

October 26, 2022

Zane Garcia Ramadan
Assistant Director/CEO
Department of Economic Security/Division of Developmental Disabilities
1789 W Jefferson, 4th Floor
Phoenix, AZ 85007

RE: Release from Notice to Cure - Augmentative and Alternative Communication (AAC) Devices

Dear Mr. Ramadan:

The Arizona Health Care Cost Containment System, Division of Health Care Management (AHCCCS) is responding to the Department of Economic Security/Division of Developmental Disabilities' (DES/DDD) August 16, 2022 request to close a Notice to Cure (NTC) issued on March 4, 2020. The NTC was imposed as a result of DES/DDD's non-compliance with Contract YH6-0014, Section D, Paragraph 14 Case Management and Paragraph 20 Grievance and Appeals System, Section F, Attachment F1, Member Grievance and Appeal System Standards, Paragraph 9 Scope of Services and AHCCCS Medical Policy Manual (AMPM) 310-P. Additionally, DES/DDD failed to comply with federal and state coverage and authorization requirements specific to Augmentative and Alternative Communication (AAC) devices, as well failure to comply with critical grievance and appeals system protections and requirements set forth in 42 CFR Part 438 Subpart F, AHCCCS Contract YH6-0014 and AHCCCS Contractor Operations Manual (ACOM) Policy 414.

In its August 16, 2022 Request for Closure letter, DES/DDD indicates it has cured all areas of non-compliance and met the NTC requirements including the following:

- Conducted re-evaluation of all prior authorization referral denials and resolved all pending AAC referral requests and device approvals that had not yet been received by members in the specified timeframe outlined in the NTC.
- Revised DES/DDD policies and procedures for a more comprehensive, cost-effective, prior authorization process, and incorporated medical necessity and clinical review to align with industry best practices and all federal, state laws, rules and regulations.
- Updated the Division Medical Manual 1250-F Medical Supplies, Equipment, Appliances, and Customized Durable Medical Equipment and conducted staff training on the revisions.
- Developed a Standardized Prior Authorization Process including implementation of the Lean Process Improvement strategies.
- Developed a policy and a comprehensive AAC Guide for the subcontracted health plans providing guidance for managing the AAC benefit.

Further, effective January 1, 2021, DES/DDD successfully transitioned the management of the AAC benefit to its subcontracted health plans, Mercy Care and UnitedHealthcare Community Plan, which included the following:


- Implementation of a Readiness Review process to ensure a smooth transition of the benefit to its subcontracted health plans.
- Regular and ongoing monitoring oversight of the DES/DDD subcontracted health plans including a standardized reporting data template capturing prior authorization turnaround times, service and supply utilization, timeliness of service delivery and a summary outlining service data, turnaround times and explanations of remediation when applicable.
- Developed metrics for an oversight dashboard that is reviewed quarterly.
- Developed AAC review standards for the DES/DDD Operational Review tool used to assess annual subcontracted health plan performance.

AHCCCS agrees that DES/DDD has met the requirements of this Notice to Cure and addressed all required corrective actions as summarized above. As a result, AHCCCS is closing the Augmentative and Alternative Communication Devices NTC and the associated reporting requirements with the compliance action. However, DES/DDD is still required to continue its quarterly contractual reporting requirements as specified in AMPM 310-P and AMPM 310-P Attachment A. Additionally, AHCCCS reserves the right to request additional information and/or require supplementary reporting should it deem necessary.

AHCCCS expects DES/DDD to continue to demonstrate compliance regarding contract and policy requirements. Future non-compliance may result in additional Administrative Actions, as outlined in DES/DDD Contract Section D, Paragraph 76, Administrative Actions.

Should you have any additional questions, please feel free to contact Jakenna Lebsock at JakennaLebsock@azahcccs.gov or 602.417.7229.

Sincerely,


[Meggan LaPorte \(Oct 26, 2022 15:19 PDT\)](#)
Meggan LaPorte, CPPO, MSW
Chief Procurement Officer

CC:

Jami Snyder, AHCCCS Director
Shelli Silver, AHCCCS Deputy Director
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