

1720 – HOUSING AND HEALTH OPPORTUNITIES (H2O) PROGRAM OVERVIEW

EFFECTIVE DATE: 07/22/25

APPROVAL DATE: 05/06/25

I. PURPOSE

This Policy applies to ACC-RBHA, ALTCS E/PD, and DES DDD (DDD) Contractors; Fee-For-Service (FFS) Programs including: American Indian Health Program (AIHP), Tribal ALTCS, TRBHA, and all FFS populations, excluding Federal Emergency Services Program (FESP). (For FESP, refer to AMPM Chapter 1100) and to the Housing and Health Opportunities (H2O) Program Administrator and H2O providers. This Policy establishes requirements for the Housing and Health Opportunities Demonstration Waiver, and establishes expectations of the H2O Program Administrator requirements, implemented on October 1, 2024.

II. DEFINITIONS

Refer to the [AHCCCS Contract and Policy Dictionary](#) for common terms found in this Policy.

For purposes of this Policy, the following terms are defined as:

**COMMUNITY BASED
ORGANIZATIONS (CBO)**

A local organization, often a non-profit, non-governmental, or other charitable organization that provides services to individuals and communities to address one or more health-related social needs.

CORRECTIONAL FACILITY

Any place used for the detainment or incarceration of a person such as jails, prisons, and detention facilities. Refer to ARS 13-2501.

III. POLICY

This Policy covers AHCCCS specific criteria for the Housing and Health Opportunities (H2O) Program under the Arizona Section 1115 Demonstration Waiver approved by Centers for Medicare and Medicaid Services (CMS) on October 14, 2022. This Policy covers expectations for administering the H2O program as defined in the AHCCCS implementation protocols approved by CMS. The goal of the H2O Program is to enhance and expand housing services and interventions for AHCCCS members who are homeless or at risk of becoming homeless.

A. AHCCCS HOUSING AND HEALTH OPPORTUNITIES (H2O) PROGRAM

1. The AHCCCS H2O Program demonstration goals intend to:
 - a. Increase positive health and wellbeing outcomes for target populations including the stabilization of members' mental health conditions, reduction of substance use, improvement in the utilization of primary care and prevention services, and increased member satisfaction,
 - b. Reduce the cost of care for individuals successfully housed through decreased utilization of crisis services, Emergency Department (ED) utilization, and inpatient hospitalization, and
 - c. Reduce homelessness and improve skills to maintain housing stability.
2. The H2O Program Eligibility determination includes members with a Serious Mental Illness designation who are:
 - a. Experiencing homelessness, and
 - b. Diagnosed with a chronic health condition, or who are currently in a correctional facility with a release date scheduled within 90 days, or who were released from a correctional facility within the last 90 days.
3. The H2O-related HRSN interventions covered under the H2O Program are:
 - a. Outreach and Educational Services,
 - b. Transitional Housing,
 - c. Enhanced Shelter,
 - d. Short Term Rental Assistance,
 - e. Community Re-Integration (Move-In-Supports), and
 - f. Housing Pre-Tenancy and Tenancy Sustaining Services

For additional information and description of services refer to AMPM Exhibit 1720-1

B. H2O PROGRAM ADMINISTRATOR RESPONSIBILITIES

The H2O Program Administrator roles and responsibilities include:

1. Recruiting, onboarding and training H2O Providers to address H2O-related HRSNs interventions.
2. Establishing and verifying member eligibility for H2O services, following AHCCCS guidelines.
3. Establishing an adequate network of H2O Providers to provide approved interventions across the State.
4. Coordinating services between, and serving as the single source of contact for, the member's health plan and care coordination teams.
5. Adhering to AHCCCS billing procedures for services provided by H2O Providers and developing a streamlined process for H2O Providers to submit services for reimbursement and ensuring capability with Medicaid claims.

6. Monitoring and addressing member access to H2O services.
7. Tracking and monitoring of member H2O service utilization data and applicable H2O service limitations.
8. Providing technical assistance to H2O Providers based on established AHCCCS policies.
9. Maintaining documentation/records of all H2O members and providing to AHCCCS Division of Fee-For-Service (DFSM) within 48 hours upon request.

C. H2O CARE COORDINATION REQUIREMENTS: CONTRACTED HEALTH PLANS AND FFS PROVIDERS SERVING H2O ELIGIBLE MEMBERS

1. The Contractor shall ensure their network of providers are adhering to the care coordination policies and assisting members with accessing H2O interventions.
2. The Contractor shall enter into an agreement with the H2O Program Administrator for the sharing of information and data related to:
 - a. Member referrals and assessments,
 - b. Service coordination of HRSN interventions and supportive services,
 - c. Member-specific reporting related to the Contractor's members referred and/or those being served in the H2O Program, and
 - d. Data relevant to the evaluation and monitoring of the H2O Demonstration Waiver.
3. For FFS providers, refer to Chapter 29 of the AHCCCS FFS Provider Billing Manual which includes specific AHCCCS DFSM requirements as it relates to coordination efforts for establishing member eligibility and H2O Prior Authorization for AIHP members.