

**Background**

AHCCCS received temporary authority from the Centers for Medicare and Medicaid Services (CMS) to permit parents as paid caregivers to minor children during the federal COVID-19 public health emergency (PHE). This temporary authority allowed parents and caregivers a way to ensure their children continued to receive health care services during the pandemic, and to have a choice in whether or not to allow direct care workers into their homes. It also ensured continuity of services in the event direct care workers became ill or decided not to work as the result of COVID-19.

Absent a federally declared public health emergency, AHCCCS does not have the authority to pay parents to provide services to their minor children. Therefore, since the public health emergency has ended, Arizona obtained an extension of this Appendix K amendment, which is currently set to expire on November 11, 2023. AHCCCS is now seeking to continue the Parents as Paid Caregivers program through a permanent addition to the 1115 Waiver Demonstration.

**Q1: Will the ability to allow parents of minor children to get paid to provide services expire?**

**Q2: Will any requirements change for parents providing paid care at the end of the PHE?**

**Q3: What if we don't have another caregiver in place after the proposed Oct. 1, 2024 implementation date?**

**Q5: Can parents who haven't yet taken advantage of this option do so now?**

**Q6: What is AHCCCS doing to ensure there are enough qualified individuals to provide care after the proposed October 1, 2024 implementation date?**

**Q7: Does this apply to disabled non-minors?**

**Q8: If a parent is a licensed professional nurse (LPN or RN) and working with their child, will this also end when the flexibility ends?**

**Q9: Is this income counted when determining AHCCCS eligibility for the rest of the household?**

**Q10: How does a parent apply for parents as paid caregivers?**

**Q11: What is the compensation rate for the parent caregiver and does that apply to DDD?**

**Q12: When are wages considered "difficulty of care" payments?**

**Q13: If I apply for AHCCCS, which programs exclude these payments?**

**Q14: What if I provide these ALTCS services for someone that lives with me, but also for an ALTCS member who does not?**

**Q15: How can I indicate in my AHCCCS application that caregiver income should be disregarded?**

**Q16: What if I need verification for tax purposes that my wages are for difficulty of care?**

**Q1: Will the ability to allow parents of minor children to get paid to provide services expire?**

**A1:** The temporary authority to pay parents to provide services to minor children expires on November 11, 2023. AHCCCS has proposed to continue this authority by making the program a permanent feature of the State's 1115 Demonstration Waiver. See more details on the [Parents as Paid Caregivers web page](#).

**Q2: Will any requirements change for parents providing paid care at the end of the PHE?**

**A2:** The requirements, subject to approval from the Centers for Medicare and Medicaid Services, would generally stay the same with one exception. Parents can temporarily provide paid attendant care to their minor children if they meet all the direct care worker requirements in AHCCCS policy including, but not limited to:

- Employed or contracted by an agency,
- Passing direct care worker Level One competency tests, and
- Compliance with Electronic Visit Verification (EVV).

The only new requirement will be that parents cannot exceed 40 hours of paid care for their children in a given week regardless of whether the parent is employed by multiple agencies. However, members can still receive more than 40 hours of authorized paid care in a given week through the use of an alternate caregiver. If there are two parents getting paid to provide services to one member, the hours of the two parents combined cannot exceed 40 hours of paid care in a given week, per child. If two children are receiving personal care/attendant care services, the parent(s) may provide up to a combined 80 hours of paid care per week. AHCCCS is applying this limitation to be consistent with another program allowing legally responsible individuals to get paid to provide care. It is important to note the number of hours (up to 40) that a parent (or any Direct Care Worker) can get paid to provide care is assessed and determined through the person centered planning process and must meet medical necessity requirements. AHCCCS is proposing to implement a phased-in approach for the new 40 hour limitation. The phased-in approach will be implemented as follows:

1. From the time of approval until January 31, 2024: There will be no hourly limitations in place.
2. From February 1, 2024, until May 31, 2024: There will be an 80 hour per week limitation.
3. From June 1, 2024, to September 30th, 2024: The hourly limitation will drop to 60 hours a week.
4. Beginning October 1, 2024, and thereafter: The 40 hour per week limitation will be in effect.

**Q3: What if we don't have another caregiver in place after the proposed Oct. 1, 2024 implementation date?**

**A3:** AHCCCS encourages members and their families to start planning now for this transition, and work with the provider agency and their case manager/support coordinator on a transition plan to resume care from a Direct Care Worker (DCW), and discuss COVID-19 risk mitigation measures that you wish to continue. While planning, you should identify any DCW requirements that are specific to the unique needs and preferences of the member, and identify potential candidates to serve as a DCW including other family members, friends, neighbors, and others within their social network. If a suitable candidate is identified and available, it is strongly recommended that you transition to DCW care prior to Oct. 1, 2024.

**Q4: Can family members, including parents of adult children, continue providing paid care?**

**A4:** AHCCCS policy allows parents and family members of adult children to provide paid care. There is no hourly limitation and this policy will not change.

**Q5: Can parents who haven't yet taken advantage of this option do so now?**

**A5:** Yes, new parents eligible for the program may take advantage of this option as determined through the person centered service plan. Interested parents should work with their case manager/support coordinator.

**Q6: What is AHCCCS doing to ensure there are enough qualified individuals to provide care after the proposed October 1, 2024 implementation date?**

**A6:** AHCCCS is using the ARPA spending plan to pursue a number of different initiatives to help recruit and retain a qualified workforce including, but not limited to:

- Incentivizing people to join the workforce,
- Helping providers develop recruitment and retention strategies to meet their memberships needs,
- Enhancing training to build competencies to meet member needs, and
- Developing career pathway opportunities.

**Q7: Does this apply to disabled non-minors?**

**A7:** This program only applies to members eligible for and enrolled with the Arizona Long Term Care System (ALTCS) program.

**Q8: If a parent is a licensed professional nurse (LPN or RN) and working with their child, will this also end when the flexibility ends?**

**A8:** Yes, if the parent is providing direct care services.

**Q9: Is this income counted when determining AHCCCS eligibility for the rest of the household?**

**A9:** It depends on:

1. Whether the criteria is met that excludes these wages from federal income tax; and
2. The specific AHCCCS programs for which the person is potentially eligible. If the criteria are met, the income itself is not taxable, which means that it is excluded for MAGI programs as a whole. The income would be excluded when determining MAGI eligibility for a child or spouse whose family size (also referred to as a budget group) includes the caregiver.

**Q10: How does a parent apply for parents as paid caregivers?**

**A10:** Parents may discuss this flexibility with their ALTCS case manager/support coordinator. It is important to note the number of hours that a parent can get paid to provide care is assessed and determined through the person centered planning process and must meet medical necessity requirements.

**Q11: What is the compensation rate for the parent caregiver and does that apply to DDD?**

**A11:** Provider agencies are paid based on the [Fee-for-Service Fee Schedule](#). Please note that different rates may be negotiated by Managed Care organizations and providers.

Rates that provider agencies pay parent caregivers are determined based on a discussion between the parent and the agency who is either employing them or with whom they have a contract.

**Q12. When are wages considered “difficulty of care” payments?**

- A12:** Wages earned for providing Personal Care or Attendant Care services may be excluded when they meet both of the following:
1. The services are being paid for through the ALTCS program; and
  2. The caregiver lives with the ALTCS customer receiving the services.

**Q13. If I apply for AHCCCS, which programs exclude these payments?**

- A13:** These payments are excluded for the AHCCCS programs that count income using Modified Adjusted Gross Income (MAGI) rules. MAGI is based on federal income tax rules with some exceptions. For more information regarding MAGI rules, please see [Section 614 of the AHCCCS Medical Assistance Eligibility Policy Manual](#).

**Q14. What if I provide these ALTCS services for someone that lives with me, but also for an ALTCS member who does not?**

- A14:** The wages earned for caregiving services provided to the ALTCS member living with you may be excluded for AHCCCS MAGI programs. The wages for services provided to the other ALTCS member are not considered “difficulty of care” payments, and count as income.

**Q15. How can I indicate in my AHCCCS application that caregiver income should be disregarded?**

- A15:** If, when applying for AHCCCS, some or all earnings may be “difficulty of care payments” and disregarded as income, you can take steps to override the automatic process and alert AHCCCS of this situation.

When applying in HEAplus online, on the page with income from electronic sources that lists the employer issuing the “difficulty of care” payments, select “No” to the question that asks if the information is accurate. That will prompt the question, “Why not?” Select the response “Income is higher/lower than what is shown” or select “Other.” If possible, upload a written statement explaining that the income is for personal care services provided to a person or persons living in the home ([see Eligibility Policy Manual Chapter 606UUU](#)). Include the name of the person(s) in the home receiving services. If earnings also include amounts for providing care to someone outside the home, the statement should include a breakdown of the hourly rate and hours worked for the person in the home.

**Q16. What if I need verification for tax purposes that my wages are for difficulty of care?**

- A16:** AHCCCS can provide you with this verification. Contact AHCCCS by phone at (602) 417-4230 or (855) 842-7619, or by email at [dmpsocaservicedesk@azahcccs.gov](mailto:dmpsocaservicedesk@azahcccs.gov).