 Principles for Children's Service Delivery.
9. AMPM Policy 310-V - Prescription Medications/Pharmacy Services, was revised to clarify coverage of over-the-counter Naloxone requirements to align with the Standing Order from Arizona Department of Health Services (ADHS).
10. AMPM Policy 431 - Oral Health Care for Early and Periodic Screening, Diagnosis and Treatment Aged Members, was revised to add a dental point-of-contact in alignment with Contract and included for the state statute regarding scope of dental assistants ARS 32-1291.01.
11. AMPM Policy 440 - KidsCare, was revised to align with CMS approval to expand Title XXI/CHIP (KidsCare) eligibility for children up to 225% of the Federal Poverty Level (FPL).

Collaboration with Arizona Department of Education (ADE) and Arizona Department of Health Services (ADHS) for Accessing Behavioral Health Services in Schools

Project AWARE (Advancing Wellness and Resiliency in Education) is a federal initiative funded by Substance Abuse and Mental Health Services Administration (SAMHSA) and the US Department of Health and Human Services. The project aims to expand partnership between education and mental health systems at the state and local levels and to develop a sustainable infrastructure for school-based mental health programs and services. The Arizona Project AWARE team is a partnership between Arizona Department of Education (ADE), AHCCCS, and three Local Education Agencies (LEAs). Project AWARE consistently offers professional development and training for staff (including nurses, teachers, administrators, and counselors) and community members, focusing on mental health awareness, education, AHCCCS behavioral health funding resources for schools, and behavioral health interventions. During the third quarter, Project AWARE conducted six training sessions, educating 157 professionals and non-professionals alike. Regarding sustainability, Project AWARE is actively pursuing sustainable practices beyond the grant's duration by utilizing no-cost resources, formulating policies, and considering approaches like Train-the-Trainer models to ensure the continuity of training. An exemplary initiative is the Safe TALK suicide prevention training.

During the third quarter, AHCCCS was informed about the possible closure of La Frontera's school-based program as this is an utilized community behavioral health provider for an assigned LEA. AHCCCS

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promptly coordinated with the designated ACC-RBHA, Mercy Care, to ensure continuity in school-based programming and the exploration of further provider recruitment opportunities.

All Project AWARE school districts feature teams that represent a wide array of members and convene regularly with other districts. These multi-district Project AWARE teams include administrators, community providers, and school mental health professionals such as counselors and social workers. Partners often describe these gatherings as opportunities to learn from each other's experiences at their respective schools, to discuss challenges related to referrals or connecting students with services, and to plan for future outreach and engagement events. Community providers have noted that these meetings are crucial for addressing efficient referral pathways to their agencies. These interactions have fostered strong partnerships among schools and organizations, facilitating the smooth implementation of mental health programs and catering to the unique needs of students.

Court Ordered Evaluation (COE) and Court Ordered Treatment (COT)

This quarter included several activities with MCOs and stakeholders, including third-party consultants to assess existing network capacity and address challenges facing the community in accessing COE and COT services.

Starting this quarter, AHCCCS is a participant in a statewide Title 36 Workgroup (i.e., Title 36 of the Arizona Revised Statute, Public Health and Safety) to address barriers and challenges faced by individuals, providers, law enforcement/emergency medical services, the courts, and MCOs when making referrals for pre-petition screening services and referrals for COEs. This workgroup is expected to become an integral part in identifying and addressing the needs of both members and the legal system as it relates to ensuring timely and effective services while maintaining member rights

AHCCCS has provided support to the Arizona Superior Court in navigating reported concerns related to specific providers utilizing forms for pre-petition screening and COE that were not the same as those provided for free online via AHCCCS. In conjunction with the MCOs, the providers were given technical assistance and support to ensure all staff were, and will continue to be, effectively trained and able to provide support to individuals and families in accordance with Arizona statute.

AHCCCS has partnered with two consultants to further evaluate member adherence to civil and criminal COT orders and determine the most frequent reason for non-adherence or non-compliance with the court order. This will include ongoing data collection, analysis, and evaluation of the data and results and will allow for additional problem solving to address barriers and challenges to individuals successfully fulfilling the requirements of their COT.

AHCCCS also receives monthly reports from the MCOs regarding pre-petition screening and COE referrals which are evaluated for timeliness of referrals and hearings in addition to monitoring of the number of individuals who "time out" and are not seen by a judge within the 72-hour period required by Arizona statute. AHCCCS additionally receives monthly reporting of all individuals on COT and their status of adherence to the court order or if they have been re-hospitalized, incarcerated, needed to have their

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court order amended or revoked, or if the member has been put on a 'tolling order' (member is unable to be located). These reports are being used to evaluate the effectiveness of services and are integral to the work being completed by the consultants and in planning future needs for the COE/COT population and assessing adequate network capacity.

National Committee for Quality Assurance (NCQA) MCO Accreditation

AHCCCS is continuing its efforts related to MCO accreditation and comparing the NCQA Health Plan Accreditation (HPA) standards, NCQA Medicaid Managed Care Toolkit, as well as current contractual and policy requirements, to ensure maximum alignment of regulatory oversight, increase opportunities for non-duplication as permitted by 42 CFR 438.360, and to leverage data validation tools. AHCCCS' MCOs are simultaneously prioritizing initial NCQA MCO accreditation efforts and collaborating with AHCCCS to raise questions and considerations as they work through their Accreditation review processes. All AHCCCS MCOs required to obtain NCQA Health Plan Accreditation by October 1, 2023, have obtained their initial Health Plan Accreditation with Medicaid Module and completed subsequent NCQA corrective action plans (CAPs) with resurveys, if applicable.

Targeted Investments Program(s)

As AHCCCS nears completion of the TI 1.0 program, AHCCCS distributed year six payments based on aggregate funds available. AHCCCS asked CMS to consider an alternative performance metric to earn-back the funding tied to one of the 2016 Arizona Section 1115 Waiver Special Terms and Conditions (STC) measures. To satisfy the payment deadlines established by the STCs, AHCCCS expects to implement CMS' decision in quarter four.

AHCCCS continues to validate address information for all TI 2.0 program participants with AHCCCS Provider Enrollment, CMS National Plan and Provider Enumeration System (NPPES), and ADHS licenses. This has become especially challenging for primary care practices that, by definition, are not required to have a clinic NPI; have a facility license from the Department of Health; nor enroll with AHCCCS as a clinic. AHCCCS has taken extra steps to collect information through the application process that may identify when a provider is performing services beyond their scope. AHCCCS is coordinating with the Department of Health to clarify when a facility license is needed, ameliorate discrepancies, and proactively educate providers. AHCCCS expects to complete the first round of validation in quarter four.

AHCCCS continued to support TI 2.0 program participants in earning NCQA Health Equity Accreditation. AHCCCS has worked with NCQA to modify the NCQA evaluation tool to be clearer for care delivery sites; created standing meetings to provide support, identify challenges, and explore opportunities; and collaborated with NCQA to establish monthly technical support sessions related to the specific requirements. To optimize coordination and increase the impact of this work in quarter four, AHCCCS expects to finalize the NCQA contract, continue participation in the Arizona Health Improvement Plan (AzHIP) Data Advisory Council, and begin participating in the AHCCCS MCO Cultural Competency Coalition (C3).

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AHCCCS received CMS feedback on the TI 2.0 Arizona Section Waiver Evaluation Design. Among the many innovative measures to assess health equity and impacts of HRSNs on an individual's quality of life and cost of care, the team proposed a first-of-its-kind mixed-methods survey approach to collect member experience of care for all AHCCCS members potentially impacted by the TI 2.0 program. This will promote sufficient denominators for stratified measures and health equity analyses for members that may (or may not) be attributed to TI 2.0 program participating providers based on member utilization behavior in the next five years. AHCCCS has drafted revisions, including a clarification to this point, to respond to CMS' feedback in quarter four.

AHCCCS, consultants, TI 2.0 program participants, and other stakeholders collaborated to finesse the year two and year three process milestones. TI 2.0 program participants will draft policies to meet the year two milestones by September 2024 and implement those policies in year three. AHCCCS published the minimum elements for each process in quarter two and continues to update the elements upon reasonable request.

AHCCCS has engaged the Behavioral Wellness and Health Program and ADHS to provide Tobacco Cessation training, resources, and community connections to enhance the tobacco cessation programming in TI 2.0 Justice clinics. These trainings and support will begin in quarter four.

AHCCCS continues to collaborate with ADCRR and NaphCare, the medical provider in Arizona state prisons, to improve coordination of justice reach-in activities that support the individual's successful reentry to the community. Unplanned releases, absence of NaphCare at specific prison yards due to privatized facilities or low-risk populations, and inefficient processes to obtain and share relevant information has plagued this effort for years, and AHCCCS plans to implement a streamlined process by quarter one.

AHCCCS continues to explore opportunities to share data with State agencies and other data sources. AHCCCS has a pending data request with ADHS to identify race and ethnicity of AHCCCS members per birth certificates, death records, and hospital discharges. AHCCCS completed a pilot data-matching request with the Health Information Exchange to identify race and ethnicity of active members. Preliminary analysis indicates more than 70% of members currently reported as "unknown" ethnic origin have an electronic medical record with a standardized race value. AHCCCS seeks to implement the full process in quarter three. Finally, AHCCCS is establishing data-sharing pathways to receive community service referral data from ACOs and CINs that help provider participants facilitate the referrals. This will complement claims data, reflecting screening results and general referral status, and capture data not stored in the Community Cares CLRS.

AHCCCS continued discussions on CMS' guidance of collecting Sexual Orientation and Gender Identity (SOGI) data on its application for benefits and OMB's guidance on updated Race and Ethnicity standards. Through AHCCCS' Health Equity Committee, the agency will reach out to salient stakeholders to garner their insights and develop a proposed methodology/metrics for consideration.

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ASU partners completed the design and began implementation of the Year two Quality Improvement Collaborative (QIC) curriculum, including content for computer-based training modules, guidance for quarterly projects related to implementing quality improvement techniques, and QIC meeting content. ASU hosted the first virtual quality improvement collaborative, with the second slated for quarter four. AHCCCS and ASU proactively seek feedback from participants to enhance the value of these activities throughout the TI 2.0 program.

AHCCCS and ASU began utilizing a Customer Relationship Management (CRM) tool to effectively coordinate internal and external communication. The CRM will ensure team members from both agencies can access the same real-time data, ensure understanding of task responsibilities, and satisfy both agencies' document retention policies. The teams have revised the tool as a result of participant and user feedback from the pilot process. ASU will implement the remaining core functionality in quarter four.

Innovative Approaches and Continuous Quality Improvement

Data Dashboards

In alignment with strategic and health Information Technology (IT) planning goals for transparency into delivery system performance, AHCCCS continues its efforts with the state's Health Information Exchange (HIE), Contexture, to develop and publish public-facing delivery system utilization dashboards. To date, the partnership with Contexture resulted in three public-facing dashboards (COVID-19 Immunizations, Emergency Department Visits, and Hospital Inpatient Admissions) being published to the AHCCCS website in quarters one and three with a third dashboard (Telehealth Utilization) projected to be completed in the first quarter of 2025. In quarter three, AHCCCS initiated dashboard development efforts for two additional dashboards, AHCCCS Eligibility Determinations and AHCCCS Demographics, which are anticipated to be published on the AHCCCS website in quarter four.

Whole Person Care

The AHCCCS Whole Person Care Initiative (WPCI) is AHCCCS' next step in integrated care and is focused on improving the Health Related Social Needs (HRSN) of members. WPCI includes the following areas of focus: improving member connection to services for housing/homelessness, food insecurity, transportation, employment, utility assistance, social isolation/social support, interpersonal and physical safety, justice/legal involvement, access to safe outdoor spaces, and screening and referring members to HRSN utilizing the Statewide Closed-Loop Referral System (CLRS). This quarter's updates for a few of these key areas are described below.

1. Whole Person Care - Employment

AHCCCS continues to provide a robust network of employment services available to members interested in gaining employment. AHCCCS continues to work with the Arizona Department of Economic Security (DES) to explore ways Arizona's 12 county workforce areas can use the Statewide CLRS to connect members to HRSN, including employment services through DES employment programs like Vocational Rehabilitation, Reentry Services, Apprenticeships, and Unemployment Insurance.

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2. Whole Person Care - Food Insecurity

Addressing food insecurity and nutrition is an important aspect of AHCCCS' approach to whole person care. AHCCCS understands that individuals who are enrolled in both Medicaid and government nutrition programs have better health outcomes than if they are only enrolled in one program alone. During this quarter, AHCCCS worked with DES to develop a data sharing plan that will allow AHCCCS to receive beneficiary information for members that are enrolled with Arizona's Supplemental Nutrition Assistance Program (SNAP) and Temporary Assistance for Needy Families Program (TANF) programs. AHCCCS will use this information to improve the coverage of Medicaid members enrolled in SNAP and TANF if they are eligible for programs.

In late summer, the team will develop a plan in collaboration with the new H2O Program Administrator, to facilitate an outreach intervention to encourage enrollment in government nutrition programs for members that may be eligible. AHCCCS is also working to build a parallel data sharing process with ADHS to obtain data on beneficiaries of the Women, Infants and Children (WIC) program, which will allow AHCCCS to provide a similar intervention to improve coverage for eligible individuals and families. The data sharing process for SNAP, TANF, and WIC data along with the associated interventions will be rolled out as part of the H2O Program and then expanded to other populations in 2025.

3. Whole Person Care - Housing/Homelessness

An integral area of focus in whole person care is to improve member access and support for housing, especially for members with an SMI designation who are experiencing homelessness. This quarter, AHCCCS continued to provide oversight of the contract with the Statewide Housing Administrator with a focus on preparing the State Fiscal Year 2025 housing spend plan and identifying opportunities for maintaining the number of individuals able to be served through the program while addressing challenges with increased rents. Additionally, AHCCCS worked in partnership with the MCOs and discussed challenges related to the provision of supportive services for members with high needs and developed a process for the MCOs to establish criteria that identify members in need of community-based supportive services and strategize ways to increase network capacity. AHCCCS continued efforts to implement the Housing and Health Opportunities (H2O) program scheduled to begin October 1, 2024. Efforts regarding the H2O program this quarter focused on communication with CMS regarding the approval of deliverables; developing a team of SMEs to complete the scoring of proposals received for the Request for Proposal (RFP) for the H2O-Program Administrator; identifying the selected H2O-Program Administrator; and providing notification of award on June 28, 2024. Additionally, the AHCCCS Housing Team continued participation in the Housing Accelerator program where AHCCCS receives technical assistance from federal partners to inform implementation of Arizona Section 1115 Waiver for HRSN services. This includes establishing partnerships with key contacts within Public Housing Authorities to develop agreements that will allow for prioritization of AHCCCS members who receive six months of short-term rental assistance to transition to set aside Housing Choice Vouchers.

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4. Whole Person Care – Justice Initiatives

As a key component of Whole Person Care and Health Equity initiatives, AHCCCS has developed collaborative partnerships with a growing number of Arizona's justice system stakeholders. This quarter, AHCCCS began preliminary discussions with the City of Mesa to automate booking and release data for justice-involved members who are incarcerated within that municipality.

AHCCCS began verifying an existing intergovernmental agreement with the Arizona Department of Corrections, Rehabilitation and Reentry (ADCRR) to revisit booking and release automation for AHCCCS members who are incarcerated long-term at an ADCRR facility. These efforts will improve visibility of member involvement in the justice system for both AHCCCS and MCOs, which will support continuity of care for members entering and exiting the justice system in Arizona. In addition, AHCCCS began working alongside ADCRR and Maricopa County's medical vendor, Correctional Health Services (CHS), to identify opportunities to leverage Arizona's Statewide Closed-Loop Referral System for members who are in justice settings.

5. Whole Person Care - Safe Outdoor Spaces

AHCCCS is working with the Arizona State Parks and Trails Department to offer the free Parks Rx Program, which provides tools for providers to encourage members to utilize the outdoors to improve their physical and mental health. This project is currently in development internally between the two state departments. It is important to note that ParksRx is a modality offered in addition to, not in place of, traditional care modalities. AHCCCS' collaboration with the Arizona State Parks and Trails Department to implement the Parks Rx Program was on pause this quarter while the Parks and Trails Department underwent internal program and staffing changes. The collaboration will resume next quarter.

6. Whole Person Care - Social Isolation/Social Support

This quarter, AHCCCS finalized the creation of a new policy designed to establish new services to reduce social isolation and loneliness among members in the Arizona Long-Term Care System. The new policy and services, called Supported Community Connections, will assist members with learning and acquiring a broad range of skills for developing personal and social relationships as well as building a network of supports in their community of choice. Member and provider stakeholder feedback sessions on the policy and new services were held during the previous quarter, which helped inform improvements to the policy this quarter. The new policy will be presented to the AHCCCS Policy Committee and then it will be available for a 45-day public comment period in late 2024. Establishing this new policy also helped AHCCCS identify improvements for associated policies and forms including AHCCCS' Habilitation Policy and AHCCCS' Person-Centered Service Planning Form. The new and revised policies and forms will be approved in late 2025 and will go into effect in early 2025.

7. Whole Person Care - CommunityCares Statewide Closed-Loop Referral System

Arizona's Statewide Closed-Loop Referral System, known as CommunityCares, is an electronic tool that allows our health care providers to screen and refer members to HRSN. AHCCCS contracts with Contexture to manage CommunityCares as well as the software vendor for the system (Unite Us). This quarter AHCCCS continued to see increased CLRS enrollment and

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utilization. Currently, there are 474 organizations using CommunityCares to address HRSNs for AHCCCS members. To date, the CLRS has been used to provide nearly 12,000 closed-loop referrals for HRSN services. The top five referral categories were for food assistance, housing/shelter, utility assistance, clothing/diapers/infant supplies/household goods, and transportation. AHCCCS continued to work with Contexture, the organization responsible for managing CommunityCares, to ensure the success of the CLRS. During this quarter, Contexture led biweekly outreach events to encourage providers and community organizations to use the CLRS. Additionally, Contexture staffed information tables at several outreach events each week to increase interest in the system.

Managed Care Organization Monitoring and Compliance

AHCCCS monitors and evaluates availability of services and access to care, organizational structure and operations, clinical and non-clinical quality measurement, and performance improvement outcomes through several methods including:

1. Operational Reviews
2. Review and Analysis of Periodic Monitoring Reports
3. Performance Measures
4. Performance Improvement Projects
5. Data Analysis
6. Provider Network Time and Distance Standards Monitoring
7. Appointment Availability, Monitoring, and Reporting
8. Case Management Ratios
9. Assessment of Fidelity to Service Delivery for Individuals with a Serious Mental Illness Designation
10. Surveys

A number of Contract deliverables are used to monitor and evaluate MCO compliance and performance. AHCCCS reviews, provides feedback, and approves these reports as appropriate.

Monitoring and Compliance

ALTCS-EPD Program - MCO Readiness and Member Transition

On December 1, 2024, AHCCCS awarded two statewide managed care Contracts to Health Net Access, Inc. (dba Arizona Complete Health-Long Term Care) and Arizona Physicians IPA, Inc. (dba UnitedHealthcare Community Plan) for the ALTCS-EPD Program under Solicitation YH24-0001. Contracts are effective October 1, 2024. Subsequently, three entities filed protests of the awards and these matters are now subject to the AHCCCS protest process set forth in AAC R9-28-601 et seq and R9-22-601 et seq.

AHCCCS has continued with MCO readiness and member transition activities throughout the protest process.

The award of two statewide contracts to Arizona Complete Health-Long Term Care (AzCH-LTC) and UnitedHealthcare Community Plan (UHCCP) will result in members, who are currently enrolled with

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Mercy Care and Banner-University Family Care, to transition to one of the newly awarded MCOs on October 1, 2024. This will result in approximately 17,785 members changing their enrolled MCO.

In preparation for the upcoming transition, AHCCCS continues to provide outreach to stakeholders in efforts to provide education regarding these upcoming changes. In quarter three, AHCCCS has conducted the following stakeholder presentations:

1. April 10, 2024 – State Medicaid Advisory Council (SMAC)
2. May 11, 2024 – Arizona Healthcare Association Meeting
3. May 14, 2024 – Arizona Council of Human Service Providers
4. May 16, 2024 – ALTCS Advisory Council
5. June 17, 2024 – AHCCCS Hot Topics Forum
6. June 17, 2024 – ALTCS-EPD Community Forum
7. June 18, 2024 – ALTCS-EPD Community Forum
8. June 18, 2024 – AHCCCS OIFA Advisory Council
9. June 21, 2024 – Behavioral Health Planning Council

Readiness activities for the ALTCS-EPD MCOs, as required under 42 CFR 438.66(d), have also begun with review of Contractor Readiness and Member Continuity Plan (CRMCP) tools, focusing on the following areas:

1. Administration Management
2. Delivery Systems
3. Medical Management
4. Behavioral Health
5. Quality Management and Quality Improvement
6. EPSDT and Maternal Child Health
7. Financial Reporting
8. Claims and Provider Support
9. Encounter and Reinsurance
10. Management Information Systems
11. Member Services
12. Case Management

In April, AHCCCS teams began meeting with the newly awarded ALTCS-EPD MCOs to discuss transition of member data for members who will be transitioning to a new MCO as of 10/1/2024. These discussions are set to continue up to and through the October 1, 2024, transition date to ensure newly awarded ALTCS-EPD MCOs have valuable information on members being transitioned and serve these members without disruption in care.

In May, AHCCCS leadership began meeting with each newly awarded ALTCS-EPD MCO for updates on readiness progress. Items discussed in these meetings include network updates, staffing updates, communication plan, and discussion of any identified risks and/or barriers to implementation.

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In June, AHCCCS continued to meet with the newly awarded ALTCS-EPD MCOs for evaluation of MCO Readiness as well as discussions to refine processes for transition of member data.

In July, AHCCCS submitted a detailed Readiness Report to CMS for the ALTCS-EPD implementation.

External Quality Review Organization (EQRO) – Request for Proposal (RFP)

AHCCCS issued an EQRO RFP on February 7, 2024, to secure Contractors to perform EQR-related activities including those specified in 42 CFR 438.358(b) and 42 CFR 438.358(c), produce EQR Annual Technical Report(s) as specified in 42 CFR 438.364(a), and to further ensure compliance by the State with CMS requirements including those set forth in 42 CFR 438.66. AHCCCS received proposals in April 2024 from the following three Offerors: ASU, Center for Health Information & Research (ASU CHIR); Health Services Advisory Group, Inc (HSAG); and Mercer Health & Benefits LLC (Mercer). Proposals were evaluated by AHCCCS in April and May. In June, the RFP awards and the public procurement file were posted to the AHCCCS Open Solicitations web page and awards were submitted to CMS for review and approval. The RFP awards are summarized below.

AHCCCS awarded the following activities [External Quality Review (EQR) Annual Technical Report(s) and Network Adequacy] to a single EQRO Contractor, HSAG, for the term of the Contract.

AHCCCS awarded each of the following Mandatory EQRO activities [Performance Improvement Project (PIP) Validation, Performance Measure Validation, and Compliance Reviews (i.e., Operational Reviews)] to a single EQRO Contractor, HSAG, for the term of the Contract. AHCCCS will issue Non-competitive Task Orders to the awarded EQRO Contractor to specify requirements for the performance of these activities throughout the term of this Contract.

AHCCCS awarded each of the following Optional EQRO activities [Encounter Data Validation, Member and Provider Surveys Administration and Validation, Performance Measure Calculations, Conducting PIPs, Conducting Studies on Quality, and Assisting with Quality Rating System (QRS)] to multiple EQRO Contractors as summarized below. Based on business needs, AHCCCS will issue Competitive Task Orders to the EQRO Contractor(s) awarded for that specific activity. There is no guarantee that the award of the Optional EQRO activity will result in the award of related Task Order(s).

1. HSAG was awarded six Optional EQRO activities listed in the RFP: Encounter Data Validation, Member and Provider Surveys Administration and Validation, Performance Measure Calculations, Conducting PIPs, Conducting Studies on Quality, and Assisting with QRS
2. ASU CHIR was awarded six Optional EQRO activities listed in the RFP: Encounter Data Validation, Member and Provider Surveys Administration and Validation, Performance Measure Calculations, Conducting PIPs, Conducting Studies on Quality, and Assisting with QRS
3. Mercer was awarded three Optional EQRO activities listed in the RFP: Encounter Data Validation, Conducting Studies on Quality, and Assisting with QRS.

Contracts are anticipated to be effective August 1, 2024, contingent upon CMS approval.

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Awarded Contracts will be utilized on an “as needed, if needed” basis. There is no guarantee as to the amount of work that may be performed under resulting Contracts.

Fidelity to SMI Targeted Services

AHCCCS utilizes contracted third-party evaluators to complete SAMHSA Evidence Based Practice (EBP) Fidelity Reviews of four targeted services including Assertive Community Treatment (ACT), Consumer Operated Services/Peer Run Organizations (COS/PRO), Permanent Supportive Housing (PSH) services, and Supported Employment (SE). The Western Interstate Commission for Higher Education (WICHE) Behavioral Health Program conducts the SAMHSA EBP Fidelity reviews of selected providers on a yearly basis and provides a report with the review outcomes to AHCCCS in addition to the contracted provider and the ACC-RBHA MCOs. As of June 30, 2024, WICHE completed 35 SAMHSA EBP Fidelity Reviews statewide (21 ACT, four COS, five PSH, five SE), evaluating each provider for how closely services are provided to the fidelity model. This is the first year that SAMHSA EBP Fidelity Reviews have been conducted statewide for the four targeted services. Reports have led to ongoing follow-up with the ACC-RBHA MCOs to review system improvements and opportunities for training and technical assistance specific to the implementation of ACT, Supported Employment, Consumer Operated Services, and Permanent Supportive Housing during monthly meetings.

During quarter three, AHCCCS partnered with WICHE to conduct a total of six provider learning sessions related to PSH and SE statewide. The learning sessions offered an overview of the PSH and SE SAMHSA EBP models, discussed the fidelity review process, and offered providers an opportunity to ask questions and seek additional clarification from subject matter experts. Attendees included ACC-RBHA MCO SMEs, provider leadership, and direct support providers throughout the state. On average, the 90-minute PSH and SE sessions had 39 and 20 attendees, respectively.

In addition to the ongoing fidelity monitoring, training, and technical assistance AHCCCS receives three annual reports as required by the exit stipulations of, class action suit *Arnold v. Sarn*. These three reports include a summary of the fidelity reports; a Quality Service Report (QSR) that identifies strengths, service capacity gaps, and areas for improvement; and a Service Capacity Assessment (SCA) that evaluates the network capacity of services. These reports evaluate the delivery of behavioral health services to members in Maricopa County with an SMI designation. The annual summary of fidelity reports is completed by WICHE, while the QSR and SCA are conducted by Mercer. AHCCCS received the draft 2024 reports at the end of June and continues to review the reports for finalization and publication on the AHCCCS website. Trends and recommendations will be identified and used to develop strategic goals to address behavioral health service needs.

Quality Improvement

AHCCCS implements interventions to monitor, evaluate, and report on performance through several activities which include, but are not limited to, the AHCCCS Quality Strategy. During the quarter, AHCCCS staff worked to update and finalize its July 2024 Quality Strategy utilizing information presented within its CYE 2021 through CYE 2023 Quality Strategy Evaluation. Data within the Quality Strategy Evaluation was utilized to assess the efficacy of AHCCCS' previous Quality Strategy goals and served as a roadmap in

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the development of new Quality Strategy goals and objectives. Both documents were posted to the AHCCCS website with the appropriate and timely notifications sent to CMS.

VIII. Random Moment Time Study

**Arizona Health Care Cost Containment System (AHCCCS)
Quarterly Random Moment Time Study Report
April – June 2024**

The April - June 2024 (AJ24) quarter for the Medicaid School Based Claiming (MSBC) program Random Moment Time Study (RMTS) was completed successfully with the administrative service, direct service, and personal care time study cost pools.

Active Participants

The “Medicaid Administrative Claiming Program Guide” mandates that all school district employees identified by the district’s RMTS coordinator as being qualified to provide direct services or administrative activities participate in a RMTS. Staff rosters are updated by RMTS coordinators on a quarterly basis to ensure accuracy of participants in the time study. The table below shows the number of participants in the administrative service, direct service, and personal care time study staff pools at the beginning of the quarter.

Table 8

Staff Pool	April 2024 – June 2024
Administrative	2,704
Direct Service	3,766
Personal Care	6,502

Sampling Requirements

To achieve statistical validity, maintain program efficiencies, and reduce unnecessary district administrative burden, the Arizona Health Care Cost Containment System (AHCCCS) implements a consistent sampling methodology for all activity codes and groups to be used. AHCCCS has constructed the RMTS sampling methodology to achieve a level of precision of +/- 2% (two percent) with a 95% (ninety-five percent) confidence level for activities.

Statistical calculations show that a minimum sample of 2,401 completed moments each quarter, per cost pool, is adequate to obtain this precision when the total pool of moments is greater than 3,839,197. Additional moments are selected each quarter to account for invalid moments.

Moment Response

For each of the three cost pools, more moments are generated than are needed for statistical validity, as allowed by the Time Study Implementation Guide approved by the Centers for Medicare and Medicaid Services (CMS). This oversample allows for the occurrence of invalid moments, which are observations that cannot be used for analysis (i.e., moments selected for staff no longer at the school district, who

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changed jobs and are no longer in an allowable position and their old position has not been filled or were not working and were unpaid).

Tables 9, 10, and 11 demonstrate that the administrative service, direct service, and personal care time study achieved statistical validity in the April - June 2024 quarter. The response rate reflects the number of valid responses received divided by the total number of valid moments generated per cost pool per quarter.

Administrative Service

Table 9

Quarter	Moments Generated	Valid Moments	Valid Responses Received	Response Rate
April 2024 – June 2024 Total Moments	3,000	2,651	2,605	98.26%

Direct Service

Table 10

Quarter	Moments Generated	Valid Moments	Valid Responses Received	Response Rate
April 2024 – June 2024 Total Moments	3,300	2,763	2,708	98.01%

Personal Care

Table 11

Quarter	Moments Generated	Valid Moments	Valid Responses Received	Response Rate
April 2024 – June 2024 Total Moments	3,500	2,773	2,646	95.42%

As these results illustrate, the administrative service, direct service, and personal care time study reached statistical validity for the quarter with more than 2,401 valid responses received.